

CANON  
SUSTAINABILITY REPORT 2026



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## Introduction

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The Canon Sustainability Report aims to support all stakeholders in gaining a deeper understanding of Canon’s thinking about sustainability and related initiatives.

To help identify key topics quickly, the 2026 edition includes a new Highlights page that lists up all major changes and progress made over the previous year.

Some sections have been omitted as their content is duplicated in other reports. Please refer to the Annual Securities Report for detailed TCFD-based scenario analysis and to the Corporate Governance Report for details of our governance structure (see table below).

Some information contained in the separate Data Summary and in the report has been subject to third-party review to achieve enhanced data integrity.

(Ref.) Data Summary  
<https://global.canon/en/sustainability/report/pdf/data-2026-e.pdf>

This report has been prepared in accordance with Global Reporting Initiative (GRI) Standards. A table comparing this report and GRI Standards is posted on the website below, and relevant GRI Standard disclosure items are clearly indicated with icons in the report.

GRI disclosure item icon example: GRI2-2

(Ref.) Comparative table for GRI Standards  
<https://global.canon/en/sustainability/gri/>

### Scope of the Report and Period Covered

FY2025 (January 1 to December 31)

Some information relates to times either before or after this period.

### Target of the Report

This report presents data from 321 companies (55 companies in Japan and 266 overseas) that are consolidated companies of the Canon Group. All environmental data (except GHG emissions) refer to 113 ISO 14001-certified companies plus one non-certified company.

(Ref.) Canon Group Directory <https://global.canon/en/corporate/group/>

### Date of Publication

May 2026 (previous: April 2025, next planned: May 2027)

### Referenced Reporting Guidelines

- GRI Sustainability Reporting Standards
- European Sustainability Reporting Standards (ESRS)
- ISO 26000 Guidance on Social Responsibility
- Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)
- Recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD)
- Guidelines for Human Capital Visualization, Cabinet Office & Ministry of Economy, Trade and Industry (Japan)
- Environmental Reporting Guidelines (2018 Edition), Ministry of the Environment (Japan)
- Environmental Accounting Guidelines (2005 Edition), Ministry of the Environment (Japan)
- Charter of Corporate Behavior, Keidanren (Japan Business Federation)

### Disclosed Data

Disclosed data has been revised to reflect changes in calculation methods and the expanded scope of sites covered. Accordingly, some data in this report differ from previously disclosed data and detailed figures may not add up to totals due to rounding.

### Notation

“Canon” refers to all companies in the Canon Group including Canon Inc. and its consolidated subsidiaries, while “Canon Inc.” indicates the non-consolidated parent company. “Employees” refers to workers who are full-time or part-time employees. In addition, “Europe” refers to the region comprising Europe, the Middle East, and Africa.

### Forward-looking Statements

This report contains not only past and present facts about Canon, but also forward-looking statements based on plans, prospects, and management policies and strategies as of the publication date. These forward-looking statements are assumptions or estimations based on information available at the time the report was prepared. Due to a range of variables, however, the results or circumstances of future business activities may vary from the forecasts contained herein.

### Contact us

TEL: (81) 3-3758-2111

URL: <https://global.canon/en/contact/sustainability-r/sustainability-r-form-e.html>

### Reports Containing Sustainability Information

Report	Description	PDF
Canon Sustainability Report	Discloses detailed and comprehensive information about Canon’s sustainability approach and framework, as well as our initiatives to address environmental, social, and governance issues.	
Canon Integrated Report	Compiles and discloses information pertaining to our longer-term corporate value creation story, including business plans, business, finance, and HR strategies, and ESG initiatives.	
Canon Annual Report	Discloses financial information as an English-language consolidated financial statement report and introduces non-financial information such as business strategies and ESG initiatives.	
Annual Securities Report	Discloses detailed information particularly about our financial situation, pursuant to the requirements of Article 24, Paragraph 1 of the Financial Instruments and Exchange Act.	
Corporate Governance Report	Discloses our corporate governance approach and structure in line with Japan’s Corporate Governance Code and provides more detailed information about our institutional design, how our governance structure operates, and an evaluation of its effectiveness.	

### About the Cover



This award-winning photo from our in-house sustainability photo competition captures the glow of fireflies along a river near one of Canon’s operational sites and conveys a wish to continue preserving this beautiful scenery.



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# Canon's Corporate Philosophy

# Kyosei

Canon's corporate philosophy is *kyosei*.

It conveys our dedication to seeing all people, regardless of culture, customs, language or race, harmoniously living and working together in happiness into the future.

Unfortunately, current factors related to economies, resources and the environment make realizing *kyosei* difficult.

Canon strives to eliminate these factors through corporate activities rooted in *kyosei*.

Truly global companies must foster good relations with customers and communities, as well as with governments, regions and the environment as part of their fulfillment of social responsibilities.

For this reason, Canon's goal is to contribute to global prosperity and the well-being of humankind as we continue our efforts to bring the world closer to achieving *kyosei*.



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# Message from the CEO



## Start of New Five-year Plan

Canon's corporate philosophy is *kyosei*. It conveys our dedication to achieving a society where all people, regardless of culture, customs, language, or race, happily live and work together. Guided by this philosophy, Canon launched the Excellent Global Corporation Plan in 1996, with the aim of becoming a corporation that perpetually contributes to society through technology and is admired and respected around the world. We have since undertaken management reforms every five years.

This year, we embark on the five-year Phase VII of the Excellent Global Corporation Plan. Looking ahead to the next five years, I am keenly aware of three major trends: increasing global fragmentation, the accelerating social implementation of AI, and increasingly acute labor shortages. Facing these realities head-on, we will boldly pursue an array of strategies in Phase VII to pave the way for growth in the next era, including addressing geopolitical risks by consolidating production bases and acquiring and cultivating human resources to capitalize more effectively on AI.

## Deepening Sustainability Management

One strategy set out in Phase VII is deepening sustainability management. Addressing social issues such as climate change, the efficient use of resources, and human rights is not just a matter of corporate social responsibility; it is also an essential condition for continuing to do business as a global corporation.

In 1993, Canon established the Canon Group Environmental Charter, which calls for us to harmonize our business activities with the global environment. We have since sought to maximize resource productivity, generating greater value using fewer resources across all product lifecycles. We have stepped up our efforts in recent years to address social issues in a range of areas to bring about a sustainable society, including human rights, human capital, and information security as well as climate change, resource efficiency, biodiversity, and other environmental fields. In 2025, among the sustainability categories to be addressed to realize our corporate philosophy of *kyosei*, we revisited material issues. We hope to contribute to the achievement of the SDGs through our initiatives to address the Group's material issues and our disclosure.

Going forward, Canon will continue to meet the expectations of our stakeholders through the power of innovation and technology, working together as a Group to help bring about a sustainable society. As we do so, I ask for your continued support.

**Fujio Mitarai**  
Chairman & CEO  
Canon Inc.

# Canon Group Overview GRI2-1 GRI2-2 GRI2-6 GRI2-7

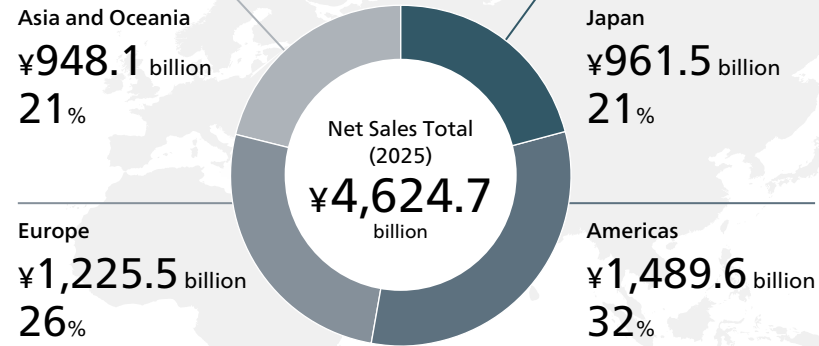
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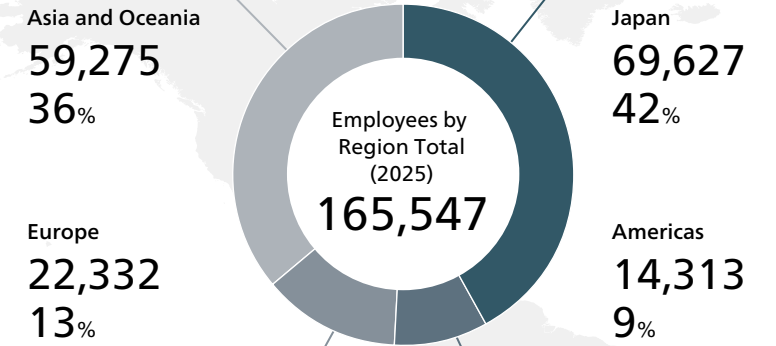
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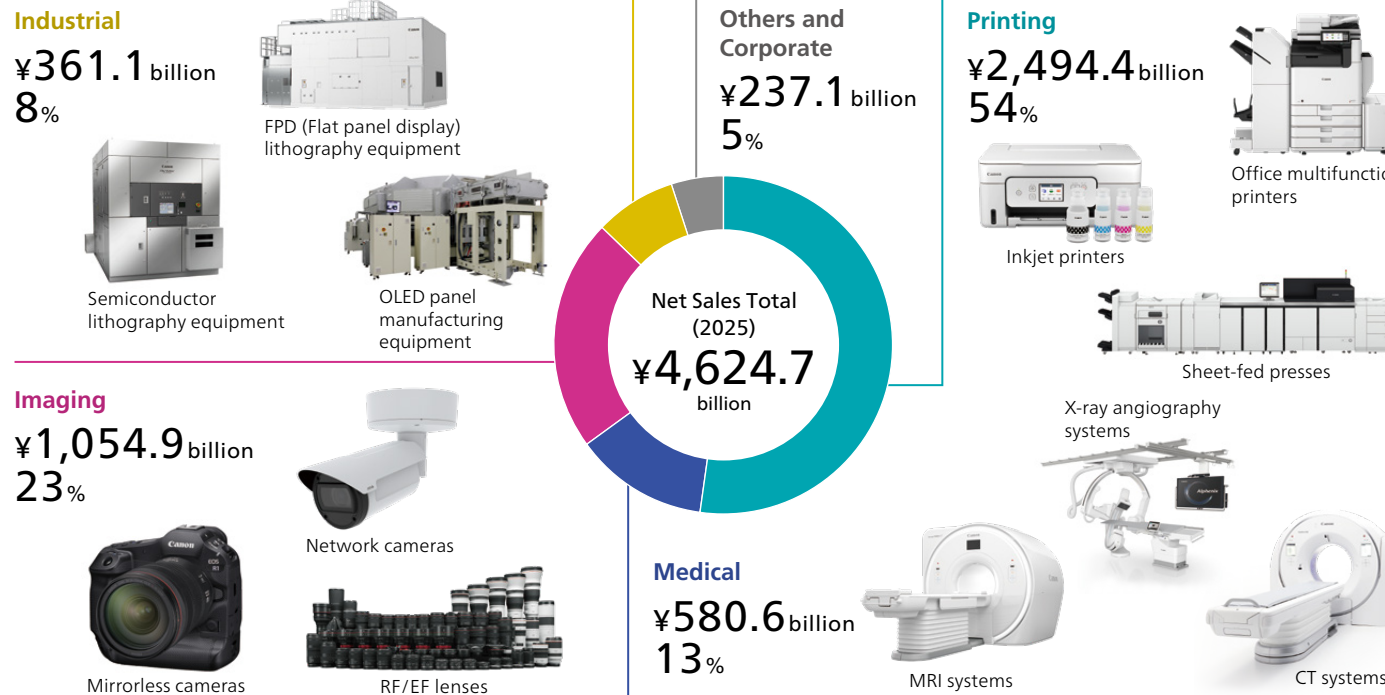
### Net Sales by Region



### Number of Employees by Region



### Net Sales by Business Unit



#### Company Information

Company name ..... Canon Inc.  
 Established ..... August 10, 1937  
 Headquarters ..... 30-2, Shimomaruko 3-chome, Ohta-ku, Tokyo, Japan  
 Chairman & CEO ..... Fujio Mitarai  
 Canon Inc. shareholders' equity: Common stock ..... ¥174,762 million  
 Group companies ..... 321 consolidated subsidiaries  
 Affiliated companies accounted for by the equity-method ..... 8

Please refer to Group company websites for further information.  
<https://global.canon/en/corporate/group/index.html>

\* Sales ratios do not total 100% due to sales between segments.  
 \* Please refer to the Integrated Report for detailed information on the strategies of each business. <https://global.canon/en/ir/library/integrated.html>



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# Highlights

This page summarizes key topics of the Sustainability Report, including changes and progress throughout the year, as well as examples of how Canon is contributing to the environment and society through its products and technologies.

## Changes, progress over the past year

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# Sustainability Management

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## Approach to Sustainability

Canon formulated an Approach to Sustainability in October 2021.

### Approach to Sustainability

Since 1988, Canon has been striving to uphold our corporate philosophy of *kyosei* (living and working together for the common good) in order to contribute to worldwide prosperity and happiness.

A society in which all people live and work together, respecting one another and coexisting happily, regardless of culture, customs, language, ethnicity, or region. And a society in harmony with nature, able to preserve Earth’s abundant resources for future generations.

To realize such a society, Canon will create new value through the power of innovation and technology, providing world-first technologies and world-leading products and services while also contributing to solutions for the problems our society faces. By providing greater value while using fewer resources throughout all product lifecycles, we aim to enable affluent lifestyles while protecting the environment.

Through our corporate activities, Canon proactively works toward realizing a sustainable society.

### Key Sustainability-related Guidelines

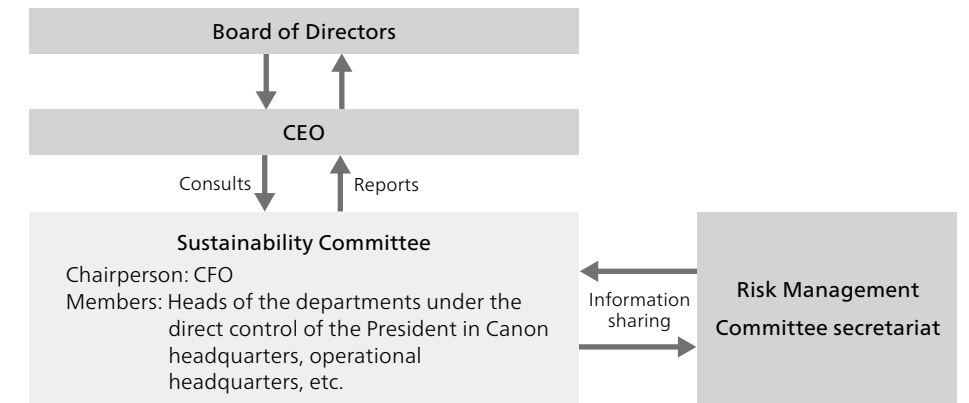
- [Canon Group Environmental Charter](#)
- [Canon Group Environmental Vision](#)
- [Canon Group Biodiversity Policy](#)
- [Canon Group Water Resources Policy](#)
- [Canon Group Human Rights Policy](#)
- [Canon Group CSR Activity Policy](#)
- [Universal Design Action Guidelines](#)
- [Canon Group Code of Conduct \(→P88\)](#)
- [Canon Sustainability Supplier Guidelines](#)
- [Canon Group Basic Policy on Responsible Minerals Sourcing](#)

## Sustainability Promotion System

Canon Inc. has established the Sustainability Committee to serve as an advisory body to the CEO, with the aim of organizing sustainability-related information and conducting prior deliberation of various topics to support the CEO and Board of Directors in making appropriate and effective decisions related to the sustainability measures and initiatives undertaken in the Canon Group. Committee members are appointed by the CEO from among the heads of the departments under the direct control of the President in Canon headquarters, operational headquarters, etc., and the CFO serves as the chairperson. The committee ordinarily meets once every fiscal half-year, but extraordinary meetings can also be convened if the Chair deems it necessary. In 2025, the committee met three times to discuss non-financial disclosure in the Annual Securities Report; material issues and related metrics and targets; and reporting on sustainability activities. In addition, the committee held lectures by invited external experts in order to facilitate deliberations based on changes in the sustainability landscape and the latest domestic and international trends. All matters deliberated by the committee were reported to the CEO.

Canon Inc. established the Sustainability Headquarters to promote sustainability across the Group, headed by the director with responsibility for sustainability. Besides promoting sustainability activities across Canon Group, for specialized issues, departments such as Legal Affairs, Human Resources, Quality Assurance, and Procurement undertake initiatives leveraging their expertise.

### Sustainability Committee Structure



Please refer to the following URL for the positioning of the Sustainability Committee within the corporate governance structure.

Reference: Corporate Governance

<https://global.canon/en/sustainability/governance/corporate-governance/management/>



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■ Engagement in Initiatives

- Responsible Business Alliance (RBA)
- Responsible Minerals Initiative (RMI)
- Task Force on Climate-related Financial Disclosures (TCFD)
- Science Based Targets initiative (SBTi)
- Japan Climate Initiative (JCI)
- WIPO GREEN
- 30by30 Alliance for Biodiversity
- CMP Consortium

Developing Company-wide Initiatives

At Canon, we utilize various opportunities to help develop a sustainability mindset across the Group and to further revitalize sustainability-related activities. Moreover, we assess the results achieved under the business policies of each operating division and manufacturing and marketing company under a consolidated performance evaluation system, as well as the results of their various environmental and social contribution activities, to raise awareness among executives.

We also conduct a wide range of training for managers and employees as part of our efforts to raise sustainability awareness. In 2025, a total of 23,063 employees from the global Canon Group took part in training focused on ways of improving sustainability in daily operations. Separately, we conduct regular sustainability awareness surveys of Canon Inc. employees, drawing on the findings to propose ways of further boosting employee awareness of sustainability issues.

Additionally, we pursue various activities seeking to instill the level of proper sustainability practices across the Group. These include information-sharing sessions for the sustainability representatives of Group companies, sustainability awards and related educational campaigns, and other sustainability-themed events.

■ Examples of Activities Conducted in 2025

- Sustainability lectures by outside experts
- Diversity program with sessions led by employees with hearing impairments
- Sustainability Photo Competition
- Food Waste Reduction event (canteen)
- Reports and online channel distributing varied range of sustainability-related information

Reference: Canon Sustainability Channel  
<https://global.canon/en/sustainability/policy/#anchor01>

Diversity program Experiencing the World of the Hearing Impaired

Taught by hearing-impaired employees, the diversity program Experiencing the World of the Hearing Impaired helps employees better understand their colleagues with hearing impairments. The hands-on sessions incorporating games provide an opportunity to consider diversity in hearing and learn about how to communicate with the hearing impaired.

Eight program workshops were organized in 2025, involving an overall total of 257 participants from Canon Inc. and domestic Group companies.



Experiencing the World of the Hearing Impaired (diversity workshop)

# Stakeholder Engagement GRI2-12 GRI2-29

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Canon conducts ongoing dialogue with various stakeholders to deepen mutual understanding. In addition to addressing societal issues at the national or local level, we are working to upgrade Canon initiatives and disclosures in alignment with stakeholder interests. The table below outlines communication methods employed in our business activities for important dialogues with stakeholder groups. The report also

includes comments from employees as well as external parties on the stakeholder impacts of Canon’s business activities.

Any external inquiries may be directed to the Canon website\*. All opinions or requests are promptly shared with, and answered by, the relevant division.

\* Inquiries about Canon  
<https://global.canon/en/contact/inquiry/inquiry-form-e.html>

☞ : Comments from Stakeholders

Stakeholder	Topics of Interest	Main Communication Methods	Related Information
Customers	<ul style="list-style-type: none"> <li>Provision of high-value-added products and services of high quality</li> <li>Provision of appropriate information on products and services</li> <li>Responding to inquiries</li> <li>Improving customer support</li> </ul>	<ul style="list-style-type: none"> <li>Customer advice centers</li> <li>Service centers</li> <li>Website/social media</li> <li>Customer satisfaction surveys</li> <li>Showrooms</li> </ul>	<ul style="list-style-type: none"> <li>After-sales support (→P75)</li> </ul>
Shareholders/ Investors	<ul style="list-style-type: none"> <li>Medium- to long-term management strategy aimed at achieving continued growth</li> <li>Financial condition</li> <li>Business plan and related progress</li> <li>ESG activities</li> </ul>	<ul style="list-style-type: none"> <li>General meeting of shareholders</li> <li>Corporate strategy conference</li> <li>Financial results conferences</li> <li>Individual meetings with institutional investors</li> <li>Integrated Report, Annual Securities Report</li> <li>Investor relations website</li> </ul>	<ul style="list-style-type: none"> <li>Investor Relations <a href="https://global.canon/en/ir/">https://global.canon/en/ir/</a></li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>Procurement policies</li> <li>Requests to address social issues</li> <li>Analysis of business trends and supplier performance</li> <li>Product/technology trends</li> <li>Improved efficiency of the chemical substance information transmission scheme</li> </ul>	<ul style="list-style-type: none"> <li>Procurement annual meeting</li> <li>Supplier surveys</li> <li>Business briefings to suppliers</li> <li>Onsite supplier briefings</li> <li>Technology exhibitions by suppliers</li> <li>Promotion of green procurement</li> </ul>	<ul style="list-style-type: none"> <li>Utilization and development of the chemSHERPA system for information sharing on chemical substances (→P38)</li> <li>Respect for human rights in the supply chain (→P53)</li> <li>Supply chain management (→P77)</li> <li>Supplier collaborating in reducing environmental impact (→P79) ☞</li> </ul>
Employees	<ul style="list-style-type: none"> <li>Improvement in workplace environments</li> <li>Management policies</li> <li>Maintenance of employee benefit programs</li> <li>Support for career development</li> <li>Maintenance of personnel evaluation system</li> <li>Maintenance of workplace safety system</li> <li>Cultivation of high company morale</li> </ul>	<ul style="list-style-type: none"> <li>Labor-management conferences and committees</li> <li>Information sharing from top management</li> <li>Training programs</li> <li>Career matching system</li> <li>Whistleblower system</li> <li>Employee awareness surveys</li> <li>Safety and Health Committee</li> <li>Compliance meetings</li> <li>Human resource hotline</li> </ul>	<ul style="list-style-type: none"> <li>Employee involved in the business of recycling multifunction printers (→P17) ☞</li> <li>Winners of Environmental Award (→P18) ☞</li> <li>Production site using new activity support system (→P25) ☞</li> <li>Sales company representative (→P33) ☞</li> <li>Procurement Division employee who underwent training (→P51) ☞</li> <li>Employee in charge of on-site supplier inspection (→P54) ☞</li> <li>Participant in leadership training for women (→P61) ☞</li> <li>Occupational physician (→P66) ☞</li> </ul>

☞ : Comments from Stakeholders

Stakeholder	Topics of Interest	Main Communication Methods	Related Information
Local Communities	<ul style="list-style-type: none"> <li>Fulfilling responsibilities as corporate citizen to participate in local community activities</li> <li>Contributions to local communities through business operations</li> <li>Protection/conservation of local community ecosystems</li> </ul>	<ul style="list-style-type: none"> <li>Emergency disaster-relief assistance</li> <li>Disaster-preparedness and crime-prevention drills</li> <li>Involvement in local groups/ organizations</li> <li>Ecosystem protection/conservation activities</li> <li>Local events and volunteer activities</li> <li>Environmental education and awareness activities</li> </ul>	<ul style="list-style-type: none"> <li>Biodiversity (→P41)</li> <li>Sociocultural support activities (→P81)</li> <li>Museum curator (→P84) ☞</li> </ul>
Other Companies	<ul style="list-style-type: none"> <li>Industry trends</li> <li>Product/technology trends</li> <li>Addressing social issues that affect multiple industry sectors</li> </ul>	<ul style="list-style-type: none"> <li>Participation in environmental technology initiatives</li> <li>Participation in standardization for common foundational technologies of IoT systems</li> </ul>	<ul style="list-style-type: none"> <li>Collaborating with other companies and leveraging each other’s strengths to support education (→P83)</li> </ul>
Central/Local Governments	<ul style="list-style-type: none"> <li>Legal/regulatory compliance</li> <li>Trends in government policy</li> </ul>	<ul style="list-style-type: none"> <li>Opinion exchange with central government agencies and local government authorities</li> <li>Dialogue with economic organizations and industry groups</li> <li>Cooperation in surveys and questionnaires</li> </ul>	<ul style="list-style-type: none"> <li>Cooperation with Industry Groups (→P80)</li> </ul>
Educational/ Research Institutions	<ul style="list-style-type: none"> <li>Optical technology</li> <li>Cutting-edge technology</li> <li>Joint research</li> <li>Environmental education</li> </ul>	<ul style="list-style-type: none"> <li>Joint R&amp;D projects</li> <li>Company overview and business briefing</li> <li>Visits to Canon Foundation grant recipients</li> <li>Internship programs</li> <li>Meetings with research institutions, including collaborative projects with industry and academia</li> <li>Providing committee members to various academic societies</li> <li>Providing instructors for outreach classes and industry-academia collaborative programs</li> </ul>	<ul style="list-style-type: none"> <li>Contributing to society through academic study and research (→P85)</li> <li>Environmental communication (→P19)</li> </ul>
NGOs/NPOs	<ul style="list-style-type: none"> <li>Issues affecting global society such as refugee issues and poverty</li> <li>Disaster relief support</li> <li>Ecosystem protection/conservation</li> <li>Supply chain risks</li> </ul>	<ul style="list-style-type: none"> <li>Collaborative biodiversity conservation projects</li> <li>Humanitarian and disaster-relief activities in disaster-affected areas</li> <li>Collaboration to achieve a green supply chain</li> </ul>	<ul style="list-style-type: none"> <li>Biodiversity (→P41)</li> <li>Sociocultural support activities (→P81)</li> <li>Coral reef restoration project team (→P45) ☞</li> <li>Canon Young People Programme alumni (→P81) ☞</li> </ul>

**External Recognition**

Canon has received awards and citations from various external bodies for the efforts it has made to satisfy stakeholder expectations. Please refer to the URL below for further details.

Reference: Recognition <https://global.canon/en/sustainability/recognition/index.html>



# Material Issues

GRI2-23 GRI2-25 GRI3-1 GRI3-2 GRI3-3

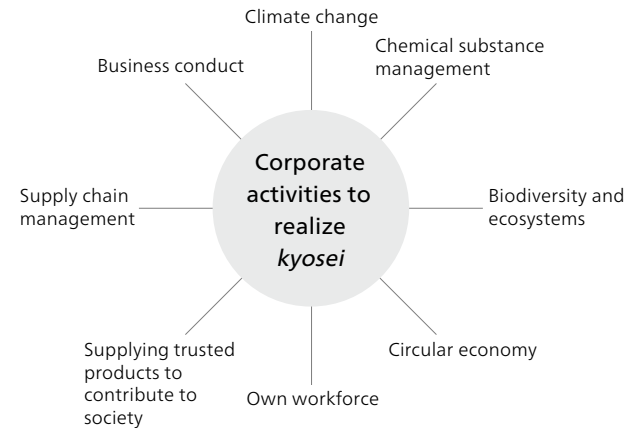
## Identification of Material Issues

Based on our corporate philosophy of *kyosei*, Canon has worked to grasp evolving social trends and maintain sound governance while developing its businesses by effectively leveraging a corporate DNA that consists of respect for humanity, emphasis on technology and an enterprising spirit, as well as resources including a robust financial base, a wealth of human capital, and sophisticated technologies.

In 2025, in line with changes to the business environment and in issues facing society, we identified eight material issues on sustainability to help realize *kyosei*, selecting from various business activities consistent with Canon’s medium- to long-term business plans.

## Material Issues Identified

- Climate change
- Chemical substance management
- Biodiversity and ecosystems
- Circular economy
- Own workforce
- Supplying trusted products to contribute to society
- Supply chain management
- Business conduct



## Identification Process

### STEP 1: Acknowledging issues

The major issues for Canon were identified after considering societal trends, laws, regulations and guidelines relating to sustainability, and with reference to the views of outside experts.



### STEP 2: Evaluating issues

Issues identified were evaluated based on their likelihood and degree of importance, both now and in the future, taking account of the environmental and societal impact of our business activities as well as the financial impact on Canon of environmental and societal factors (risks/opportunities).



### STEP 3: Evaluating appropriateness

From the issues evaluated, candidates for material issues were chosen by taking into consideration the views of stakeholders inside and outside the Group, such as institutional investors, NGOs, non-profits, experts, and our employees, on what will help to realize our corporate philosophy of *kyosei*.



### STEP 4: Selecting material issues

The material issues identified in the previous step were discussed in the Sustainability Committee and finally selected by CEO approval.

Besides these identified material issues, we position sociocultural support activities as critical to capitalizing on the technology and expertise developed through our business activities to support the ongoing development of local communities—something that has always been and remains a key focus for the company.



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**Why the Material Issues Are Important**

<p><b>Climate change</b></p>	<p>We recognize that climate change could have a significant negative effect on our business stemming from the risk of climate-related impacts, such as operational stoppages caused by natural disasters, higher regulatory compliance costs, reputational damage from non-compliance, or the loss of sales opportunities.</p> <p>At the same time, we believe responding to climate change is important because there are also opportunities to increase sales arising from higher demand for products that help customers adapt to climate change while reducing costs from improvements in energy efficiency, thereby supporting growth in profits.</p>
<p><b>Chemical substance management</b></p>	<p>Canon regards supplying customers with safe products as a fundamental part of our mission as a manufacturer. Our product development complies with in-house standards modeled on the most stringent regulations in the world. Moreover, to avoid the risk of significant harm to human health or the environment, we believe in the importance of ensuring that emissions of chemical substances from Group business sites stay within regulatory limits.</p>
<p><b>Biodiversity and ecosystems</b></p>	<p>We recognize the importance of addressing nature-related issues to help prevent the loss of economic activity or other negative consequences for the ongoing development of society and Canon. Mitigating the risk of water shortages and water pollution has become an issue of societal importance. We believe addressing water-related issues is critical to our business sustainability since significant water resources are required in manufacturing processes for Canon products.</p>
<p><b>Circular economy</b></p>	<p>In line with the Canon Group Environmental Charter, we pursue maximum efficiency in our use of resources to support the sustainable development of society. With fears of resource depletion fueling global interest in recycling, Canon recognizes the importance of working as a manufacturer to help make society more focused on recycling. Demand is growing for products and consumables that can contribute to the circular economy, in turn leading to the creation of business opportunities. Canon is pursuing strategies to promote the ongoing recycling of resources to maximize the value generated by resource efficiency.</p>
<p><b>Own workforce</b></p>	<p>“Respect for humanity” has been an element of Canon’s DNA since its foundation. Based on this philosophy, we manage our human capital to maximize its value as the main source of our value creation. Ensuring that workplaces allow employees to play an active role with mutual respect for diversity is essential to generating innovation, which relies on employees being able to fulfil their potential by drawing on their individuality and skills, based on a range of perspectives and ideas. We also think ensuring the health and safety of employees is the foundation of a good business. Guided by this thinking, Canon respects the diversity of employees, including their culture, customs, language, and ethnicity. We pursue the fair recruitment of human resources based on merit, irrespective of age, gender, or ability, and strive to create safe, secure working environments for employees.</p>
<p><b>Supplying trusted products to contribute to society</b></p>	<p>Based on Canon’s basic quality concept of “No Claims, No Trouble,” we strive continually to ensure customers can use our products and services with Safety, Smartness, and Satisfaction, and we therefore recognize the selection of these quality indicators as extremely important.</p>
<p><b>Supply chain management</b></p>	<p>Canon purchases electronic parts, mechanical parts, units, and materials from suppliers around the world based on collaborative relationships. We recognize that we have a responsibility to promote sustainable procurement activities together with our suppliers.</p>
<p><b>Business conduct</b></p>	<p>We are convinced that conducting business appropriately grounded in fostering a transparent and sustainable corporate culture, as well as in developing internal frameworks and processes that support proper business operations is the foundation for earning the trust of all Canon’s stakeholders.</p>



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Materiality Metrics and Targets

The following table outlines metrics and targets related to the eight identified material issues. The United Nations Sustainable Development Goals (SDGs) relating to each Material Issue are also shown.

Material issues (Relevant SDGs)	Initiative	Metric	Target (deadline)	Change in metric/target	Scope	Results/achievements	Status
<b>Climate change</b> 	Reduce Scope 1 & 2 emissions	SBT absolute emission reduction: Scope 1 & 2 emissions	42% reduction compared to 2022 level (by 2030)	Ongoing	Canon	6.3% reduction	Further improvements are needed to achieve the target.
	Reduce Scope 3 emissions	SBT absolute emission reduction: Scope 3 emissions	25% reduction compared to 2022 level (by 2030)	Ongoing	Canon	19.4% reduction	On track to achieve the target
	Reduce Life Cycle CO <sub>2</sub> emissions	Life Cycle CO <sub>2</sub> emissions Index (average annual improvement per product unit)	- Average annual improvement of 3% - Cumulative 50% improvement over 2008	Ongoing	Canon	- Average annual improvement of 3.59% (between 2008 to 2025) - Cumulative 45.5% improvement over 2008	- Average annual improvement: Achieved - Cumulative improvement over 2008: On track to achieve the target
<b>Chemical substance management</b> 	Ensure environmental regulatory compliance by Group sites	Regulatory value for wastewater effluent applicable to each site	Keep wastewater effluent at 80% of regulatory value (annually)	New	Canon*1	Implemented	Achieved
	Assess, manage, and reduce use of controlled chemical substances in products, and related emissions	Cease the procurement of any items containing prohibited chemical substances	In principle, deliveries by suppliers of items containing prohibited chemical substances to cease 12 months prior to any regulatory ban (annually)	Ongoing	Canon	Implemented	Achieved
<b>Biodiversity and ecosystems</b> 	Reduce use of water resources	Water usage per basic unit	Annual 1% improvement in per-unit usage	Ongoing	Canon*2	0.9% improvement	The target has not been achieved due to factors such as an increased production ratio of products with high water usage. We aim to achieve the target through thorough management of usage suitable for the processes.
<b>Circular economy</b> 	Promote resource efficiency at every stage (Produce, Use, Recycle)	Resource recycling rate for Printing Business products*3	50% (by 2030)	Ongoing	Canon	16.7%	Further promote resource circulation initiatives to achieve the target
		Reduction of virgin resource usage in new toner cartridge products by recycling cartridges	Consistent use of recycled materials in toner cartridge products (annually)	New	Canon	Recycled materials used	Achieved
		Waste emissions from medical business operations	1% reduction in annual rate (annually)	New	Canon	4.2%	Achieved
		Proportion of interchangeable-lens digital cameras, interchangeable lenses, and digital compact cameras newly released in the year with packaging materials eliminating single-use plastics*4	100% (by 2030)	New	Canon	90%	On track to achieve the target
		Proportion of i-line and KrF lithography equipment shipped in 2001 or later still operational	95% (by 2030)	New	Canon	92.6%	On track to achieve the target

\*1 Sites covered by ISO 14001 certification

\*2 Production/development sites within ISO 14001 certification

\*3 Excluding OEM products

\*4 This refers to petroleum-derived plastics, and excludes the raw materials used for labels, coatings, and adhesives



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Material issues (Relevant SDGs)	Initiative	Metric	Target (deadline)	Change in metric/target	Scope	Results/achievements	Status
Own workforce 	Promote diversity	Ratio of female managers	10% (by 2030)	Revised	Canon Inc.	4.6%	Achieved 2025 target in 2024, ahead of schedule
		Rate of men taking childcare leave	100% (by 2030)	Revised	Canon Inc.	86.3%	Achieved 2025 target in 2024, ahead of schedule
	Promote internal recruitment	Number of people recruited internally	Ensure everyone serves as an operational asset by putting the right people in the right jobs and creating a framework to support self-directed career development by employees (annually)	New	Canon Inc.	281 persons	Efforts ongoing
	Increase engagement	Engagement scores	Target continuous improvement in scores via measures to invigorate the workplace culture, such as training managers using feedback from employee surveys and providing support for young employees (once every two years)	New	Canon Inc.	53%	Efforts ongoing
	Create safe and secure working environments	Cancer screening attendance rate (40 years and above)	70% (annually)	New	Canon Inc. and domestic Group companies	52%*5	Screening rates are increasing gradually, but target has not been reached. We continue to focus on increasing screening rates for colon cancer and cancers specific to women in particular
Supplying trusted products to contribute to society 	Create safe and secure working environments	Number of machinery-related accidents	0 (annually)	Ongoing	Canon Inc. and domestic Group companies	4 cases	Group-wide simultaneous check of residual risk management status regarding machinery-related accidents
		Number of accidents caused by highly hazardous chemical substances	0 (annually)	Ongoing	Canon Inc. and domestic Group companies	2 cases	Confirm management status during Chemical Substances Awareness Month and appropriately conduct risk assessments of chemical substances
	Respecting human rights	Implementation rate of human rights due diligence	100% (annually)	New	Canon*6	100%	Achieved
Supply chain management 	Respecting human rights	Implementation rate of human rights-related education and awareness activities	100% (by 2027*7)	New	Canon*8	80%	On track to achieve
		Ensure rigorous operation of Proprietary Quality Management System	Achievement level of Quality Standard in product realization process for Canon-branded products	100% at product launch (annually)	New	Canon	100%
	Ensure appropriate and thorough response to product security issues	Implement responses to vulnerabilities identified in Canon-branded products	100% (annually)	New	Canon	100%	Achieved
	Raising quality awareness	Implement basic quality training	100% of newly hired employees and newly appointed divisional managers (annually)	New	Canon Inc.	Newly hired employees: 100% Newly appointed divisional managers: 100%	Achieved
Business conduct 	Supply chain management	Holding quality-related events	Holding continually, Quality Month events and the Quality Awards (annually)	New	Canon*9	Implemented	Achieved
		Request suppliers to adhere to Canon sustainability policies	Completion rate of requests to major suppliers to comply with Canon Sustainability Supplier Guidelines	100% (annually)	New	Canon*10	100%
	Undertake risk assessments on suppliers	Proportion of major suppliers completing SAQs (Self-Assessment Questionnaires)	At least 95% (annually)	New	Canon*10	99.5%	Achieved
Business conduct	Promoting corporate ethics	Number of serious compliance violations	0 (annually)	New	Canon	0 results found	Achieved
		Adoption of Canon Group Code of Conduct by Board of Directors or equivalent entity across all Canon Group companies	Every company in principle (annually)	New	Canon*11	Adopted	Achieved
	Institute internal whistleblowing system	Establishment of whistleblower hotline at all Canon Group companies	Every company in principle (annually)	New	Canon*11	Established	Achieved

\*5 Reporting period: FY2024 (April 2024–March 2025); FY2025 results due to be disclosed in the next report

\*6 Group companies selected by the Human Rights Secretariat to implement human rights due diligence

\*7 Three-year period from 2025 to 2027

\*8 Group companies selected by the Human Rights Secretariat to implement human rights education and awareness activities

\*9 Major worldwide development/production subsidiaries and regional sales headquarters

\*10 Major production companies (domestic/overseas)

\*11 Companies subject to assessment under financial reporting internal controls (refer to Annual Securities Report)



# Environmental Management GRI2-23 GRI2-25 GRI3-2 GRI3-3

Canon works to protect and conserve the environment throughout the product life cycle.

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## Canon's Approach to Environmental Assurance

Acting on the foundation of its Approach to Sustainability (→P07), Canon works to protect and conserve the global environment in line with the Canon Group Environmental Charter and the Canon Group Environmental Vision.

### Canon Group Environmental Charter

**Corporate Philosophy: Kyosei**

Achieve corporate growth and development while contributing to the prosperity of the world and the happiness of humankind.

**Environmental Assurance Philosophy**

In the interest of world prosperity and the happiness of humankind, pursue maximization of resource efficiency, and contribute to the creation of a society that practices sustainable development.

**Fundamental Policies for Environmental Assurance**

Seek to harmonize environmental and economic interests in all business activities, products, and services (the EQCD concept); offer products with lower environmental burden through innovative improvements in resource efficiency, and eliminate anti-social activities that threaten the health and safety of mankind and the environment.

**EQCD Concept**

E: Environment (environmental assurance) .....	Companies are not qualified to manufacture goods if they are incapable of environmental assurance.
Q: Quality .....	Companies are not qualified to market goods if they are incapable of producing quality goods.
C: Cost .....	Companies are not qualified to compete if they are incapable of meeting cost and delivery requirements.
D: Delivery .....	

1. Optimize the organizations for prompting the Canon Group's global environmental efforts, and promote environmental assurance activities for the Group as a whole.
2. Assess the environmental impact of entire product lifecycles and explore ways to minimize environmental burden.
3. Promote the research and development of technologies and materials essential for environmental assurance and share the achievements with society.
4. Comply with all applicable laws in each country/region and other requirements the Canon Group agrees upon with stakeholders, and promote energy and resource conservation and elimination of hazardous substances in all corporate activities.
5. In procuring and purchasing necessary resources, give priority to materials, parts, and products with lower environmental burden.
6. Establish an Environmental Management System (EMS) and establish and periodically review environmental objectives and targets to prevent environmental pollution and damage, and steadily reduce environmental burden.
7. Actively disclose to all stakeholders information on environmental burden and keep them updated on the progress of environmental measures.
8. Raise the environmental awareness of employees and educate them to take the initiative in environmental protection.
9. Maintain close relationships with governments, communities, and other interested parties, and actively support and participate in environmental protection activities.

Date of establishment March 1993  
Date of revision December 2024

Chairman & CEO  
Canon Inc.

Canon Group Environmental Charter

### Canon Group Environmental Vision

Through technological innovation and improved management efficiency throughout all of its corporate activities, Canon aims to achieve sustainable corporate growth while also realizing a society that promotes both enriched lifestyles and the environment.

To this end, Canon offers greater value using fewer resources throughout the entire product lifecycle —Produce, Use, Recycle—

to achieve highly functional products with minimal environmental burden. Canon continues to expand these activities with its customers and business partners.

Canon will contribute to a future that promotes both enrichment and the environment through technological innovation.

Canon Inc.  
Date of establishment August 2008  
Date of revision December 2024

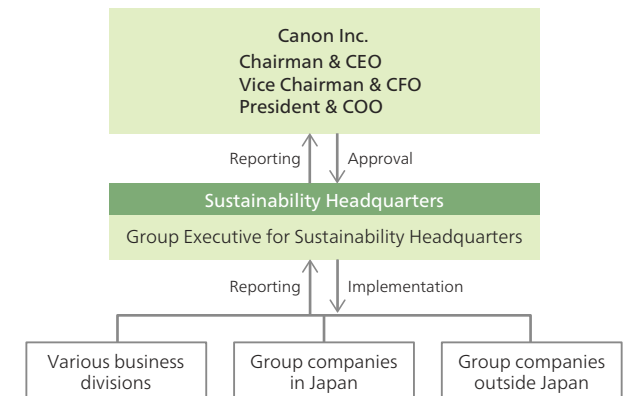
Canon Group Environmental Vision

## Global Environmental Promotion System

Under the supervision of the CFO of Canon Inc., Canon is conducting environmental activities with the aim of achieving Canon's environmental targets and realizing Canon Group environmental vision. We use a global framework comprising the Canon products operations and Canon Group companies in Japan and overseas. In implementing these activities, the Group Executive for Sustainability Headquarters regularly reports to the Chairman & CEO, the Vice Chairman & CFO, and the President & COO\* to obtain approval.

\* As of April 2026.

Global Environmental Promotion System (as of April 1, 2026)



Moreover, the Sustainability Committee identifies risks and opportunities with regard to sustainability-related matters requiring Canon's response or engagement, deliberates on response policies and measures, and receives approval from the CEO (→P07).



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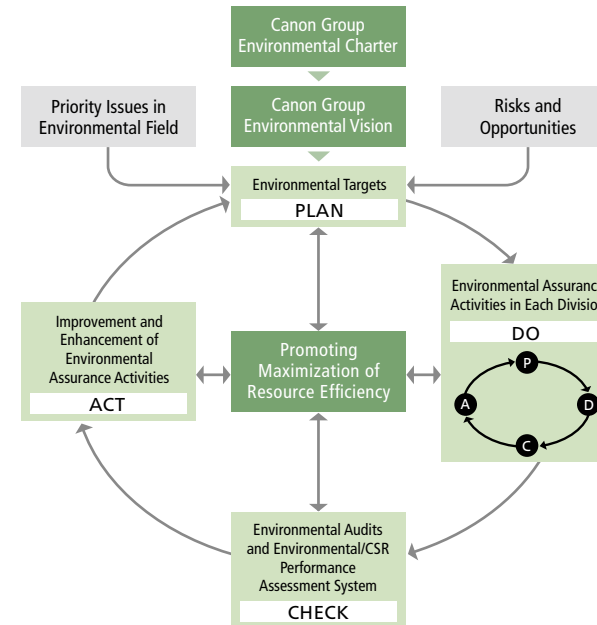
Canon has instituted a common environmental management system (EMS) in line with the ISO 14001 standard covering Group operational sites worldwide. To promote environmental assurance activities (Do) that are linked with the activities of each division (products operations, operational sites, and Group companies), the EMS identifies priority issues, risks, and opportunities in the environmental field and sets annual and medium-term environmental targets (Plan) based on these, which are reflected in our business activities. Moreover, we carry out Environmental audits to check the progress of initiatives as well as any issues to be addressed in each division, and Environmental and CSR performance assessments, to assess our environmental performance (Check). We then work to continually improve and enhance our environmental assurance activities (Act). The Sustainability Committee also uses this PDCA cycle to manage risks and opportunities it has evaluated and identified through deliberations. By implementing the PDCA cycle for environmental assurance activities of each division, we achieve continual improvement and reinforcement and advance the environmental assurance activities of the entire Canon Group. The Sustainability Headquarters ensures the smooth management of this system by gathering Canon's Environmental Management System information on environment-related laws and regulations, establishing environmental policies and rules for the entire Group, and planning and managing evaluation methods for environmental assurance activities. Reflecting the need for independent, third-party evaluation of EMS effectiveness, all Canon Group operating sites with manufacturing or marketing functions are ISO 14001-certified. In 2025, Canon Inc. as

well as Group companies operating in 39 countries and regions (in total, 113 companies/512 operational sites) had gained ISO 14001 certification. The acquisition of consolidated Group certification has supported stronger corporate governance and more efficient environmental management. The progress of activities is one element of the management review used to monitor this area, which includes relevant reporting to and approval of the Chairman & CEO, the Vice Chairman & CFO, and the President & COO\* of Canon Inc.

\* As of April 2026.

Reference: Certifications Obtained  
<https://global.canon/en/sustainability/data/pdf/canon-list-e.pdf?001>

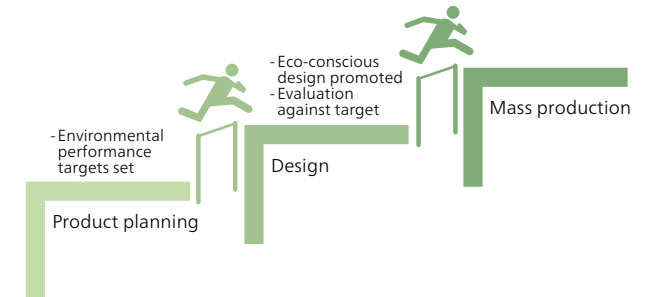
Canon's Environmental Management System



Product Environmental Assessments

Product environmental assessments are used by Canon in the commercialization process to confirm conclusively whether products comply fully with legal and other requirements relating to the product environment by achieving the required levels of environmental performance. We start the assessment by assigning an environmental performance target to the product at the product planning stage. We evaluate if this target has been met before the product can move from the design stage into the development stage and finally into mass production. Utilizing product environmental assessments as hurdles within the product commercialization process in this way leads to better environmental performance while also supporting compliance.

How Product Environmental Assessments Work



With regard to chemical substances, for instance, for all parts and materials used in our products, we have confirmed there are no issues with the results of compliance assessments using our in-house system, and that our products comply with legal requirements.



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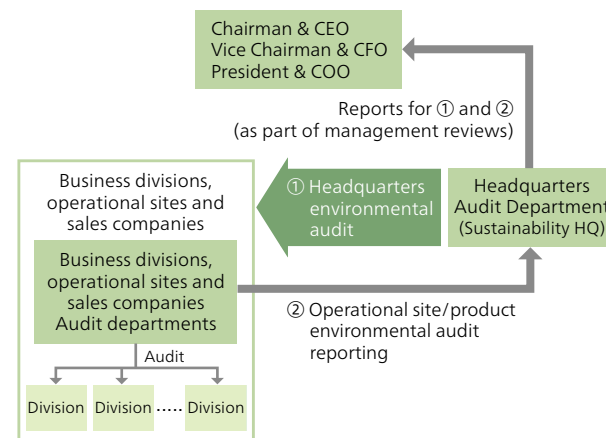
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Confirming the Effectiveness of Environmental Management

Canon uses an internal environmental audit to confirm the effectiveness of its environmental management system. This audit is made up of a headquarters environmental audit performed by the Sustainability Headquarters, together with an operational site environmental audit and product environmental audit conducted by the audit departments of business divisions, operational sites and sales companies. Mutual cross-site audits are carried out in certain locations. The results from internal environmental audits are collated by the Sustainability Headquarters and reported to the Chairman & CEO, the Vice Chairman & CFO, and the President & COO\* of Canon Inc. via management reviews. In 2025, the audits found no major nonconformity or violations. From the perspective of continual improvement and prevention, we are taking steps to rectify even minor findings relating to operations management, including stricter supervision of the chemical content of Canon products, legal compliance at operating sites, and proper management of chemicals.

\* As of April 2026.

Internal Environmental Audit (as of April 1, 2026)



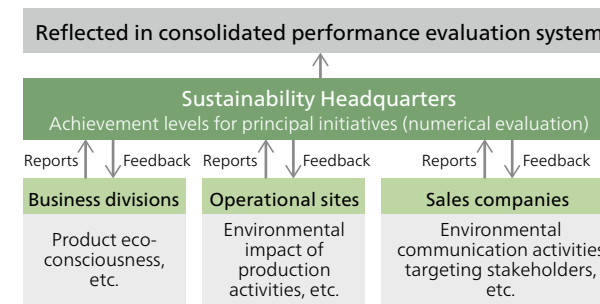
Monitoring of Progress toward Environmental Targets

Operational sites report monthly to Sustainability Headquarters on energy consumption, volume of waste generation, chemical substance emission volumes, and water usage. To monitor progress toward achieving environmental targets, monthly aggregates are reported each month to executives and top executives at major Canon Group companies. Collated results are also used in environmental/CSR performance assessments carried out on an annual and semiannual basis, as well as being used to identify issues in business activities and make improvements.

Environmental/CSR Performance Assessments

As part of our consolidated performance evaluation system, which assesses the overall business performance of the Group, we conduct an Environmental and CSR performance evaluation as one of its key indicators. In this evaluation, in addition to assessing the achievement status of environmental targets at the business sites mentioned above, we also evaluate the environmental and CSR initiatives of each business division and sales company. This evaluation reflects the actual state of activities across the entire product life cycle, including development, manufacturing, and sales (see table below).

Environmental/CSR Performance Assessment Flowchart



Environmental Education

Canon's environmental education programs provide basic environmental training to all employees, and specialized training for employees engaged in specific types of work. The basic environmental training aims to equip employees with an awareness of the importance of environmental assurance activities and an understanding of related policies and targets, while the aim of the specialized training program is to enable employees involved in environmental assurance activities to acquire knowledge and expertise. The specialized training program consists of product environment, operational site environment and environmental audit sections. Of these, product environment training enables those responsible for product environmental assessments and product surveys to acquire knowledge and expertise. These educational programs are designed to enable employees to receive needed training at a time that suits their schedule, whether by e-learning, group discussion, group work, or other method. We are also focusing efforts on global education initiatives utilizing training materials translated into English and Chinese. In 2025, we carried out training for employees involved in risk management related work (total of approximately 10,200 participants).

List of Environmental Educations

Environmental Education programs		Forms
Basic Environmental Education	Basic Environmental Training	E-learning
	Operational Site Environment	
Specialized Environmental Education	Environmental Management Training	Collective training
	Chemical Substance Management Training	
	Product Environmental Assessments Training*	
Product Environment	Product Survey Training*	Collective training
	Environmental Audit	
Internal Environmental Audit Training	Collective training	

\* Trainings subject to risk management



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**“Minimum Energy 360,” Canon’s Motto for Energy and Resource Conservation**

In Canon, aiming to foster a shared mindset among employees to help speed up our response to the issues of energy saving and resource recycling, Canon in 2023 adopted the motto “Minimum Energy 360.” Emphasizing the need to minimize energy usage in every direction (360°), this motto encapsulates our ongoing commitment to various actions to use the minimum amount of energy at every step across the value chain, from the time that Canon carries out development and production, to the stage of transportation and logistics, to the point at which customers use our products and when they are finally reused.

By adopting this motto, the idea is that staff start to view every kind of corporate activity as an opportunity to minimize energy usage, embedding this outlook as a part of the general culture at Canon.

In 2025, we incorporated elements of Minimum Energy 360 into the criteria for Canon’s internal environmental awards, seeking to instill these priorities in employees (→P18).

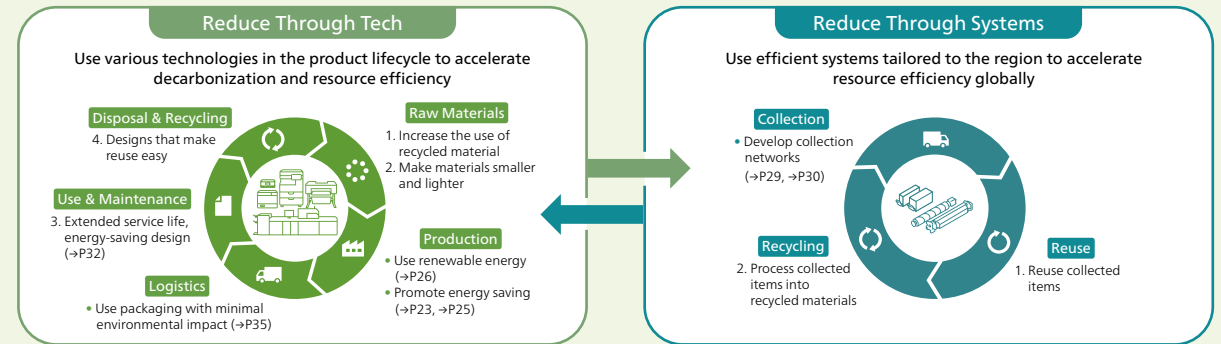


Minimizing energy usage at every step

**Minimum Energy 360 Practices of the Printing Group**

The Printing Group, which handles multifunction printers, strives to minimize environmental impact (decarbonization and resource efficiency) across product lifecycles using Canon’s technology and systems.

Reference: Green Initiative Guide  
<https://global.canon/en/sustainability/environment/business/printing/>



Examples of Initiatives

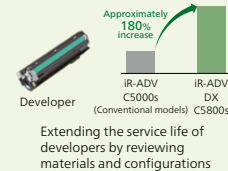
**1. Improve the Recycled Material Adoption Rate**  
 We are working to reduce the use of new resources by incorporating recycled plastics into our products, accessories, and consumables and increasing their content ratio.



**2. Make Smaller and Lighter**  
 We capitalize on simulations to help reduce the use of resources during development. Also, making products smaller and lighter allows the more efficient loading of containers, thus lowering the environmental burden during transportation.



**3. Extended Service Life of Consumables**  
 We have significantly extended the service life of consumables by means of technological development, such as the revision of materials and structures. This has reduced the number of parts manufactured and is helping to reduce the use of new resources.

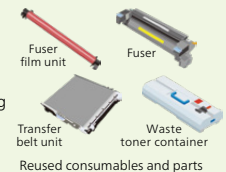


**4. Designs That Make Reuse Easy**  
 We are standardizing product housings and pursuing the modularization of parts and production lines. We reuse parts across different products, reducing the volume of new parts used.



Examples of Initiatives

**1. Reuse Collected Items**  
 We are strengthening product recycling and the reuse of consumables and parts through new product-equivalent quality control. We are also streamlining collection and recycling through digital foundation technology.



**2. Process Collected Items Into Recycled Materials**  
 We are promoting recycled material use through efficient material extraction and in-house material creation and product use.



**Comments from the Person in Charge**  
 I’m involved in the business of remanufacturing multifunction printers that have been collected from the market. Our recycled multifunction printers have achieved an industry-leading reuse rate of 95.5%, made possible through the standardization of parts by means of platform development and the use of operational data from the collected devices to streamline the recycling process. As products with high quality, low price, and excellent environmental performance, the devices combine economic rationality with reduced environmental impact.



Toshiyuki Iwata  
 Digital Printing Business Operations  
 Canon Inc.



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## Environmental Awards and Environment Month

Canon holds an environmental awards ceremony with the aim of increasing staff awareness of the environment and promoting environmental initiatives, as well as enabling management to identify outstanding examples of environmental activities and promote their companywide implementation. In 2025, there were 59 applications from projects across the Group. Of these, one project was selected for the Grand Prize and four for Excellence Prizes, with another three projects receiving a selection committee commendation. An event was held for award winners to share their projects and explain them in more detail. The awards were also widely shared on the intranet and in the in-house newsletter, fostering environmental awareness across the Group and improving environmental performance through the horizontal adoption of best practices.

In addition, during Environment Month in June, to raise awareness of sustainability within the company, we conducted e-learning for all employees, which produced hints on ways of linking work with sustainability. In Canon Inc. the staff canteen also undertook several steps, including an initiative to cut food waste and offering low-CO<sub>2</sub> emission menus featuring meat alternatives, while the Group intranet channel aired sustainability-themed programs.



59 entries from domestic/overseas Group companies in 2025

Examples of Award-Winning Projects

Overview of Award-Winning Projects	Related information
A3 color laser beam printer improving environmental performance from every angle	See column below
Eliminating plastic from toner cartridge packaging	→P35
Addressing Japan's 2024 Logistics Problem through improved logistics	→P27
Reducing packaging materials for ink tanks in industrial printers	→P35
Ink waste reduction activities	→P39
Collaboration activities with suppliers (three projects)	→P24 →P79



The team that won the Grand Prize at the awards ceremony



Session to share details of award-winning projects

## Next-Generation A3 Color Laser Beam Printer That Improves Environmental Performance from Every Angle Wins Top Award

The A3 color LBP810 series\*, equipped with a new engine, dramatically improves environmental performance in all directions by incorporating the Minimum Energy 360 concept, in addition to conventional energy-saving performance aspects such as TEC value.

Specifically, the weight of the printer was reduced by 33% and the weight of the cartridge by 27% compared to previous models, while still increasing print yield. Using 28% recycled plastic and reducing packaging volume yielded a 16.2 ton annual reduction in CO<sub>2</sub>. Furthermore, with a 29% reduction in typical electricity consumption, the printer achieves the best energy-saving performance in its class; it also cuts sleep mode power consumption by 48%.

The use of simulations in the development stage made possible fewer prototypes, substantially conserving resources. We also pursued a user-friendly design, improving operability and cutting maintenance space by 56% through the use of full front-facing operation. The printer is the fruit of efforts to reduce environmental impact across all processes, from product planning to collection.

\* Product name in Japan. The product name differs by destination market: for the U.S. market it is imageFORCE C1935P, and for the European market it is i-SENSYS X C1936P.



LBP810 Series printer

### Comment from the Award Winners

We set environmental targets in developing this product and insisted on full front-facing operation, and the entire team came together to achieve next-generation performance that is environmentally conscious and user-friendly. The printer is the result of the combined efforts of our Peripheral Products Operations and our Digital Printing Business Operations. We will continue to develop products that contribute to the environment and to the Group's earnings.



Yoshiyuki Komiya  
Digital Printing  
Business Operations  
Canon Inc.

Takateru Okubo  
Peripheral Products  
Operations  
Canon Inc.



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**Environmental Communication**

Alongside the publication of this report, we use a range of media and platforms to keep stakeholders informed about Canon’s environmental activities. These include a dedicated environmental website, quarterly presentations and investor dialogues, and various events. We are striving to undertake more and better activities based on suggestions and opinions received from stakeholders. Canon also promotes environmental education and awareness activities for the benefit of people in regional communities, providing environmental outreach classes for elementary school students and environmental programs run in cooperation with regional organizations. Canon began holding environmental outreach classes on toner cartridges in 2011. Extended to Canon Bretagne in 2022, this program has provided more than 330 classes to over 15,000 participants (including 15 classes conducted online for over 590 participants).



Environmental outreach class

**Initiatives at Canon Eco Technology Park**

The Canon Eco Technology Park, opened in February 2018, is not only a cutting-edge reuse/recycling plant, but also serves as a focal point of the environmental activities of the Canon. In addition to the plant, which is equipped with automated toner and ink cartridge recycling systems, the facility has a showroom highlighting Canon’s wide range of environmental activities. It hosts environmental programs aimed at teaching elementary school students about the importance of resource efficiency using recycling-related science experiments.

We refreshed the showroom exhibits in 2025, revamping the presentation of Group initiatives, including an exhibit on remanufacturing. We are also offering environmental programs online as well as on-site, providing learning opportunities to numerous children in Japan no matter what region they live in.



Canon Eco Technology Park

Details: Canon Eco Technology Park  
<https://global.canon/ja/environment/ecotechnopark/>  
 (Japanese website only)  
 (For inquiries on educational visits and related matters, please contact us through the website shown above.)



The newly refreshed showroom exhibits



Remanufacturing exhibit

**Environmental Regulatory Compliance and Response to Complaints**

As a result of implementing an environmental management system coordinated across Canon, Canon came through 2025 without a single legal violation or accident that seriously impacted the environment, including incidents relating to water quality or quantity permits. Although there were some complaints about noise at our operational sites, all issues were resolved satisfactorily via appropriate measures.



# Climate Change

Canon is working to reduce GHG emissions at all stages of the product life cycle.

## For 2050

We aim to achieve net-zero GHG emissions for entire product life cycle (Scope 1-3) by 2050.

## 2030 Targets

- Reduce Scope 1 & 2 GHG emissions by 42% compared to 2022, reduce Scope 3 (category 1 and 11) GHG emissions by 25% compared to 2022.
- Work toward a 3% average annual improvement in the index of life cycle CO<sub>2</sub> emissions (per product unit), realizing a cumulative improvement of 50% compared to 2008 by continually achieving this target.

## Canon's GHG Emissions-reduction Initiatives (2030 Targets)

Canon is working to reduce greenhouse gas emissions by assessing the impact of climate change on the entire product life cycle, from the manufacturing of materials and parts at suppliers, transportation to retailers, use by customers, and disposal and recycling.

Canon aims to achieve net zero GHG emissions by 2050, and to reduce its scope 1 and 2 GHG emissions by 42% compared to 2022 and scope 3 (category 1 and 11) GHG emissions by 25% compared to 2022 by 2030. These targets for 2030 have been verified by SBTi\*, an international initiative that recommends setting scientifically based GHG emissions reduction targets.

To reach these targets, we are promoting various initiatives, including the development of products using recycled materials, product downsizing and weight reduction, energy-saving activities at production sites, energy saving during product use, product recycling, and efficient logistics.

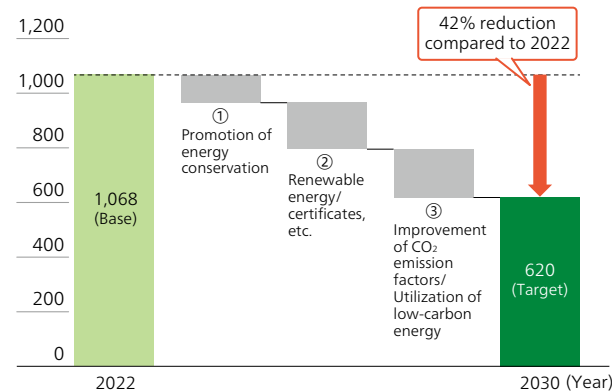
\* Some of the data for 2022 has been recalculated in line with the 2025 calculation method.

## Acceptance of TCFD Recommendations

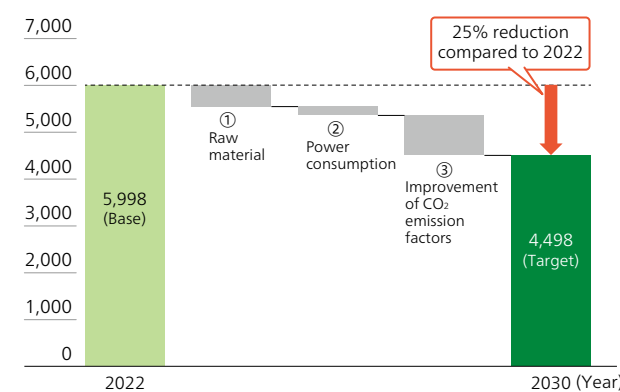
Canon accepts the recommendations of the final report of the Task Force on Climate-related Financial Disclosures (TCFD).

GHG Emissions Reduction (Diagram)

Scope 1&2  
(1,000 t-CO<sub>2</sub>e)



Scope 3 (Categories 1, 11)  
(1,000 t-CO<sub>2</sub>e)



Scope 1: Direct emissions (city gas, LPG, diesel oil, kerosene, non-energy greenhouse gases, etc.)  
 Scope 2: Indirect emissions (electricity, steam, etc.)  
 Scope 3: Emissions in the supply chain (category 1: Purchased goods and services, category 11: Use of products sold)



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Framework for Managing Climate Impact (Governance)

The impact of climate change on Canon, response plans and targets were discussed at the Climate Change Working Group (WG) under the Sustainability Committee. The Climate Change Working Group is comprised of senior managers from each business and corporate division. The content of discussions is reported to the Sustainability Committee, and after approval, it is reported to the CEO (→P14).

To achieve these targets, the Sustainability Headquarters plays a central role in promoting activities throughout Canon. The progress of targets is reported to the management every month, and the annual review is reported to the CEO.

Scenario Analysis to Identify Risks and Opportunities, Financial Impact (Strategy)

Canon conducts scenario analysis based on the TCFD framework, which is recommended in non-financial disclosure, to identify climate-related risks and opportunities and analyze their financial impact. For details, please refer to the annual securities report of Canon Inc.

Reference: Annual Securities Report: <https://global.canon/en/ir/yuuhou/canon2025-e.pdf>

Climate-related Indicators and Targets

Canon aims to reduce its GHG emission throughout the product life cycle to net zero by 2050. To achieve this goal, we have set an overall target to reduce Scope 1 and 2 GHG emissions by 42% in 2030 compared to 2022, and reduce Scope 3 (categories 1 and 11) GHG emissions by 25% compared to 2022. In November 2023, these targets were validated by SBTi.

Since 2008, we have set a target of “an average improvement in life cycle CO<sub>2</sub> emissions per unit of product of 3% per year” (basic unit target) as a comprehensive target of Canon’s environmental targets. By consistently achieving this target, we expect to achieve a 50% improvement in 2030 compared to 2008. In 2025, the annual average was 3.59%, exceeding the target, and an improvement of 45.5% compared to 2008.

During the fiscal year ended March 31, 2018, the actual life cycle CO<sub>2</sub> emissions (the total of Scopes 1, 2 and 3) were 7,774,000 t-CO<sub>2</sub>e, with Scope 1 emissions of 184,000 t-CO<sub>2</sub>e, Scope 2 emissions of 817,000 t-CO<sub>2</sub>e and Scope 3 emissions of 6.773 million t-CO<sub>2</sub>e. We will continue to achieve these targets in the next fiscal year and beyond.

In 2025, in terms of SBTi, through the promotion of various energy-saving measures, the introduction of

renewable energy, the adoption of smaller, lighter, and low-carbon emission components, we achieved a reduction of 6.3% in Scope 1 and 2, and 19.4% in Scope 3 (categories 1 and 11) compared to 2022.

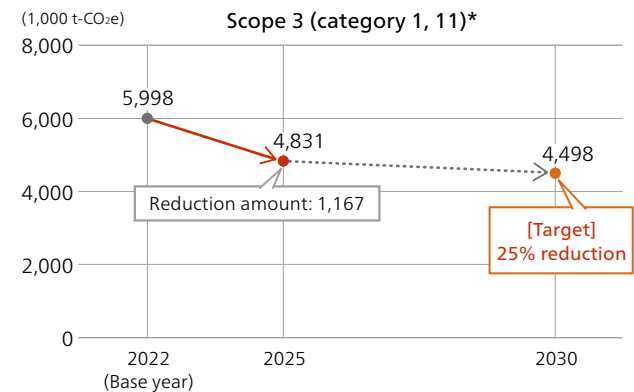
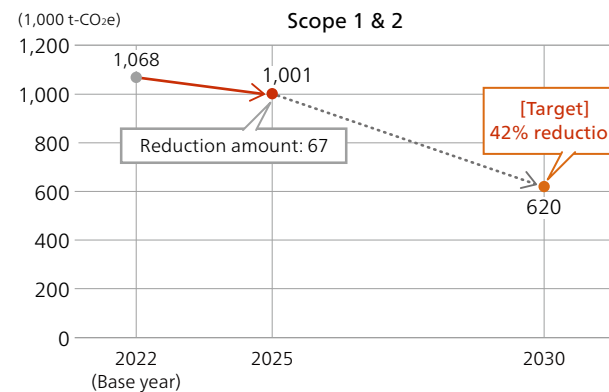
Environmental Targets and Achievements

In Canon, environmental targets are set in line with our three-year management plan and reviewed every year to determine whether changes are necessary. Under the overall target of a 3% average annual improvement in the index of life cycle CO<sub>2</sub> emissions per product unit, our product target is a 3% average annual improvement in the index of CO<sub>2</sub> emissions per product unit associated with raw materials and product utilization. The operational site target includes target figures for reductions per basic unit in energy consumption.

	2030 Targets	2025 Achievements*
GHG emissions (compared to 2022)	42% reduction for Scope 1 & 2 25% reduction for Scope 3 (category 1 and 11)	Scope 1 & 2: 6.3% reduction Scope 3: 19.4% reduction

\* For scope of data collection: <https://global.canon/en/sustainability/report/pdf/data-2026-e.pdf>

GHG Emissions



\* Some of the data for 2022 and 2030 has been recalculated in line with the 2025 calculation method.



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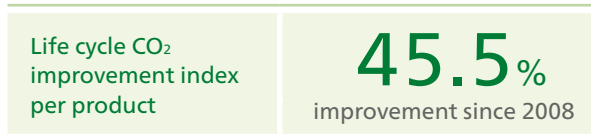
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As for the operational site target, we also set goals for waste emissions, water consumption, and controlled chemical substance emissions, thus making the management of environmental risks and opportunities more comprehensive and conclusive (→P16).

**Progress Relative to Overall Target**

In 2025, we made progress with ongoing improvement in product life cycle emissions via upgraded site-based energy-efficiency measures; development of better energy-efficient products; reduced use of air freight; and other measures. As a result, against the target of a 3% average annual improvement in the index of life cycle CO<sub>2</sub> emissions per product unit, we realized an average annual improvement of 3.59% between 2008 to 2025 and cumulative improvement of 45.5% from 2008.



**Achievement of Product Targets**

We continued with initiatives, including efforts to make products more compact, lightweight, and energy efficient, and achieved an average annual improvement of 2.13% (2008–2025) in raw materials and use CO<sub>2</sub> emissions per product, falling short of our target of 3%.

**Achievement of Operational Site Targets**

■ **Improvement in Energy Consumption Per Basic Unit at Operational Sites**

Due to more efficient production and other factors, overall energy consumption per basic unit improved by 5.4% in 2025, exceeding the 2.4% improvement target. We aim to meet this target again in 2026 by reducing

energy consumption and further improving production efficiency.

■ **Improvement in Total Waste Generation**

Owing to ongoing improvement measures at each site, such as reducing packaging materials by using returnable boxes and reducing the use of evaluation sheets, total waste generation per basic unit improved by 1.6% in 2025, exceeding the 1% improvement target. In 2026, we will aim to continuously achieve our targets by advancing collaborative activities with partners, such as reducing packaging for procured materials.

■ **Improvement in Water Usage Per Basic Unit in Production**

Due to factors including equipment maintenance and greater cooling water usage due to high temperatures, water usage per basic unit improved by 0.9%, missing the 1% improvement target. In 2026, we will move ahead with actions to meet the improvement target, including raising the efficiency of the cleaning process for manufacturing equipment.

■ **Improvement in Emissions of Controlled Chemical Substances Per Basic Unit**

Due to factors including an increase in parts cleaning, emissions of controlled chemical substances per basic unit improved by 0.9%, but fell short of the 1% improvement target. In 2026, we will move ahead with actions to meet the improvement target, including review of chemical substance use conditions and operating conditions of detoxification equipment.

**2026 Targets**

We are revising the 2026 waste and chemical substance targets as follows, taking into account societal demands and other factors.

- Waste: Maintain the downward trend\* in total waste generation
  - Controlled chemical substances: Maintain the downward trend\* in emissions
- All other targets will remain unchanged from 2025.

\* The trend is based on a linear approximation of the three-year average values from the base year (2020).

	2030 Targets	2025 Achievements*2
Improvement in per-unit Life cycle CO <sub>2</sub> emissions index (compared to 2008)	50% improvement	45.5% improvement
	2025 Targets	2025 Achievements*2
Overall (Life cycle)	3%-per-year average improvement in Life cycle CO <sub>2</sub> emissions improvement index per product	Average annual 3.59% improvement (2008–2025)
Products	3%-per-year average improvement in raw materials and use CO <sub>2</sub> emissions improvement index per product	Average annual 2.13% improvement (2008–2025)
	2025 Targets*1	2025 Achievements*2
Operational Sites	Energy consumption per basic unit: 2.4% improvement	5.4% improvement

\*1 Calculation based on average annual improvement rate of the three most recent years. For energy consumption at Japanese operational sites, however, calculation as stipulated in Act on Rationalizing Energy Use. The basic unit denominator is decided according to the characteristics of each operational site (production volume, effective floor area, workforce, etc.)

\*2 For scope of data collection: <https://global.canon/en/sustainability/report/pdf/data-2026-e.pdf>



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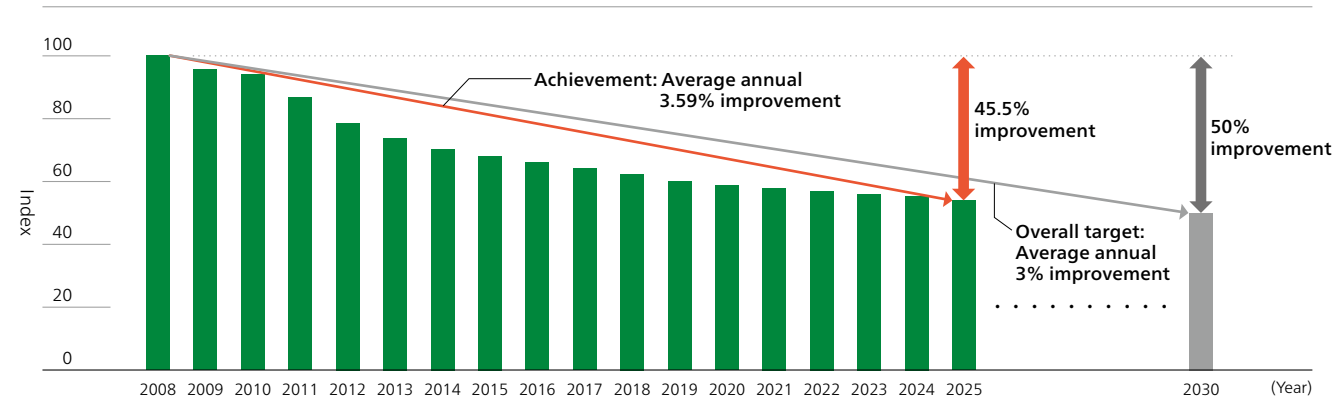
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Index of Life Cycle CO<sub>2</sub> Emissions Per Product Unit



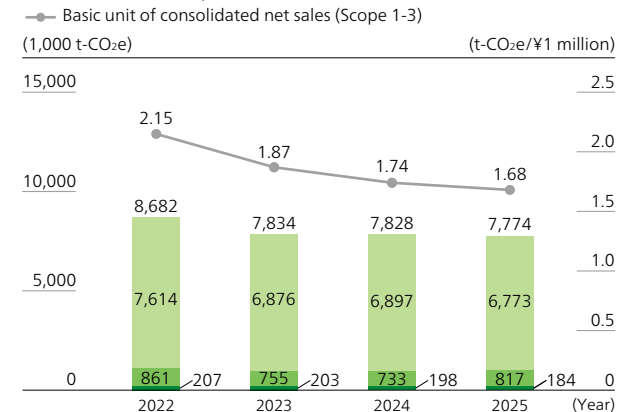
\* Assuming 2008 baseline of 100

Overview of Environmental Impacts

GHG emissions for entire product life cycle (Scope 1-3) in 2025 were approximately 7.77 million t-CO<sub>2</sub>e. Chiefly as a result of actions to conserve energy, and the switch to electricity with lower CO<sub>2</sub> emissions, we achieved a reduction of approximately 50,000 t-CO<sub>2</sub>e over the entire product life cycle. The resources (input) that Canon used in its business activities and emissions (output) to the global environment over the entire product life cycle are as shown in the 2025 Material Balance section of the Data Summary.

Life Cycle CO<sub>2</sub> Emissions

- Scope 1: Direct GHG emissions (combustion of city gas, LPG, light oil, kerosene, non-energy-derived GHG, etc.)
- Scope 2: Indirect GHG emissions (consumption of electricity, steam, etc.)
- Scope 3: Supply chain-related GHG emissions (production of purchased goods and services, upstream transportation and distribution, use of sold products)



\* Data for 2025 has been third-party assured. In addition, some of the data from 2022 onward has been recalculated in line with the 2025 calculation method.

Energy-saving Product Design

Environmentally Conscious Designs for Office Equipment

Aiming for even lower power consumption, the imageFORCE C5100F series of office multifunction printers (MFPs) are equipped with multiple energy-saving technologies, including on-demand fusing, low-melting-point toner, and sleep mode power control. These technologies have enabled the printers to meet the Imaging Equipment Specification Version 3 of the International ENERGY STAR® Program. For example, the 40ppm\*<sup>1</sup> model (C5100s) achieves a standard power consumption (Typical Electricity Consumption\*<sup>2</sup>) of 0.38 kWh, a reduction of approximately 15% compared to the previous model (C5800s), which had a power consumption of 0.45 kWh.

The series also uses more than 30% recycled plastic (PCR material) for the plastic material of the main housing. Also, the lifespans of the consumables have been extended compared to previous models, by about 108% for the developer\*<sup>3</sup>, by about 24% for the drum units\*<sup>3</sup>, and by approximately 42% for the common materials and fuser units\*<sup>4</sup>. This reduces the number of times parts need replacing and helps to lower the use of new resources. In addition, the toner discharge port has been narrowed and a movable shutter installed, resulting in a design that is more amenable to resource efficiency and easier reuse.



imageFORCE C5100F series

Power consumption Reduced by up to approximately **15%**

\*1 Number of printable pages per minute  
 \*2 Products compliant with the International Energy Star Program  
 \*3 For black products and materials  
 \*4 Common black and color materials



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**Nanoimprint Lithography (NIL) Technology Enables Significantly Lower Power Usage**

In the field of semiconductor manufacturing equipment, Canon has achieved miniaturization at lower power consumption and lower cost with nanoimprint lithography (NIL), a new technology that is an alternative to conventional lithography technology. By enabling the inexpensive production of chips with circuit resolution of 14nm, NIL is poised to revolutionize the semiconductor industry.

The radical simplification of the chip production process using NIL reduces power consumption by up to 90% compared to existing lithography process for advanced logic chips. Our efforts to address calls from society to achieve carbon neutrality while also realizing both economic efficiency and sustainability have been recognized; NIL received the top Grand Prize at the 33rd Global Environment Awards in 2025.



Nanoimprint lithography equipment

**Calculation and Disclosure of Carbon Footprint of Products (CFP)**

We utilize the LCA approach to help estimate the life cycle CO<sub>2</sub> emissions of Canon products. Life cycle is divided into five stages (procurement of materials; production; transportation; usage and maintenance; disposal and recycling), and we utilize LCA to calculate GHG emissions for each stage, which are converted into CO<sub>2</sub> equivalents. The CFP is a visualization tool, helping to identify emissions-intensive processes to help us design Canon products that are more energy efficient.



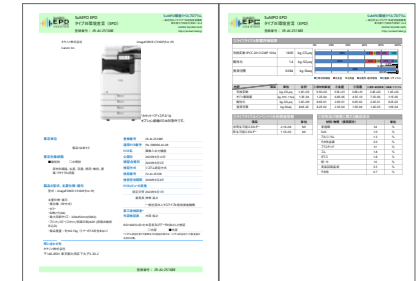
Each life cycle stage in CFP calculation

Additionally, to enable customers to identify product environmental impact categories including CO<sub>2</sub> emissions, we work to disclose relevant information based on the SuMPO EPD framework\*1 under the SuMPO environmental labeling program of the Sustainable Management Promotion Organization (SuMPO). In 2024, through collaboration with suppliers who have supported our initiatives, Canon was able to draw on the primary data they provided and incorporate and disclose this data in the SuMPO EPD framework. In 2025, Canon cooperated in registering the products of suppliers in SuMPO EPD, and incorporated the EPD registration as a basic unit in the SuMPO EPD calculation for Canon products, which we then made public.

We have also put in place a system for the carbon offset\*2 of CO<sub>2</sub> emissions throughout the product life cycle of our office multifunction printers and some production printer products to address customer demands. Offset CO<sub>2</sub> emissions in response to customer demands totaled 778 tons in 2025. Efforts like this contribute to decarbonizing the entire value chain.

\*1 Environmental Product Declaration. The Ecoleaf program was renamed SuMPO EPD in April 2024.  
 \*2 Carbon offset involves initiatives in which a company strives to reduce its own greenhouse gas emissions, while offsetting amounts it cannot reduce by reducing or absorbing emissions elsewhere.

Reference: Products registered for SuMPO Environmental Labeling Program (Japanese website only)  
<https://corporate.canon.jp/sustainability/environment/customer/products/cfp>  
 Reference: Products certified under Carbon Offset Program making use of CFP (Japanese website only)  
<https://corporate.canon.jp/sustainability/environment/customer/products/cfp-certified>



EPD for imageFORCE C5160F (for Japan)

**Collaboration to Incorporate Primary Supplier Data**

Canon is working to reduce the environmental impact of products across their life cycle to help bring about a sustainable society.

In cooperation with Nidec Corporation, Canon calculated primary data on raw material CO<sub>2</sub> emissions for Nidec's fan motors and for the first time incorporated this data into the calculation of life cycle CO<sub>2</sub> emissions for its imageRUNNER ADVANCE DX C5840i office multifunction printer. Canon also used the SuMPO environmental labeling program operated by SuMPO to register and publish the SuMPO EPD for this product.

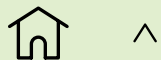
Steps like this seek to improve the accuracy of EPD calculations and the reliability of environmental labeling through the use of primary data in collaboration with suppliers. Canon will continue working to reduce environmental impact across the supply chain to help bring about a sustainable society.



Canon's office multifunction printer: imageRUNNER ADVANCE DX C5840i



Nidec's fan motors: D06R-245S1 03B (AX) and others



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Greater Energy Efficiency at Production Sites

Reducing Power Consumption in Production Using Factory Green Cost Management (GCM)

At Canon, we use “GCM” to refer to the management framework we have developed that targets parallel reductions in costs and CO<sub>2</sub> emissions, alongside decarbonization efforts based on the development of green technologies. Within this framework, we focus on “factory GCM” initiatives that aim to reduce the power used at the production stage. In factory GCM, a factory’s energy data is automatically collected and plotted in graphs (visualization of electricity) through established systems, which has facilitated not only the instant identification of wasteful operations (analysis of reduction potential), but also the systematic accumulation of data across the entire company, thereby enabling the immediate discovery of appropriate reduction measures (expansion of reduction measures).

The factory GCM system is being gradually rolled out across Canon production sites, with installation completed in 2025 at six major sites in Japan that use large amounts of electricity.

This initiative has yielded more sophisticated energy management at production sites, with the rollout demonstrating concrete results.

For example, we used the system to discover wasteful operations involving certain production equipment, which resulted in a 10% reduction in power

consumption. Canon aims to further improve energy efficiency across the Group by rolling out the system to overseas sites in 2026 as well as in Japan.

Comment from a Production Site with a Newly Introduced System

The rollout of a factory GCM system in our workplace has enabled us to visualize energy consumption and put an analysis method in place, fostering an environment where anyone can easily work on improving the energy consumption of our equipment. As a result of everyone working together on-site to take action to reduce consumption, we are moving forward quickly and effectively with improvements. Furthermore, this initiative has sparked awareness on the manufacturing frontlines about coming up with ideas and putting them in practice to improve not only energy consumption but the environment as a whole.

Through these efforts, we will build a corporate culture of realizing sustainable manufacturing.



Yosuke Endo  
Oita Canon Inc.  
Business Management Center

Energy Cost Reduction Working Group

Canon created the Energy Cost Reduction Working Group in 2014 as a horizontally integrated organization

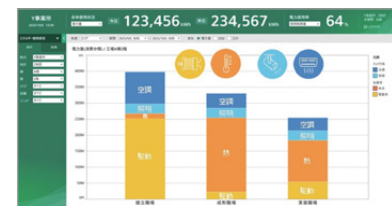
to take Group-wide action on reducing energy consumption. The working group has promoted reduced energy consumption by undertaking a thorough-going analysis of the required operating environment for production equipment in the on-site manufacturing process and using its findings for instance to reduce equipment operating time, cut out excess use of pressurized air and cooling water, and adjust air conditioner settings. Measures that prove effective are adopted for horizontal rollout to Japan and overseas production sites. Moreover, staff members from our corporate headquarters in charge of this initiative perform a diagnosis of energy performance during visits to production sites all over the world. There, they check the operating status and settings of production equipment and then use their observations to make improvements to the operating efficiency of facilities and equipment and provide staff with relevant on-site training.

Since its launch, this initiative has resulted in Canon-wide energy savings of 277,066 kL (crude oil equivalent).



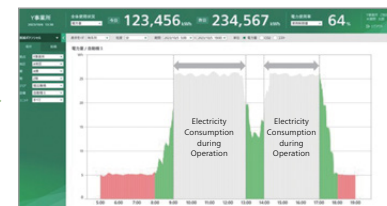
High-efficiency air conditioners upgraded for clean rooms

1. Visualization of electricity consumption



Check factory electricity for each workplace and narrow down reduction targets, such as production heat and drive systems.

2. Analysis of electricity consumption



Focus on equipment that uses large amounts of electricity and break down operations and phenomena to identify hidden wastefulness.

3. Rapid rollout to production sites worldwide



Systematize actions aimed at improvement, compile into a database, and rapidly implement them at Canon production sites.

Measures widely rolled out in 2025

- Upgrades to high-efficiency air-conditioning units
- Changes to washing water temperature
- Insulation for molding machine cylinders
- Changes to the air temperature of clean room air conditioners
- Reduction of molding machine heating time
- Changes to the drying oven temperature during holidays



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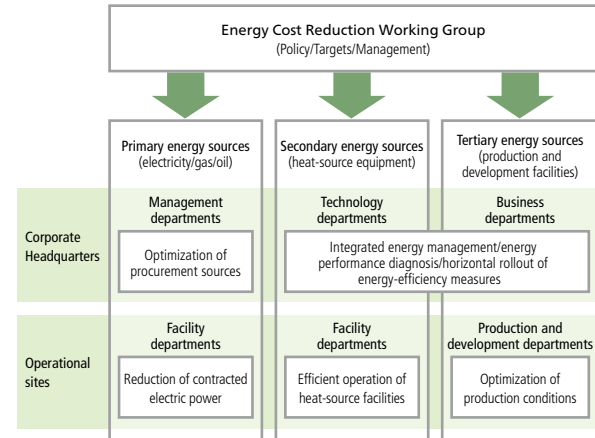
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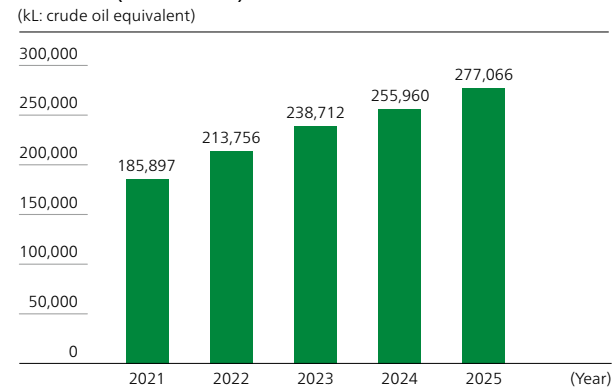
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Organizational Chart of Energy Cost Reduction Working Group



Cumulative Energy Savings Through Working Group Activities (Cumulative)



Use of Renewable Energy

Canon is working to expand the use of renewable energy in a variety of ways, taking into account the regional prevalence of renewable energy and the initiatives of various countries. For example, we have installed solar generation panels on the premises of Canon Vietnam’s Thang Long Factory and other sites, using the renewable energy generated. In addition, five factories of four production sites—Canon Suzhou, Canon Vietnam (Thang Long Factory and Tien Son Factory), Canon Hi-Tech Thailand (Ayutthaya Factory), and Canon Prachinburi Thailand—obtained renewable energy certificates for a second year in a row in 2025, which document the environmental value of renewable energy. This means that the sites achieved their target of using 100% renewable energy for the year.

Sales marketing companies such as Canon Deutschland and Canon (China) are also using renewable energy certificates to ensure that 100% of electricity consumption in their offices comes from renewable energy sources. Such use of renewable energy earned Canon Europe and Canon UK an “excellent” evaluation under the BREEAM\* environmental assessment standard.

As a result of these initiatives to use renewable energy, total worldwide renewable energy consumption by Canon companies was 291,797 MWh in 2025.

\* Abbreviation for Building Research Establishment Environmental Assessment Method. An environmental sustainability assessment method developed by Britain’s Building Research Institute that evaluates buildings under nine categories, including health and wellbeing, energy, and waste.



Solar panels installed at Canon Vietnam’s Thang Long Factory

High-Performance Materials for Realizing a Carbon-Free Future

Perovskite solar cells are drawing attention as the next generation of solar cells. Compared to conventional silicon solar cells, they are lightweight, bendable, and can generate electricity even with indoor light, allowing for greater flexibility over where they can be installed and the potential for lower capital investment costs.

Canon is currently developing a high-performance material to coat the perovskite layer (the photoelectric conversion layer). This material is expected to help improve the durability and mass production stability of the solar cells.



(L) Perovskite solar cell  
(R) Structure of perovskite solar cell with newly developed high-performance material



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Greenhouse Gas Emissions at Operational Sites

Through the efforts of the Energy Cost Reduction Working Group, coupled with the rigorous streamlining of production processes and other actions by our operational sites to reduce energy use and adopt renewable energy, GHG emissions at operational sites were kept at 1,001 thousand t-CO<sub>2</sub>e. In 2026, we will push ahead with efforts to reduce CO<sub>2</sub> emissions, mainly by saving energy and utilizing renewable energy sources at our business locations.

\* Refer to the Data Summary

CO<sub>2</sub> Reductions in Logistics

We are working to reduce our logistics-related CO<sub>2</sub> emissions at every stage, from procurement to sales. To reduce the environmental impact of transportation, we are promoting modal shifts by switching from air to maritime transport for international transport and from road transport to rail transport and coastal shipping (such as ferries) for domestic transport. Canon Vietnam, in particular has actively pursued a Canon-led modal shift from road to barge transport by utilizing river ports located near its factories. We are also implementing a “container round-use” initiative under which import shipping containers are reused for export shipments, contributing to shorter overall transportation distances by reducing container repositioning.

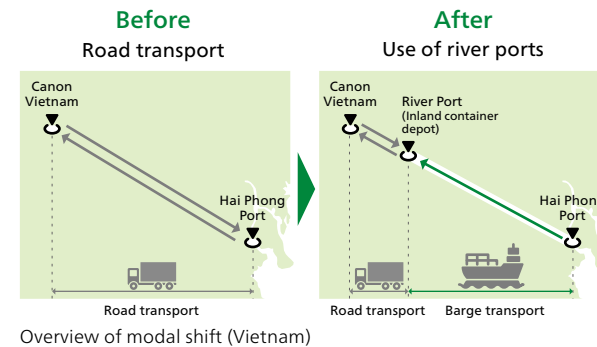
Furthermore, Canon China is advancing the introduction of electric trucks and has begun expanding their deployment to large trucks, in addition to existing small electric trucks.

Canon Marketing Japan is taking advantage of Japan’s “2024 problem” in logistics as an opportunity to improve the logistics of consumer products such as cameras, lenses, and printers. Through repeated discussions with stakeholders, we reviewed transportation loading efficiency, delivery methods, and product return

operations, which contributed to the improvement of the working environment not only for our own company, but also for logistics companies. In 2024, we streamlined the fleet of vehicles used for transport and delivery between our warehouses and those of our business partners by about 400 vehicles, and further cut this number by 50 in 2025, thereby also reducing CO<sub>2</sub> emissions associated with logistics. Going forward, we will continue to make further improvements to logistics operations with the aim of rolling out these improvements to other Group companies.

In addition, in the area of transport packaging, we are promoting initiatives such as improving loading efficiency through package downsizing, reducing the use of plastics in packaging materials, and reusing used cardboard as cushioning material.

At our warehouses, we are working to reduce environmental impact by cutting electricity consumption through the adoption of LED lighting and by utilizing renewable energy via installation of solar panels.



Deployment of large electric trucks (China)

Reducing Impact in Product Use

Thanks to energy-saving technologies used in office equipment, Canon products achieved cumulative energy savings of 7,262GWh between 2013 and 2025. This is expected to result in 3,245,000 t-CO<sub>2</sub>e reduction.

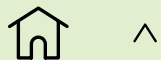
\* Refer to the Data Summary

Reducing Environmental Impact in Social Infrastructure Maintenance

Canon combines advanced optical technology with AI analysis to offer new methods of maintaining and managing social infrastructure.

In a bridge inspection conducted in collaboration with Tokyo’s Ota-ku and Tokyo University of Science, digital images and AI-based analysis were used to significantly reduce traffic restrictions and the burden of nighttime inspection work while maintaining the same level of accuracy as close-up visual inspections. We confirmed that this approach can minimize the impact on local residents and dramatically improve work efficiency. This AI-based analysis technology is being deployed under the name “Inspection EYE for Infrastructure,” enabling the automatic detection of cracks and corrosion, with further functional enhancements also under consideration. In addition to contributing to longer lifespans and greater safety for infrastructure, these initiatives also reduce the environmental impact and social costs associated with inspection work.

Canon continues to capitalize on technological capabilities to work toward creating safe, secure cities and bringing about a sustainable society.



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Photographing a pedestrian bridge

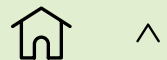
Furthermore, with the recent advancements in IoT and the anticipated explosive increase in data processing due to AI utilization, there are calls for greater energy efficiency in data centers that consume enormous amounts of electricity. The Canon IT Solutions Group is promoting environmental activities in data centers with the aim of reducing CO<sub>2</sub> emissions and protecting the environment through the data center business. More specifically, it is making improvements to daily operations in collaboration with customers, such as optimizing air conditioning efficiency and cooling water temperature, as well as coming up with better equipment layouts.

The Nishi-Tokyo Data Center has gained “top-level” facility accreditation for its outstanding global warming countermeasure efforts, as well as “S” class status under Japan’s Act on Rationalizing Energy Use. Also, the Okinawa Data Center became the first in Okinawa Prefecture to run on essentially 100% renewable energy.

We have also donated CO<sub>2</sub> reduction credits generated from our CO<sub>2</sub> reduction activities.

Okinawa Data Center

Operates on essentially  
**100%** renewable energy



# Resource Efficiency

Canon promotes recycling through the 3Rs: reduce, reuse, and recycle.

## Canon's Resource Efficiency Initiatives

Canon seeks to recycle used products to allow the continued reuse of resources and maximize the value brought about by resource efficiency. In addition to contributing to resource efficiency, we believe these efforts will help bring about a carbon-free future.

We are working to reduce the amount of materials used at the product design stage by making products smaller and lighter, extend product lifespans to enable less frequent replacement of products and parts, and pursue designs that make reuse and recycling easy.

Even after products are no longer in use on the market, we continue to engage in the remanufacturing of collected office multifunction printers, giving them new life as products with good-as-new quality, and in the recycling of toner cartridges. Specifically, we have established a framework in which used products and parts are collected from the market and sent to Canon recycling sites, primarily in Japan, Germany, France, the United States, and China. Depending on their condition, we sort the products and parts for the most appropriate recycling process, including reuse as products or parts or material recycling (open- and closed-loop recycling), and repurpose them as new products and parts, thus recycling resources and avoiding waste as much as possible.

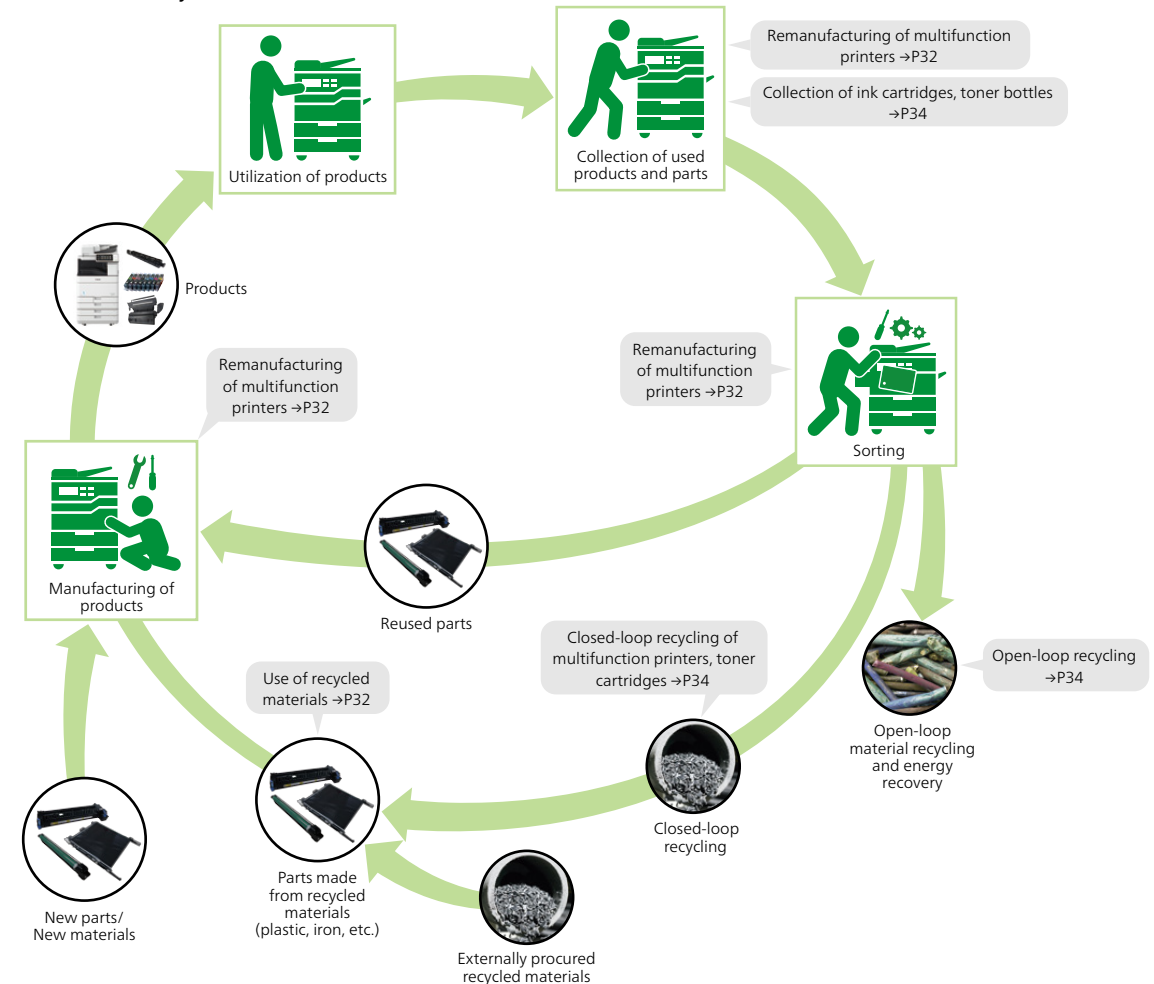
In this way, Canon is pursuing an array of initiatives throughout the product lifecycles, contributing to resource efficiency and helping to bring about a carbon-free future.

	2025 Targets*1	2025 Achievements*2
Operational Sites	Total waste generation per basic unit: 1% improvement	1.6% improvement

\*1 Calculation based on average annual improvement rate of the three most recent years. The basic unit denominator is decided according to the characteristics of each operational site (production volume, effective floor area, workforce, etc.)

\*2 For scope of data collection: <https://global.canon/en/sustainability/report/pdf/data-2026-e.pdf>

### Flowchart of Resource Efficiency



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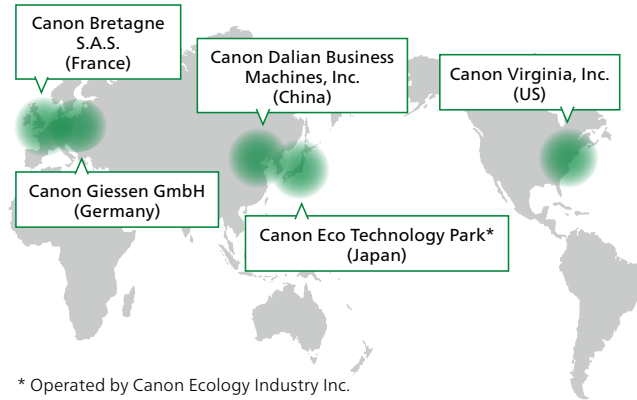
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Canon Recycling Sites Worldwide

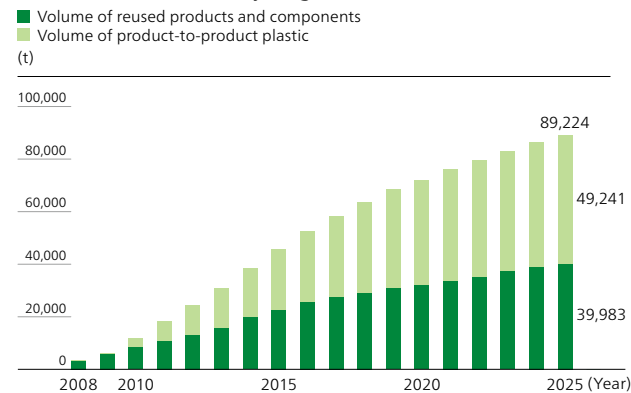


\* Operated by Canon Ecology Industry Inc.

Product-to-Product Recycling Volume

Since 2008, Canon's recycling sites have reused 39,983 tons of products and parts directly and extracted 49,241 tons of plastic from used products for use as raw materials in new products.

Product-to-Product Recycling Volume (Cumulative)



\* Product recycling initiatives have been ongoing since before 2007. Data are based on 2008 as the baseline year.

Resource Efficiency Initiatives and Targets by Industry-Oriented Business Group

Canon handles a broad array of products, ranging from consumer products to industrial products and from small to large products. We believe it is vital to pursue resource efficiency initiatives appropriate for each product group, taking into account product characteristics and market conditions. Canon's four industry-oriented business groups—Printing, Medical, Imaging, and Industrial (→P05)—have established resource efficiency initiatives and targets tailored to their particular context.

Improving the Resource Recycling Rate for the Printing Business

The resource recycling rate is an indicator that represents the proportion of recycled materials and recycled products in the total sales weight of the Printing Business, and a target of 50% has been set for 2030. To improve the resource recycling rate, Canon is implementing the initiatives shown in the table to the right.

In 2025, as a result of activities to enhance reuse and recycling, the resource recycling rate reached

approximately 16.7%, representing an improvement from approximately 16.0% in 2024\*.

Looking ahead, toward the target of 50% by 2030, we will further promote resource efficiency initiatives through measures such as expanding the use of recycled materials and increasing the production, sales, and collection of recycled products.

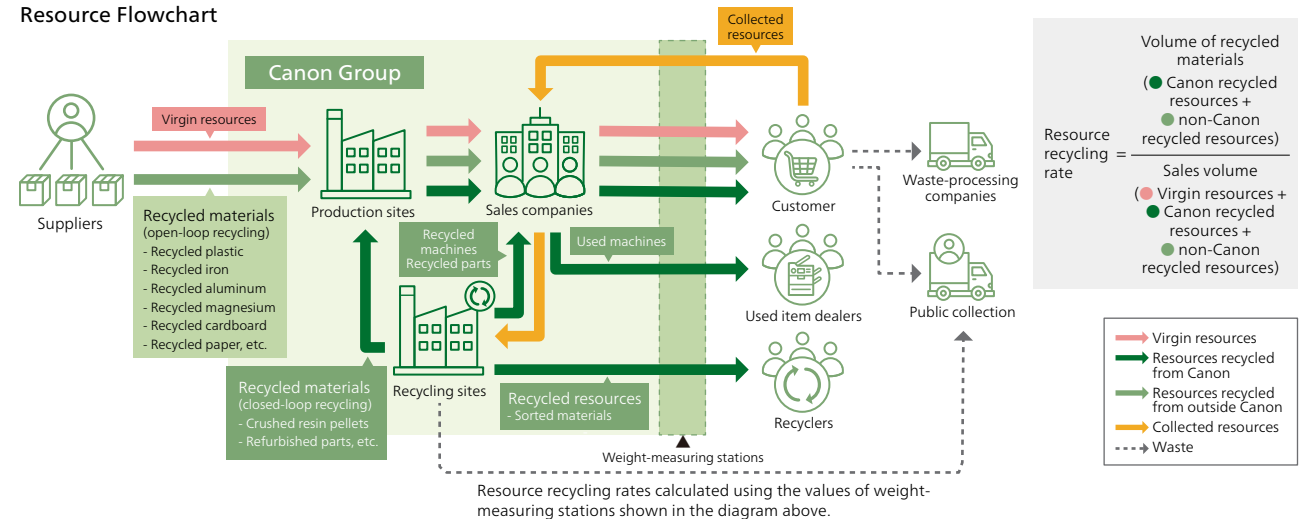
Resource recycling rate in the Printing Business  
 2025 result: **16.7%**

Initiatives to Improve the Resource Recycling Rate

Initiatives for new machines	Initiatives at recycling sites
<ul style="list-style-type: none"> <li>Incorporating recycled materials (recycled plastic and iron) (→P32)</li> <li>Introducing and expanding easily recyclable platform type designs</li> </ul>	<ul style="list-style-type: none"> <li>Developing technology geared towards improving the reuse rate of recycled machines and parts (→P32/P33)</li> <li>Improving the sorting accuracy for recycled resources such as iron, nonferrous metals, and plastics (→P34)</li> <li>Increasing the types and production volume of closed-loop recycled materials (→P34)</li> </ul>

\* In 2025, the calculation methodology was revised to more accurately reflect actual conditions, and the 2024 results were also recalculated.

Resource Flowchart



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**Reducing Environmental Impact in the Medical Business and Improving Total Waste Generation**

At the Nasu Plant of the Medical Business, steps to reduce environmental impact include more rigorously separating discarded products as well as reusing parts and selling valuables. Guided by an annual target of improving the total waste generation per basic unit by 1% or more, the plant brought pallets used in deliveries back for reuse in 2025, achieving a 4.2% improvement over 2024, above the target.



Product packaging initiatives involve replacing plastic cushioning materials and fixing materials with paper variants and eliminating cushioning materials altogether where possible

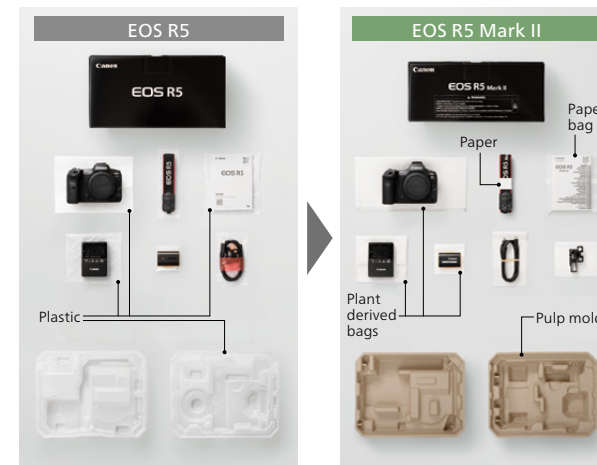


**Reducing Single-Use Plastics in the Imaging Business**

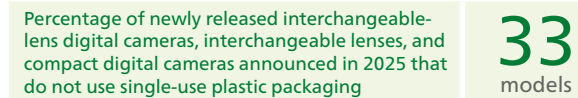
In the Imaging Business, we aim to boost the proportion of products that do not use single-use plastics\* in their packaging to 100% by 2030 for all of the interchangeable-lens digital cameras, interchangeable lenses, and compact digital cameras announced in a given year.

Starting with the PowerShot V10 released in 2023, we had eliminated the use of single-use plastic packaging in 33 models as of the end of 2025, including the EOSR50 V, RF75-300mm F4-5.6, and related accessories.

\* This refers to petroleum-derived plastics, and excludes the raw materials used for labels, coatings, and adhesives



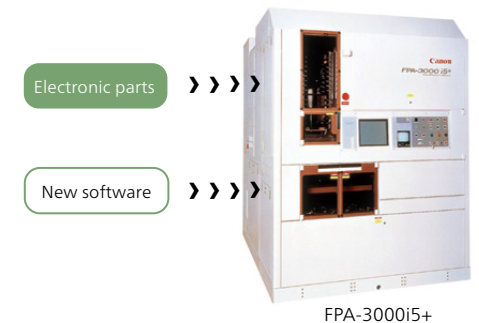
EOS R5 Mark II adopted plant-based non-woven fabric and paper bags, reducing the plastic used in packaging



**Extending Product Lifespans in the Industrial Business**

We are working to extend the lifespans of products in the Industrial Business, with a goal of ensuring that 95% or more of the i-line and KrF lithography equipment shipped in 2001 or later is still operational in 2030. Initiatives include providing parts and software that extend product lifespans and product lifecycles and reduce waste, as well as developing products that encourage recycling.

In 2025, we launched services to overhaul the electronic components of legacy products of the FPA-3000 series i-line lithography systems and switch out existing servers with the latest models, using virtualization technology to avoid the need to rewrite existing software. This will enable us to further extend the lifespan of products that have been up and running for many years at our customers' production sites. We will further increase the proportion of i-line and KrF lithography equipment shipped in 2001 or later that is still in operation—currently at 92.6%—by 2030.



Extend product lifecycles by providing parts and software



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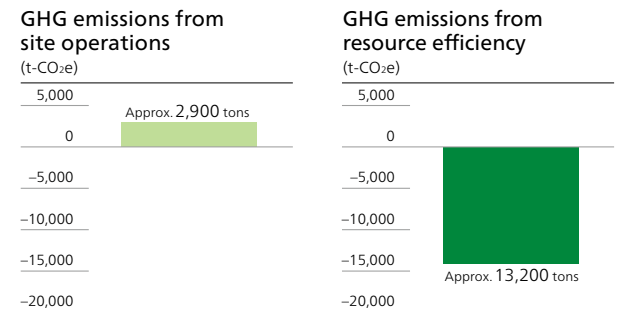
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**GHG Reduction Effects Through Resource Efficiency**

We see initiatives at Canon’s recycling sites as not only contributing to resource efficiency but also contributing to a carbon-free future. The reuse of parts through remanufacturing and the recycling of plastics through closed-loop recycling allow us to reduce the amount of CO<sub>2</sub> emissions generated compared with procuring new raw materials. Canon Eco Technology Park (operated by Canon Ecology Industry Inc.) emitted approximately 2,900 tons of Scope 1 and 2 GHG through site operations. These efforts have resulted in a reduction of approximately 13,200 tons of GHG emissions.

**Example of Canon Eco Technology Park**



**Environmentally Conscious Design**

To make effective use of our limited resources, it is imperative that resource efficiency is at front of mind in product design. Starting from the design and development stage, Canon gives careful consideration to the whole process through to collection and recycling of end-of-life products. Our Environmentally Conscious Design Guidance summarizes the various considerations that contribute to resource efficiency, such as miniaturization, weight reduction, adoption of environmentally friendly materials, extending product lifespan, improving maintainability, and facilitating disassembly and separation for reuse and recycling. All of these items are incorporated into the design process.

**Incorporating Recycled Materials (Recycled Plastic and Iron)**

Starting with new products released in 2025, Canon has been pursuing the use of recycled steel for some of the steel materials used in its multifunction printers and printer parts.

In the new imagePROGRAF TC-21/TC-21M large-format inkjet printers, released in April 2025, we achieved the use of around 5% of recycled iron by mass for the iron used in the main unit.



Furthermore, we adopted about 40% recycled plastic by mass for the plastic material used in the main unit.

We also used recycled iron in the new imageFORCE 8100 series of A3 monochrome multifunction printers, released in September 2025, and in the new imageFORCE C431 series of A4 color multifunction printers, released in October.

As recycled plastic is made from waste plastic and recycled iron is made from iron scrap, the introduction of these recycled materials reduces the amount of virgin resources used and helps increase the resources recycling rate.

With regard to recycled steel in particular, Canon dismantles its own end-of-life multifunction printers and printers and reintegrates the resulting steel scrap into its products through collaboration with steel recycling manufacturers. Through these efforts, Canon promotes the circulation and effective use of limited resources.

**Remanufacturing of Multifunction Printers**

Since 1992, Canon has undertaken remanufacturing of used multifunction printers. This process involves a system that automatically determines which parts should be reused, based on operating data about the equipment, such as the number of years in use, its history of breakdowns, and the number of pages printed.

Then, following strict reuse standards, we replace any parts that show wear or deterioration. The production line and inspection processes used are on a par with those for devices made only with new parts. When a remanufactured device is shipped, it is guaranteed to offer the same level of quality as a new product. We market remanufactured devices from the imageRUNNER ADVANCE series under the Refreshed series brand in Japan and under the ES series brand in Europe.

**Examples of Initiatives in Europe (Canon Giessen)**

At Canon Giessen, a recycling site in Germany, data on parts is collected for each unit to determine reusability. We also run a system that records data from collected parts and reflects them into remanufactured devices to improve efficiency of production of remanufactured products.

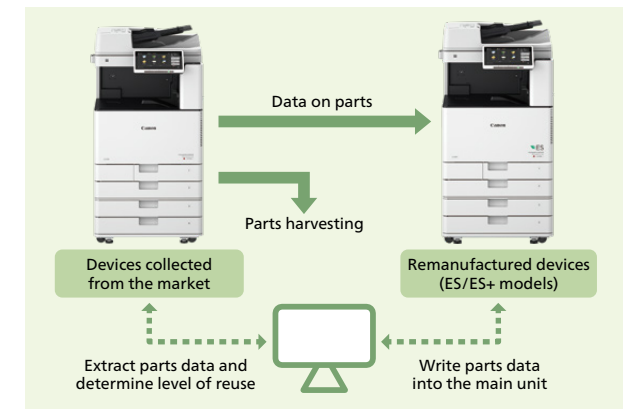
Reuse rate for product parts

Europe (Canon Giessen)  
Target products: imageRUNNER ADVANCE DX ES Series

About **90%** or more



The remanufacturing process at Canon Giessen



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**Comment from a European Marketing Representative for the ES Series**

Customers increasingly seek solutions that comply with corporate sustainability policies and reduce hardware costs without compromising quality. They also require essential features for security and GDPR\* compliance.

The ES series addresses these needs by providing competitive pricing compared to new models, significantly lowering carbon footprint through reduced CO<sub>2</sub> emissions in manufacturing and transport, and minimizing raw material use, thanks to remanufacturing in the CE region. These devices maintain high reliability and performance equivalent to new units, while incorporating robust data and network protection features.

Customer feedback has been very positive: organizations such as La Paz Hospital and Ilunion Hotels highlight ES devices as key to achieving sustainability goals without sacrificing quality or usability. Long-term users like Ibersalut, a public healthcare service organization, confirm consistent performance and cost savings, reinforcing ES as a trusted, environmentally responsible choice.



Andrés Sánchez Moreno  
Sales and Marketing Department  
Canon Spain

\* GDPR: GDPR is an EU regulation that protects personal data.

**Examples of Initiatives in Japan (Canon Ecology Industry)**

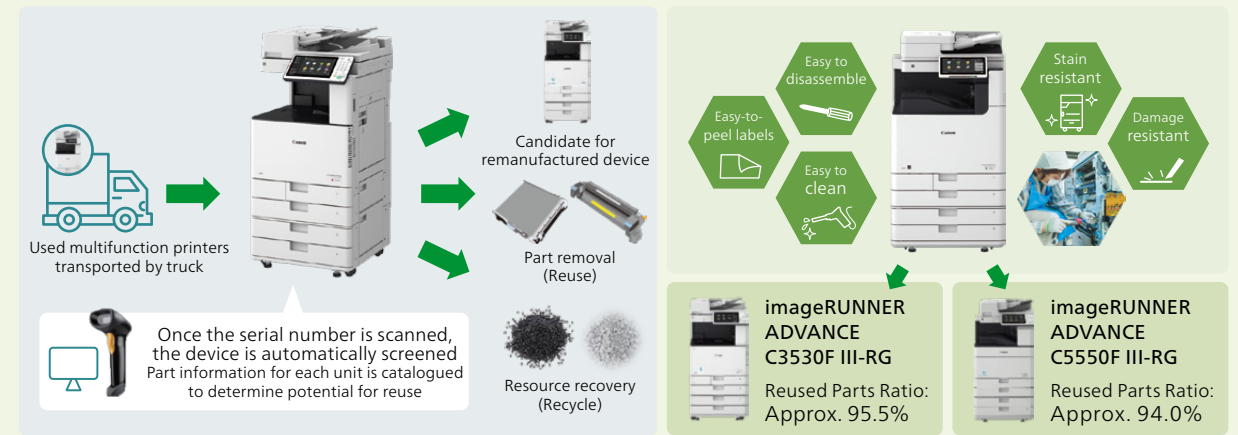
In the Refreshed series, we have achieved a reused parts ratio of over 90% in all color multifunction printers. Especially in the imageRUNNER ADVANCE C3530F III-RG, we achieved an industry-leading reused parts ratio of about 95.5% by removing the smallest imperfections with the use of sandblast polishing.\* To further promote the recycling of resources, we use approximately 83% recycled plastic in all of the plastic used in the packaging materials. In addition, Canon is creating product platforms to standardize parts and designing products that are easy to reuse and recycle through disassembly and cleaning.

\* A technique for polishing resin surfaces by blasting with microparticles

Reuse rate for product parts

Japan (Canon Ecology Industry)  
Target products: Refreshed Series

About **94.0%–95.5%**



Utilizing operational data to improve the efficiency of collection and remanufacturing

Remanufactured MFPs with a high rate of part reuse



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Reuse of Parts

Canon collects parts from used products for maintenance purposes. Parts extracted from used products and collected parts undergo disassembly, washing, cleaning, and reassembly before being reintroduced to the market as components of remanufactured products or as maintenance parts.

Canon Giessen in Germany, Canon Virginia in the U.S., and Canon Eco Technology Park in Japan are engaged in the reuse of parts. The latter in particular is meeting maintenance demand after ceasing the production of MFP main units by operating production lines for new and reused parts in parallel. By reusing some of the collected parts in the production of new parts, we can reduce the use of virgin resources.

Development and Use of Recycled Plastic

Canon Eco Technology Park operates a closed-loop recycling system in which plastic parts extracted from collected machines are separated, washed and crushed to form pellets. The recycled plastic pellets are shipped to Canon production sites, creating a loop with a PCR rate\* of 70-100%. The cumulative volume of pellets shipped as of the end of 2025 was 101 tons.

\* PCR rate = the proportion of post-consumer recycled (PCR) materials in recycled materials

Plastic Sorting Systems and Analytical Instruments that Revolutionize Recycling Through Proprietary Technologies

In recent years, promoting and expanding plastic recycling has become an important theme in realizing a circular society.

Canon has developed plastic sorting systems utilizing tracking Raman spectroscopy technology, enabling the sorting of black plastics, which have traditionally been difficult to separate. In addition, Canon has newly commercialized the Raman Plastic Analyzer, applying this

technology to contribute to more advanced material analysis and quality control in the recycling process.

Through improving productivity with recycling technologies and maximizing plastic recycling, Canon will continue to contribute to the realization of a circular society.



(Left) Raman Plastic Analyzer TR-A100  
(Right) Canon's high-precision galvanometer scanner sequentially irradiates multiple plastic pieces arranged on a tray with a laser, and the material is identified by spectroscopically analyzing the material-specific Raman scattered light generated in the process.

Initiatives Regarding Consumables

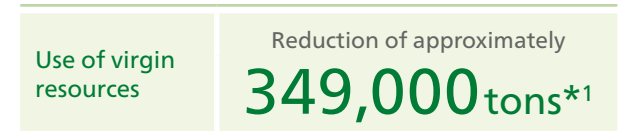
Toner Cartridge Recycling

Canon has been operating a Toner Cartridge Recycling Program since 1990, the first such program in the industry. Returned used toner cartridges are brought to Canon recycling sites and sorted by model. Reusable parts undergo the necessary washing and maintenance and are then reused in new products. Meanwhile, parts and materials that cannot be reused are crushed and separated by material using physical characteristics such as electrostatic properties and specific gravity. The primary material of toner cartridges is high-impact polystyrene (HIPS), used for the housing. HIPS can be used repeatedly to make new toner cartridges through closed-loop recycling.

Furthermore, we have been promoting the use of recycled materials procured from outside sources in new Canon products, thereby expanding the scope of resource efficiency.

Through such efforts, we have collected toner

cartridges in 24 countries and regions as of the end of 2025, with a cumulative collection volume of about 482,000 tons\*1, recycling the cartridges at four sites\*2 worldwide. As of 2025, we had also achieved a cumulative reduction in the use of virgin resources of approximately 349,000 tons\*1.



\*1 Figures include OEM products. The use of closed-loop recycled materials and recycled materials procured from external sources is also included.  
\*2 Japan: Canon Eco Technology Park, United States: Canon Virginia, France: Canon Bretagne, China: Canon Dalian Business Machines

Collection and Recycling of Ink Cartridges

Canon has been collecting and recycling used ink cartridges since 1996. As of the end of 2025, the total volume of collected cartridges was 3,085 tons. In Japan, in conjunction with other printer manufacturers, Canon operates the Ink Cartridge Satogaeri (Homecoming) Project, a program that utilizes collection boxes for used ink cartridges in post offices, libraries, and other locations. Schools also collect cartridges through activities related to the Bellmark Campaign. Outside Japan, cartridge collection boxes are placed in large retail stores, companies, schools, and other locations. In Japan, collected cartridges are primarily closed-loop recycled as cartridge parts.



Collection box for the Ink Cartridge Satogaeri (Homecoming) Project

Collection/Recycling of Used Toner Bottles

At the Canon Eco Technology Park in Japan, since 1998 we have been collecting used toner bottles and reusing them simply as containers and for the purpose of recycling the plastic materials.



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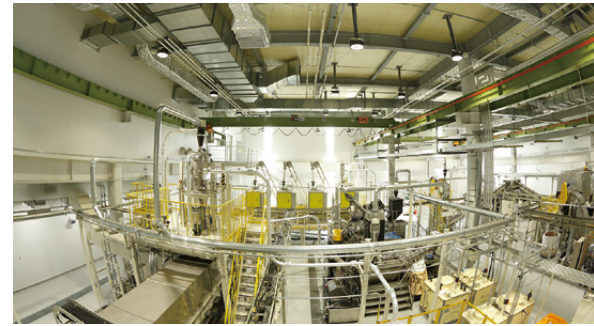
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Since 2022, Canon Bretagne in France has built a system for replenishing recovered toner bottles and supplying them to the regional market. This has not only further reduced the volume of plastic used, but also realizes energy savings at the point of toner bottle fabrication.

State-of-the-Art Automated Recycling Plant at Canon Eco Technology Park

In February 2018, we opened the Canon Eco Technology Park. Based on a “clean and silent” design concept, which overturns the traditional image of recycling operations, the facility has implemented advanced systems to further boost recycling efficiency. The Canon Automated Recycling System for Printer Toner Cartridges (CARS-T) is a process in which, after separation using a camera-based process, used toner cartridges are crushed and materials automatically separated for recycling of the main component, high-impact polystyrene (HIPS). The sorting purity of the recycled plastic reaches 99% or greater\* with the intensive use of various separation technologies at the different stages of the process. With the recycling system for ink cartridges (Canon Automated Recycling System for Ink Cartridges: CARS-I), a camera-based automatic sorting process is applied to used ink cartridges. The automated process line covers disassembly, pulverization and washing. Separated materials are reused for ink cartridge components and packaging. Resources that cannot be recycled in product-to-product recycling are diverted to material recycling or thermal recovery processes to help maximize resource efficiency. Additionally, we have a showroom to highlight the remanufacturing of office products (→P32) and Canon’s environmental initiatives (→P19).

\* 99% or greater based on Canon’s in-house sorting method



The Canon Automated Recycling System for Toner Cartridges (CARS-T)

Action to Reduce Single-Use Plastics

Canon is actively working to eliminate plastic packaging materials to help bring about a sustainable future. For the CRG070 toner cartridge series, we replaced the recycled plastic cushioning material previously used with recycled paper cushioning.



Plastic cushioning materials



Paper cushioning materials

Replacing cushioning materials in the CRG070 series

Preventing paper fibers from adhering to products was an issue when adopting paper cushioning materials. Previously, products had to be protected from such fibers with plastic bags, but applying an additive to the surface of the cushioning materials rendered plastic bags unnecessary.

This step enabled us to achieve zero plastic use\*1 in product packaging materials (outer boxes, cushioning materials, and protective bags) as well as the use of 100% renewable materials, thus reducing both the

amount of materials used and the environmental impact. Moreover, we reduced CO<sub>2</sub> emissions associated with the raw materials and manufacturing of the cushioning materials for the series by approximately 65%.

CO<sub>2</sub> emissions associated with raw materials and manufacturing\*2

Approximately 65% reduction

\* 1 Excluding materials used for labels, coatings, and adhesives  
\* 2 Comparison of before and after replacement of cushioning materials for CRG070 series toner cartridges

Canon is also driving innovation in the packaging of ink tanks for industrial printers to reduce environmental impact.

At Canon Production Printing, ink is traditionally packed in plastic ink tanks that cannot be recycled due to the presence of ink residue after use, yielding a lot of plastic waste. To reduce plastic waste, we have adopted a new “Bag-in-Box” system. By filling ink into a flexible plastic bag supported by a sturdy cardboard box, the company has achieved a 60–80% reduction in plastic usage, a 75% reduction in storage space for empty containers, and a 40–70% decrease in its carbon footprint.

In addition, connecting the ink to the printer is clean and simple, preventing foaming and ink loss during filling while improving work efficiency. This solution successfully combines environmental responsibility with convenience, delivering a sustainable approach.



Mechanism of the Bag-in-box System



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The issue with corrugated cardboard packaging for office multifunction printers is their increased weight, as more material is usually needed to achieve the same functionality as expanded polystyrene. To reduce packaging volumes while maintaining functionality, we are adopting packaging designs based on the use of prefabricated corrugated board, which reduces the weight and helps to lower CO<sub>2</sub> emissions in the transportation process.



Prefabricated corrugated board packaging

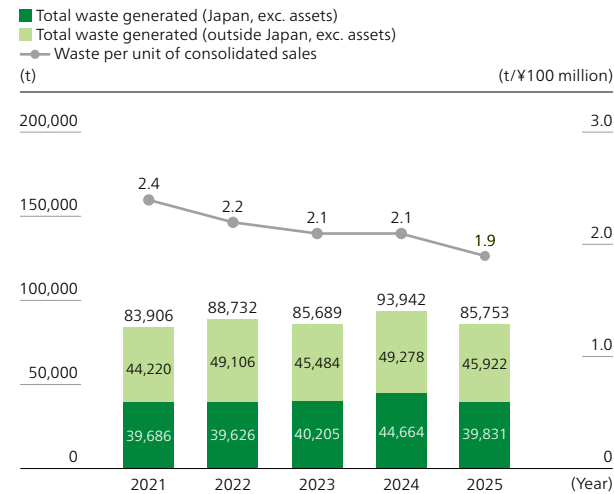
Initiatives to Reduce Waste at Operational Sites

Canon is working hard to reduce the amount of waste it generates. Efforts include increasing recycling through sorting and collection and minimizing initial waste generation. In particular, we have sought to determine which factors most significantly affect waste generation at production sites for each division and each production process. In addition to recycling plastic scraps generated during production, for parts that meet required characteristics, Canon Prachinburi (Thailand) uses parts made from 100% recycled materials, promoting circular manufacturing. Canon Dalian Business Machines is working on the filtration and recycling of grinding fluids. In addition, Fukushima Canon and the Toride Plant have introduced an automatic collection and aggregation system for waste data at the time of disposal, making it easier to calculate waste by workplace and facilitating efficient reduction activities.

Total waste generated in 2025 was 85,753 tons, a decrease of 8.7% compared to 2024.



Total Waste Generated



\* Excludes disposal of products collected after use.  
\* The scope of aggregation mainly includes companies that have acquired ISO 14001 consolidated certification.

Initiatives Related to In-house Waste Recycling and Outside Resource Recovery

Canon actively works to reduce the amount of waste originating from its operations and to reuse or recycle waste where possible, appropriately disposing of any waste that can be neither reused nor recycled in accordance with the law. Our various operational sites employ a range of in-house recycling schemes, including reusing stretch film, plastic bags, and other component packaging materials to make artificial wooden benches other in-house furnishings. In Japan, even in the case of waste that must be sent outside the company, we outsource the recycling of each resource to ensure that it does not enter landfills\*. In 2025, contracted companies processed 84,382 tons of waste from Canon back into materials.

\* Except for some general waste generated by business activities that is disposed of under government oversight.



Artificial wooden benches



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# Chemical Substances

Canon thoroughly manages chemical substances in products and those used in manufacturing processes.

## Approach to Managing Chemical Substances

As a company that operates globally, Canon cannot ignore the various risks we face, such as that stricter regulations will increase the costs of chemical substance management and cause the suspension of production or disruption to the parts supply chain among suppliers. From this perspective, we are committed to supplying safe products through environmentally conscious manufacturing and maintaining competitiveness through more advanced chemical substance management, contributing to management efficiency across the supply chain and to international standardization.

From this perspective, Canon strictly manages chemical substances in products as well as those used in manufacturing processes. Our basic approach to management involves confirming products do not contain regulated chemical substances that exceed the prescribed standard and production sites do not discharge regulated chemical substances that exceed the prescribed standard.

## Management of Chemical Substances in Products

Canon has built a Canon-wide environmental assurance system for managing chemical substances in products. Taking the laws and major environmental-labeling requirements around the world into consideration, we established in-house standards in line with the most stringent regulations in the world, and are working to develop products that comply with these standards. Specifically, we classify and rigorously manage chemical substances as shown in the table below.

	2025 Targets*1	2025 Achievements*2
Operational Sites	Emissions of controlled chemical substances per basic unit: 1%	0.9% improvement

\*1 Calculation based on average annual improvement rate of the three most recent years. The basic unit denominator is decided according to the characteristics of each operational site (production volume, effective floor area, workforce, etc.)

\*2 For scope of data collection: <https://global.canon/en/sustainability/report/pdf/data-2026-e.pdf>

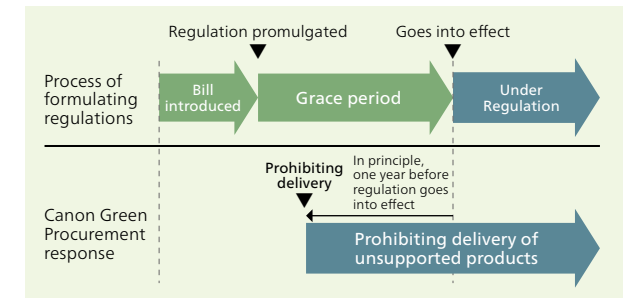
### Classification and Management Method for Chemical Substances Contained in Products

Classification	Management Method
Prohibited substances	Chemical substances which cannot be used in products
Use-restricted substances	Substances for which substitution or phase-out is pursued, and whose use is prohibited after a specified deadline
Controlled substances	Chemical substances for which the amount should be monitored

To ensure rigorous management and compliance with laws and regulations, the Canon Green Procurement Standards prohibit, in principle, the delivery of parts and materials containing regulated substances starting a year before new laws and regulations come into effect. The standards also make even stronger demands of suppliers and clarify the need to provide reliable chemical substance information.

Reference: Green Procurement  
<https://global.canon/en/procurement/green.html>

### Process of Establishing Chemical Substance Regulations and Canon's Response



Canon also uses a product assessment framework to thoroughly prevent prohibited substances from being included in our products. This involves confirming before mass production of each product begins that chemical substances are being managed according to the classifications in the table on the left, and that all parts and materials used in the product comply with the required criteria.

Furthermore, as regulations on chemical substances have rapidly become more stringent in recent years, companies have to accurately gauge regulatory trends and respond swiftly and flexibly. Canon also obtains information in advance on chemical substances that are expected to be regulated, at the same time working with suppliers to ensure that our products comply with laws, including by interviewing suppliers about their plans for and the status of substituting parts containing regulated substances.



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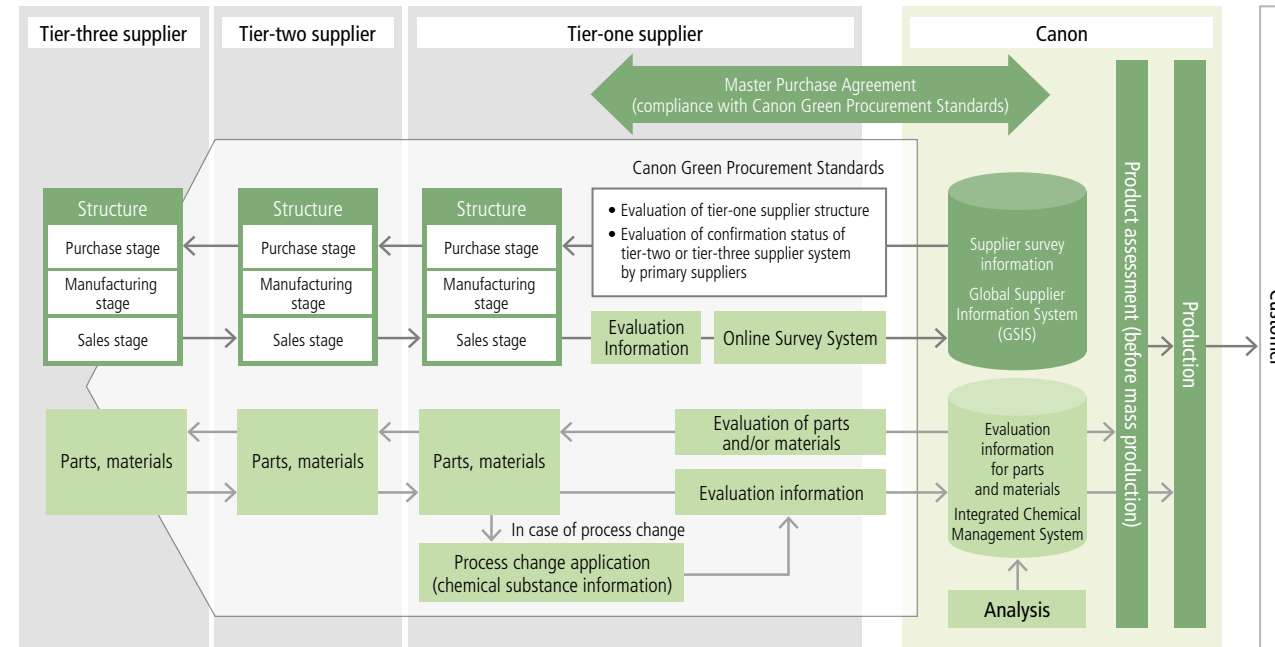
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Hazardous Chemical Substances Management System



Utilization and Development of the chemSHERPA System for Information Sharing on Chemical Substances

To manage chemical substances appropriately, it is important to share information on the chemical substances contained in materials, parts, and products accurately and efficiently along the supply chain from upstream to downstream, and to ensure compliance with all applicable regulations. After adopting the IEC62474\* international standard data scheme, Canon in 2017 began utilizing the chemSHERPA data scheme for information sharing, standardized under the initiative of Japan’s Ministry of Economy, Trade and Industry. As of

2025, more than 99% of survey replies from suppliers have been made through chemSHERPA. This has led to increased workplace efficiency while helping alleviate the administrative burden on suppliers. Meanwhile, for suppliers who have difficulty with the reply process, we have prepared guide manuals in Japanese, English, and Chinese to promote the progressive global adoption of chemSHERPA.

\* Material Declaration for Products of and for the Electrotechnical Industry. International standards issued by the IEC (International Electrotechnical Commission) in March 2012 aiming to streamline the material declarations on chemical substances and compositions contained in the products of the electrotechnical industry in the global supply chain.

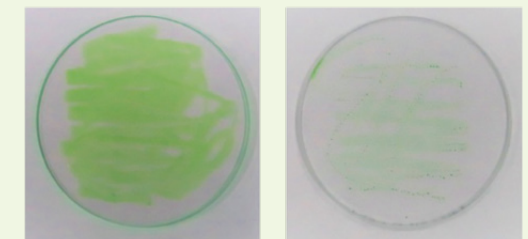
Participation in Study of Next-Generation Information Sharing Scheme

Discussions are underway across industries on the Chemical and Circular Management Platform (CMP), a next-generation information sharing scheme that seeks to address issues that face current information sharing methods, such as lowering the burden of chemical substance surveys throughout the supply chain and the need to readminister surveys when regulations change.

Taking part in the CMP discussions as a key member, Canon will continue to address issues in the sharing of information about chemical substances and reduce the burden across the supply chain.

Fluorine-free Water Repellent Coating Material

PFAS are known as “eternal chemicals” because they persist in the environment for long periods of time. Since they can contaminate tap water and soil and cause damage to health, there are growing calls for their reduction. To address social demands for the reduction of PFAS, Canon Optron has developed OR-510, a fluorine-free coating material. Offering water repellent and antifouling properties and a low refractive index, the coating makes it easier to wipe off fingerprints on smartphones and tablets and reduces the adhesion of water droplets without interfering with the optical properties of glasses, sunglasses, and camera lenses.



OR-510 Uncoated

OR-510 Coated



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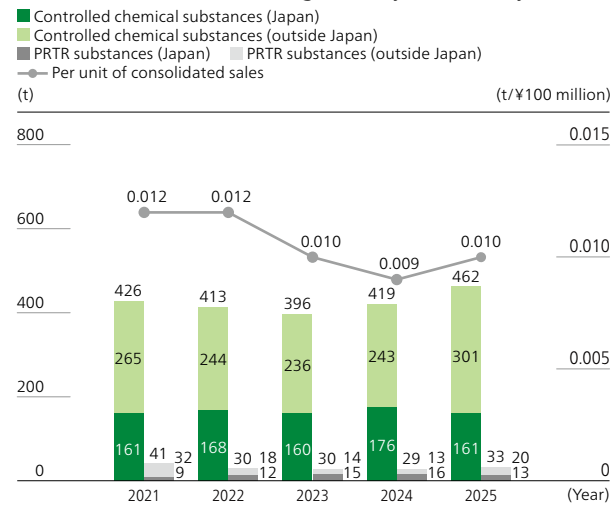
Managing Chemical Substances Used in Manufacturing Processes

The chemical substances handled during manufacturing at Canon include “controlled chemical substances” regulated in terms of safety such as negative impact on human health, the environment, and flammable risk. Canon categorizes these substances and has put effective measures in place for each category.

Reducing the Usage and Emission of Controlled Chemical Substances in Production Processes

Canon production sites engage in various initiatives to reduce and control emissions of controlled chemical substances shown in the table on the right, including reducing the volume of substances used by improving production processes and reusing the substances.

Emissions of Controlled Chemical Substances and Amount of Chemical Substances Designated by the PRTR System\*



\* PRTR System: Pollutant Release and Transfer Register System, a notification system for the transfer and release of chemical substances.  
 \* Controlled chemical substances exclude regulated substances.  
 \* The scope of aggregation mainly includes companies that have acquired ISO 14001 consolidated certification.

Classification and Measures for Controlled Chemical Substances in Production Processes

Classification	Explanation	Response Measures
A	Substances specified by the Chemical Weapons Convention, the Stockholm Convention, the Montreal Protocol and the Convention concerning Safety in the Use of Asbestos, as well as specified greenhouse gases (PFCs/HFCs/SF <sub>6</sub> ), other soil and groundwater pollutants, and substances that significantly impact people’s health	Prohibit use in principle. Only use as an exception when there are no alternatives and the substance is not prohibited by law after applying for and receiving permission, and control the amount used.
B	Greenhouse gases other than PFCs/HFCs/SF <sub>6</sub> , greenhouse gases whose global warming potential (GWP) has been determined by the IPCC, volatile organic compounds (VOCs), and other substances designated by Canon	Aim to reduce use and emissions through substitutions, sealing, recovery, etc.
C	Chemical substances with defined compliance requirements, including compliance with reference values and the ascertainment of usage and storage quantities	Manage the amount of use and usage history in accordance with laws.

For example, Canon Dalian Business Machines took steps to reuse and recycle solvents, as did Canon Inc., Taiwan, amid other efforts to replace controlled chemical substances with other substances.

Reducing Emissions into the Atmosphere and Waterways and Preventing Pollution

Canon alleviates the environmental impact of its operational sites by reducing emissions of NOx\*<sup>1</sup> and SOx\*<sup>2</sup>, which are major causes of air pollution and acid rain; reducing discharge of phosphates and nitrogen compounds, which cause the eutrophication of water environments; and, reducing BOD\*<sup>3</sup> and SS\*<sup>4</sup>, which indicate an environmental impact in water areas.

Canon Components sought to completely eliminate industrial effluent by reducing ink waste and processing it in-house. The company formerly relied on outside contractors to process some of the effluent generated in the ink production process, but by improving cleaning efficiency, it has reduced residual ink by 85% and effluent by 50%. Moreover, we have realized the in-house processing of new ink waste using proprietary coagulation and separation technologies. By successfully improving in-house processing capabilities, the company has also completely eliminating industrial effluent by

processing all effluent in-house, significantly reducing the energy required for transport and processing. We will continue to process all ink waste in-house and maintain a sustainable production framework.

To prevent air pollution, when installing or updating equipment that uses fuel, Canon opt for fuels that minimize generation of air pollutants (such as sulfur oxide, nitrogen oxide and soot), and have banned the use of heavy oil in principle. Furthermore, we have designated ozone-depleting substances and persistent organic pollutants cited in the Stockholm Convention on Persistent Organic Pollutants as banned substances. With regard to wastewater, each operational site sets standard values based on local laws and regulations. Also, control values are set at 80% of the standard values as management standards at each site. We regularly check the status of compliance.

\*1 Nitrogen oxides (NOx) A major cause of air pollution, acid rain and photochemical smog, NOx is generated when the nitrogen in fuels is oxidized or when nitrogen in the atmosphere is oxidized during high temperature combustion.  
 \*2 Sulfur oxides (SOx) A major cause of air pollution and acid rain, SOx is generated when fossil fuels, such as oil and coal, are burned.  
 \*3 Biochemical oxygen demand (BOD) BOD is the amount of oxygen consumed when microorganisms degrade organic matter in water. Larger figure indicates worse water quality.  
 \*4 Suspended solids (SS) A collective term used for substances of less than 2 mm in diameter that float in the air and do not dissolve.



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### Soil and Groundwater Management Status

Placing high priority on soil and groundwater protection, Canon has established an internal Basic Policy on Soil and Groundwater Pollution to guide us as we seek to implement comprehensive response measures. In the unlikely event that soil or groundwater pollution is found at one of our operational sites, cleanup and remedial actions are carried out in close accordance with all relevant laws (see table below). Canon has also adopted, in principle, an internal standard for acquiring new land, conducting a preliminary soil examination and carrying out any other necessary procedures, such as soil remediation, before making the purchase. We also monitor the chemical substances used at each site and, considering applicable national and regional standards, develop risk countermeasures according to the local situation.

### PCB Waste Management

In accordance with Japan’s PCB Special Measures Act, at Canon’s domestic production sites, polychlorinated biphenyl (PCB), which may have adverse effects on human health and the environment, is strictly managed. As of December 2025, no operational sites stored highly concentrated PCB waste.

### Soil and Groundwater Contamination Management Examples

Operational Site	Substances	Measures
Shimomaruko	1,2-dichloroethylene	Injection of treatment agents, water quality measurement
Utsunomiya parking lot 1	Fluorine and its compounds, etc.	Pumping, water quality measurement
Toride	Trichloroethylene, etc. Hexavalent chromium and its compounds	Covering, pumping, water quality measurement
Canon Ecology Industry	Trichloroethylene, 1,1-dichloroethylene	Covering, pumping, water quality measurement
Canon Components	Mercury and its compounds	Covering, water quality measurement

\* Reports are made to the authorities concerning sites where remediation is in progress.



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# Biodiversity

Under our Biodiversity Policy, we have formulated the slogan “Nature Positive” and are pursuing activities rooted in local communities worldwide.

## Managing Risks and Opportunities

The reduction in the supply of printing paper due to the decrease in forest resources, unstable water supply caused by abnormal weather, and the disruption of local ecosystem balance pose risks that constrain business activities. At the same time, regional water stress brought about by business activities also warrants attention. From this perspective, we ensure that we conduct business in harmony with the local community by capitalizing on our own products and technologies in conserving ecosystems, contributing to the local community, and devising actions to minimize our impact on the environment.

## Biodiversity Policy

Canon recognizes biodiversity as essential for a sustainable society. We carry out various activities to conserve and protect biodiversity under the Canon Group Biodiversity Policy.

Reference: Canon Group Biodiversity Policy  
<https://global.canon/en/sustainability/environment/biodiversity/policy/>

## Response to TNFD

Canon believes that actions to conserve biodiversity will prevent the loss of economic activity, create jobs and business, and lead to Canon’s sustainable development. For this reason, we are currently assessing issues related to the natural environment, including our dependence on natural capital and our impact on such capital, and are steadily increasing our disclosure on these issues in accordance with the framework of the Task Force on Nature-related Financial Disclosures (TNFD).

	2025 Targets*1	2025 Achievements*2
Operational Sites	Water usage per basic unit: 1% improvement	0.9% improvement

\*1 Calculation based on average annual improvement rate of the three most recent years. The basic unit denominator is decided according to the characteristics of each operational site (production volume, effective floor area, workforce, etc.)

\*2 For scope of data collection: <https://global.canon/en/sustainability/report/pdf/data-2026-e.pdf>

## Initiatives in 2025

Canon took part in the TNFD Forum in 2025 to gather information on the Taskforce’s initiatives. Also, in line with the LEAP (Locate, Evaluate, Assess, Prepare) approach, we initiated the Locate phase of analyzing our main operational sites and marketing and production sites (80 locations in Japan and overseas), targeting direct operations.

## Analysis of Interface with Nature (Locate)

We used the ENCORE\* tool to assess the dependencies and impacts on nature in each of Canon’s business sectors. By creating and scoring a heat map, we found that several businesses have relatively high dependencies and impacts on nature.

We also assessed ecologically sensitive locations based on the location information of the sites. Under the definition of sensitive locations (see table at right), we used the analytical tools below to score five items.

This allowed us to understand the ecological dependency and impact of the various sites.

\* Exploring Natural Capital Opportunities, Risks and Exposure (ENCORE): A nature-related risk management tool that can assess dependencies and impacts on nature for each type of economic activity.

### Definition of Sensitive Locations

- Areas of biodiversity importance
- Areas with high ecosystem integrity
- Areas where ecosystem integrity is declining rapidly
- Areas with high water physical risks
- Areas where ecosystem services provided are important, including benefits to indigenous communities, local communities and stakeholders

### ■ Analytical tools for sensitive locations

- IBAT\*1
- WWF Risk Filter Suite (BRF/WRF)\*2
- Global Forest Watch\*3

\*1 Integrated Biodiversity Assessment Tool (IBAT): A biodiversity assessment tool that integrates global databases such as the IUCN Red List of Threatened Species, the World Database on Protected Areas (WDPA), and the World Database of Key Biodiversity Areas (WDKBA).

\*2 WWF Risk Filter Suite (BRF/WRF): A set of tools for assessing nature-related risks. It consists of two tools: the Biodiversity Risk Filter (BRF), which assesses biodiversity risks, and the Water Risk Filter (WRF), which assesses water risks.

\*3 Global Forest Watch: An online platform that provides data and tools for forest monitoring.



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Based on the results obtained and the fact that Canon’s manufacturing processes require substantial water resources, we narrowed down priority areas from the 80 sites. As a result, 12 sites were provisionally selected as candidates for priority areas.

However, the assessments provided by the tools are limited to general applications and may not reflect actual conditions in regions where each site is located. Accordingly, we will continue to conduct detailed surveys, evaluating impacts on business and the environment to identify priority locations, while also identifying dependencies, impacts, risks, and opportunities in accordance with the analysis from the Evaluate phase onwards.

**Initiatives to Support Continuous Use of Sustainable Forestry Resources**

To help support biodiversity, Canon promotes the use of sustainable forestry resources as the raw materials for the paper used in its products. Having established procurement policies favoring the purchase of paper products derived from sustainably sourced wood pulp in 2015, we sell office paper made under forest certification schemes or using environmentally conscious raw materials.

Reference: Basic Policy on the Procurement of Timber Products  
<https://global.canon/en/sustainability/environment/biodiversity/policy/>

**Canon Bird Branch Project**

Biodiversity refers to the way living things interact as they coexist on earth. Within this sphere, birds occupy the top position in a local ecosystem pyramid of plants, insects, and small animals, symbolizing the cycle of life. Emblematic of our activities based on the Canon Group Biodiversity Policy is the Bird Branch Project, an initiative Canon launched in 2015 that encompasses a range of bird-centered activities. Marking its 10th anniversary, the project has been taken on board by various operational sites in Japan and overseas. For example, Canon’s Shimomaruko headquarters complex in Tokyo includes a greenspace with a wide variety of trees that we call the Shimomaruko Woodland. Under the supervision of the Wild Bird Society of Japan, a monthly census of the migration of wild birds is carried out. The number of observed species has grown from 23 in 2014 to 45 as of the end of 2025, indicating the success of our efforts to promote species diversity.

At Canon Ecology Industry, with the support of experts from the Wild Bird Society of Japan, we have been actively working to attract kingfishers to the retention pond at the site since 2020. This has included releasing small fish species such as gudgeon and ginbuna that are common prey for kingfishers, which has resulted in an adult kingfisher being observed at the site.

Oita Canon Materials is pursuing greening activities that pay special attention to harmony with the surrounding environment and Japan’s four seasons. The subsidiary has also installed nesting boxes to create a bird habitat and actively takes part in volunteer activities to clean up the environment around its premises.

Canon Fuji-Susono Research Park properly maintained and managed the green space that covers 88% of the site, as well as planting trees and installing nesting boxes to create an environment hospitable to incoming wild birds. In addition, we conducted local cleanup activities, including areas surrounding the park office, and held

on-site environmental classes and career education for elementary and junior high school students.

Canon China held a Bird Branch Photo Exhibition in which employees of Group companies in China were asked to submit photos with a wild bird theme. The photos were displayed in showrooms in Beijing, Shanghai, Guangzhou and Chengdu. Canon China also actively disseminates information about its activities and bird-watching columns on its website and social media.

At other sites as well, we have created biotopes, with bird baths and nesting boxes installed and kept clean and measures taken to protect against bird strikes, creating on-site environments conducive to bird life. By sharing successful nesting inside nesting boxes and other activities, it gives employees an opportunity to study aspects of the lives of wild birds even in familiar surroundings. Meanwhile, 12 of our operational sites, including Oita Canon Materials, participate in the seasonal wildlife monitoring scheme proposed by the National Institute for Environmental Studies. Participants report the species of bird, plant, reptile, and insect observed at the site as well as the date on which the first birdsong of each species is heard, the date on which it is first seen, and the date on which each tree or plant begins to flower. These data also make a useful contribution to academic studies.



The common kingfisher that flew into the site

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**Contributing to “30by30 Global” Target**

In 2023, a green area on Canon’s headquarters grounds, where nearly 1,000 trees of approximately 80 different species have been planted, was certified by Japan’s Ministry of the Environment as a Natural Coexistence Site under the name “Shimomaruko no Mori.”

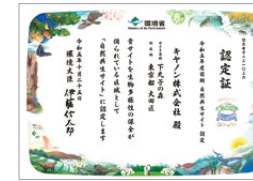
This certification program recognizes areas where biodiversity conservation is promoted through private-sector initiatives and other efforts, supporting the global target known as “30by30,” which aims to effectively conserve more than 30% of land and sea areas as healthy ecosystems by 2030. Shimomaruko no Mori was recognized not only for its contribution to local biodiversity conservation but also for its

initiatives under the Bird Branch Project.

In addition, Shimomaruko no Mori was registered in an international database as an OECM\* in 2024.

Furthermore, the Oita Plant of Oita Canon Inc. and the headquarters of Canon Medical Systems Corporation were certified as Natural Coexistence Sites in 2024, followed by Canon Ecology Industry in 2025.

\* Other effective area-based conservation measures  
Areas outside protected areas that support biodiversity conservation



“Nature Symbiosis Site” certificate

**“Nature Positive” Initiatives at Canon**

In recent years, in addition to biodiversity conservation, “Nature Positive” initiatives, aimed at halting and reversing biodiversity loss, have been gaining increasing attention. Canon has adopted Canon-wide slogan “Nature Positive” to guide our collaboration with stakeholders at marketing and production sites worldwide in developing activities in line with local needs.

**Bosque Canon (Canon Forest) Reforestation Project**

With the help of our partner Bosquia, we successfully concluded a project to reforest Bosque Canon (Canon Forest.) We planted trees, including pine trees and white birches, in Forcarei, a village in northwest Spain. Over the course of their expected lifetime of 30 years, these trees will offset 1,200 tons of carbon dioxide emitted by our business activities. In recognition of these activities, Canon Spain has become the first manufacturer in the Spanish printing industry to receive the COMPENSO seal from the Spanish Ministry of Environment.



Forest clean-up activities



Reforestation activities



Sand dam construction



Placing of bird nesting boxes



Tree-planting activities



River clean-up activities



Provision of greenspace

**Worldwide rollout of locally focused activities**



Beach cleanup



Environmental outreach classes



Wastewater recycling systems



Environmental protection activities



Elimination of invasive species



Restoration of coral reefs



Protection of marine mammals and sea turtles



Tree planting at Bosque Canon



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**Supporting Conservation Reserves Through Local Carbon Credits**

Canon New Zealand is committed to “Nature Positive” through the purchase of local carbon credits. In 2025, the company supported Owenga Station on the Chatham Islands, where 1,000 hectares of permanent forest managed by Moriori descendants help protect rare species and sequester carbon. Canon purchased 344 credits, contributing to the 2,384 t-CO<sub>2</sub> emissions the project removes from the atmosphere annually. Additionally, the company supported the Tempello Biodiversity Project in Marlborough, which restores 1,600 hectares of indigenous dryland forest, home to diverse native fauna. Canon purchased 350 credits, supporting the removal of about 2,189 t-CO<sub>2</sub> per year.



Tempello Biodiversity Project working to restore Marlborough’s indigenous dryland forest

**Canon Receives Encouragement Award at 13th Green Social Contribution Award Ceremony**

Canon Optron has created its own biotope, Optron Forest, which serves as a habitat for wild birds and other creatures, and has made the site available to local kindergartens and other community residents. In addition, the company is pursuing a wide range of initiatives for “Nature Positive”, such as using goats to remove weeds.

The Organization for Landscape and Urban Green Infrastructure recognizes green spaces that have achieved outstanding results in terms of environmental activities, such as good management, contributions to the local community making the spaces available to the public, and biodiversity conservation. At the 13th Green Social Contribution Award ceremony hosted by the organization, the Canon Group received an Encouragement Award for the first time.



Weeding with goats

**Protection of Marine Mammals and Sea Turtles and Support at Ocean Release Events**

Canon U.S.A., Inc. supports the New York Marine Rescue Center (NYMRC) Marine Mammal rescue release program. It has been an annual summer tradition for Canon U.S.A., employees, their families, and friends to watch the moment when a cold stunned sea turtle that was rescued by the NYMRC and nursed back to good health is released back into the ocean. Through Canon’s sponsorship, the turtle was satellite tagged, so the NYMRC can continuously track its journey after it returned back to the ocean.



Employees, along with their families and friends, watching the moment a rescued sea turtle is released back into the ocean

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**Utilizing Imaging Technology in Coral Reef Restoration**

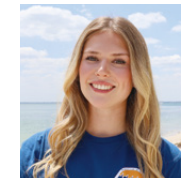
Canon U.S.A. has been collaborating with the University of Miami since 2019 on a Canon Reef Restoration Project to regenerate coral reefs that have been devastated by years of climate change and ocean pollution. Coral reefs play a crucial role in maintaining the balance of marine ecosystems. The Rescue a Reef program at the University of Miami conducts research, works to restore coral reefs, and raises public awareness through education and experiential activities. Each year, “Canon Coral Conservation Fellows” help capture beautiful images in videos and photographs utilizing cameras provided by Canon U.S.A to highlight this work.



Coral conservation efforts © University of Miami/ Amy Tune

**Comment from University of Miami**

Coral reefs are incredibly important ecosystems that support livelihoods, protect coastlines, and provide habitat. However, they have experienced significant declines due to local and global stressors. To address this, we must take meaningful action to better conserve and restore coral reefs. While we are a leader in coral research and restoration, we lacked the skills and resources needed to communicate these problems with the public. Canon’s support transformed our efforts through the creation of the fellowship program, which trains and empowers students with visual storytelling skills to capture and communicate our work—from underwater restoration to laboratory breakthroughs. This expanded capacity both increases public awareness and inspires the next generation of storytellers. Looking ahead, this partnership continues to amplify both our research impact and our ability to engage global audiences.



Amy Tune  
Rescue A Reef  
University of Miami

**Protecting Insects**

Canon Giessen is working to protect insects by installing dead hedges and insect hotels\* for insects to live in. They also scatter flower seeds to create and improve a habitat and food source for insects, and also provide a water source lined with moss and stones to prevent the insects from drowning. Insect populations in Europe have been shrinking for more than 10 years, with the loss of habitat, the use of agricultural insecticides, the lack of nesting areas, and climate change all contributing to the decline. Preventing insect decline through these efforts also helps protect the birds that feed on the insects.



The installed insect hotel

\* Insect hotel: A habitat for insects made from natural materials like bamboo and other wood types

**Disaster Recovery and Ecosystem Conservation Activities**

Fukushima Canon launched the “Rice Terrace Restoration Project” in 2020 in collaboration with Fukushima City Kobori-no-Mori, a nature observation and wild bird conservation facility in Fukushima City, with the aim of restoring rice terraces damaged by Typhoon No. 19 in 2019. Restoration activities were completed by 2023, and the project has since entered a maintenance phase.

Currently, twice a year, employees and their children participate in conservation activities to maintain environments suitable for aquatic organisms, including securing open water surfaces by removing sediment and fallen leaves. As a result of these efforts, a wide variety of wildlife has been observed, including the Japanese brown frog (*Rana japonica*), which is designated as a prefecture-level Near Threatened species.



Volunteers taking part in the rice terrace ecosystem restoration project



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### Water Resources Policy

At Canon, we rely on numerous water resources in its production processes. We have therefore formulated a Canon Group Water Resources Policy, and we work both to promote the effective use of water and to prevent water pollution. We also recognize that water is closely linked to climate change and other environmental issues, and we understand impact on the environment.

With regard to Canon’s initiatives on water resources, we will continue to enhance our disclosures in line with the TNFD framework (→P41).

Reference: Canon Group Water Resources Policy  
<https://global.canon/en/sustainability/environment/water/policy/>

### Initiatives for Sustainable Use of Water Resources

#### Reducing Water Usage

Canon collects water data by intake source (public water system, industrial water system, or groundwater) and manages water resources carefully so as not to exceed intake limits for the different regions in which it operates. We also set and manage targets for the volume of water used in production, and constantly strive to further reduce water usage by improving production processes, raising water-usage efficiency and enhancing the quality of our water management.

### Helping to Significantly Reduce Water Usage in Semiconductor and Electronic Devices Manufacturing

Semiconductors are an indispensable part of our everyday lives. Amid mounting demand for semiconductors in recent years, semiconductor plants are being built across regions both in Japan and overseas. From the perspective of both the environment and costs, there are strong calls for semiconductor plants to reduce their environmental impact.

The semiconductor manufacturing process involves the use of a large volume of water resources for cleaning materials and cooling manufacturing equipment. Taking the needs of the environment and customers into account, Canon ANELVA has developed a new product family, Adastra, with the aim of conserving energy and resources, including cooling water. The company significantly revised the cooling water system of Adastra products, reducing cooling water usage by up to 55% compared to previous models and reducing energy-related CO<sub>2</sub> emissions by up to 24%. Modules can also be combined flexibly and the equipment can be used in the fields of semiconductors and other electronic devices, making it suitable for an array of development and mass production scenarios.

As Adastra products gain use in a broad range of fields and in a variety of situations, they will contribute to a better future for people and the natural environment.

City Water Usage in Semiconductor and Electronic Part Manufacturing Processes

up to **55%** reduction



Adastra series of semiconductor and electronic part manufacturing equipment

### Water Recycling at Production Sites

Canon promotes the recycling of water resources. For example, taking into consideration its impact on the marine ecosystem of nearby Beppu Bay, which abounds with precious natural resources and habitats, the Kitsuki Plant of Oita Canon employs a fully closed wastewater system that discharges only rainwater. At Canon Ecology Industry, wastewater from equipment used in air conditioning and other infrastructure is treated and recycled for reuse in the production process of toner and ink cartridges. Canon Inc., Taiwan’s production site re-uses the wastewater from the cleaning equipment in

the polishing process. We are also working to keep water consumption at our marketing sites to an appropriate level by measuring and monitoring the amount of water used at main sites. Canon Marketing Japan is reducing water consumption at its head office building by using recycled water supplied by the Tokyo Sewerage Bureau for flush toilets and other purposes. Although there was a larger volume of cooling water used for facility maintenance and due to high prevailing temperatures, total water consumption was down by 3.3% in 2025 from the previous year to 8,405,000 m<sup>3</sup>, as various Canon sites are making ongoing efforts to reduce water usage.



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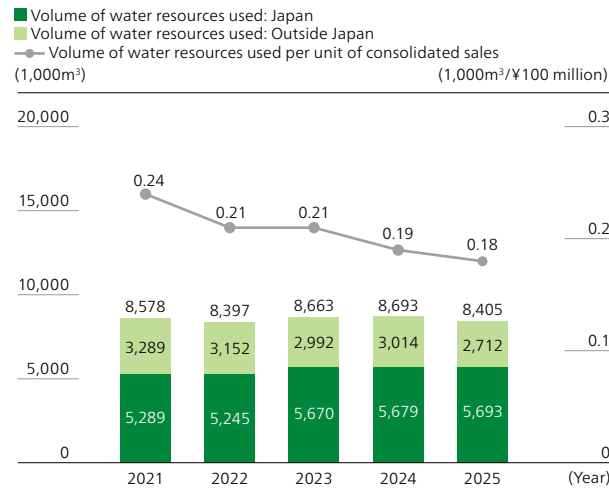
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Use of Water Resources



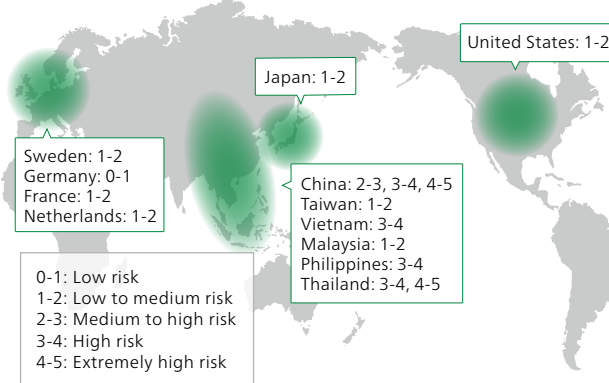
\* Third-party assurance obtained for water consumption figures from 2018.  
 \* The scope of aggregation mainly includes companies that have acquired ISO 14001 consolidated certification.

Water Risk in Regions Where Production Sites Are Located

Canon assesses locations to confirm available water intake volume before establishing operational sites and facilities. We use the AQUEDUCT water-risk mapping tool provided by the World Resources Institute\* for quantitative evaluation and reconfirmation of water risk in regions where production sites are located, and work to reduce water consumption in response to local conditions. Furthermore, among our production sites and plants in Japan and overseas, although four locations were found to be at medium-high risk of flooding near rivers or along coastal areas, we have already implemented necessary measures according to the situation at each location, including installing flood barriers, upgrading rainwater pipes, and raising the height of blocks used in perimeter fences. We will continue to consider various measures to mitigate the impact of damage and losses caused by natural disasters.

\* World Resources Institute: WRI is an independent institute based in the United States that conducts policy research and provides technical assistance concerning environmental and development issues around the world.

Water Risk (Quantitative) in Countries and Regions with Major Production Sites



\* Result of "physical risk quantity" assessment of production sites (as of end of 2020) using AQUEDUCT water-risk mapping tool (Version 4) (as of March 2026)

Water Resource Conservation Initiatives

Mangrove Restoration and Coastal Cleanup Activities in Thailand

Canon has been collaborating with the Department of Marine and Coastal Resources (DMCR) since 2019 to address critical marine and coastal issues in Thailand through its Canon Marine Rangers program. The program has targeted more than 10 areas across the country to date, encouraging participation in the local community and raising awareness of marine ecosystem conservation.

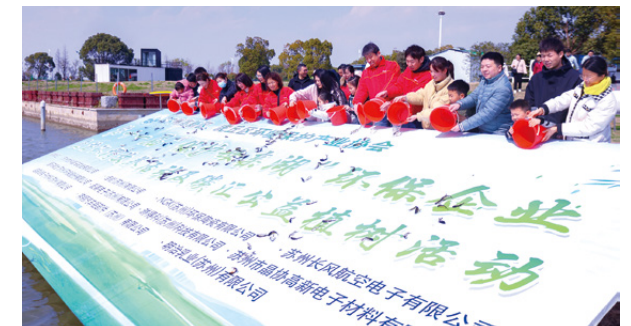
The 13th such activity took place at the Economic Aquatic Animal Hatchery Innovation Center in the Khao Samphao Khwam Community in Chanthaburi Province. A total of 58 volunteers actively worked to restore the ecosystem by planting 200 mangrove trees and cleaning up over 1,000 kilograms of garbage.



Volunteers taking part in activities to conserve the marine and coastal ecosystem

Fry Release Activities

Canon (Suzhou) continues to participate in the fry (young fish) release activities held by governments and organizations in regions where it's located. This has included activities at Lake Tai (one of China's largest freshwater lakes) held by the Huqiu District Environmental Protection Industrial Association in Suzhou New District. Having participated in such activities 11 consecutive times, Canon Suzhou was awarded a certificate of honor and a shield by the Ecological Environment Bureau of Suzhou for improving the quality of the lake and contributing to ecological diversity and sustainability.



Volunteers taking part in the fry release activity

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# Respecting Human Rights

Canon respects the human rights of all stakeholders involved in its business activities, including employees and business partners.

## Basic Approach

Based on the UN Guiding Principles on Business and Human Rights, Canon respects the human rights of employees, business partners and other stakeholders involved in its business activities. Based on the advice of outside experts, Canon works to ensure human rights using the following measures: (1) formulating and

reviewing the human rights policy; (2) undertaking human rights due diligence; (3) instituting and operating a grievance mechanism; (4) conducting human rights awareness training; (5) activities aimed at engaging with stakeholders on human rights issues; and (6) addressing human rights risks in the supply chain. In 2021, the Canon Group Human Rights Policy was established with the approval of the Chairman & CEO

of Canon Inc. as part of promoting efforts to respect human rights. This policy is available to our stakeholders in various countries and regions worldwide via the Canon website. Taking into account global trends and societal expectations for Canon, we revised the Canon Group Human Rights Policy in January 2025. We will continue to review the policy as needed in response to changes in the business environment.

### Canon Group Human Rights Policy

Since Canon’s founding in 1937, all employees have been treated the same on a fair and equal basis, without any discrimination due to gender, age or occupation. This stance was based on a complete respect for humanity.

Following half a century of operations, we adopted our corporate philosophy of *kyosei* in 1988. *Kyosei* is the aspiration to create a society in which all people, regardless of race, religion or culture, live and work together for the common good. It sets the goal of human happiness and prosperity above the profits earned by any single company or nation. *Kyosei* expresses our commitment to and global aspiration for a respect for humanity and makes clear the company’s firm stance to work together with stakeholders around the world to achieve this.

This policy expresses the Canon Group’s commitment to respect human rights and to take measures to protect human rights under the corporate philosophy stated above, which we embed into our operational policies and procedures. We promote human rights initiatives based on this policy under the responsibility of the executive in charge of human rights.

#### 1. Respect for Human Rights

Canon commits to respecting internationally recognized human rights across its business activities, as set out in the International Bill of Human Rights, the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work, the UN Guiding Principles on Business and Human Rights, and the Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises on Responsible Business Conduct. Specifically, Canon commits to respecting fundamental human rights, prohibiting discrimination, harassment or violence based on such factors as race, nationality, gender, religion and creed, promoting diversity, prohibiting child labor and forced labor (including human trafficking), prohibiting unreasonable restriction on movement, respecting freedom of association and the right to collective bargaining in accordance with the laws and regulations of each country and region, paying employees wages equal to or greater than legally mandated wages, preventing excessive overtime work and granting appropriate holidays, ensuring occupational health and safety, preventing occupational injuries, protecting privacy, and promoting responsible minerals sourcing.

#### 2. Human Rights Due Diligence

In accordance with the UN Guiding Principles on Business and Human Rights, Canon conducts human rights due diligence to identify adverse human rights impacts that are

linked to its business activities, and to prevent or mitigate any adverse impacts. In consideration of the findings of human rights due diligence, Canon will review and update this policy, where necessary.

#### 3. Grievance Mechanism

Canon establishes and operates an effective internal and external reporting system to understand adverse human rights impacts that are linked to its business activities. When Canon identifies that it has caused or contributed to adverse human rights impacts, Canon will take appropriate steps to remedy the situation.

#### 4. Awareness Training

Canon conducts human rights awareness training on a continuous basis to enable its executives and employees to deepen their understanding of international initiatives relating to human rights and this policy, and to respond appropriately to human rights issues.

#### 5. Dialogue with Stakeholders

Canon communicates its human rights approach, as stated in this policy, to stakeholders through our website and other communication channels. In a series of initiatives under this policy, Canon learns from the human rights expertise of external experts and has dialogue with stakeholders such as employees and suppliers who are or could potentially be affected by our business activities in relation to human rights.

Canon seeks to contribute to our stakeholders’ understanding of the international circumstances surrounding human rights. By cooperating with surveys and audits conducted by Canon, as well as with our responses to the risks uncovered through our initiatives, we encourage our stakeholders to join Canon in addressing human rights issues.

Date of establishment: October 15, 2021

Date of revision: January 24, 2025

Fujio Mitarai  
Chairman & CEO  
Canon Inc.



Reference: Canon Group Human Rights Policy  
<https://global.canon/en/sustainability/society/human-rights/pdf/hr-policy-e.pdf>



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Promotion System

Canon has established an internal Human Rights Secretariat, headed by the CFO, who serves as the executive in charge of human rights, to pursue human rights initiatives. The secretariat formulates an overall plan for human rights initiatives, establishes and operates grievance mechanisms, conducts stakeholder engagement, and reports important matters to the executive in charge. Potential human rights violation risks have been identified as a significant risk by the Risk Management Committee. Each Canon Inc. division and Group company is implementing initiatives to prevent and mitigate human rights risks. The results are evaluated annually by the Risk Management Committee and reported to the CEO and Board of Directors.

We also established a Human Rights Working Group in April 2024 under direction of the Sustainability Committee, which engages in the planning and promotion of human rights initiatives and activities aimed at ensuring appropriate disclosure.

Reference: Risk Management Committee (→P87)

Implementation of Human Rights Due Diligence

Based on the UN Guiding Principles on Business and Human Rights and the OECD Due Diligence Guidance for Responsible Business Conduct, we undertake human rights due diligence across the Group, as one of the activities under the Risk Management Committee. Each Canon Inc. division and Group company identifies and assesses the potential adverse human rights impacts in their respective business activities, including the supply chain, and identifies the salient human rights risks. The secretariat subsequently aggregates, analyzes, and evaluates the risks for the various organizations and, through stakeholder engagement (→P51), identifies

salient human rights risks for Canon. In assessing human rights risks, we also refer to the human rights risk country/region index provided by the Responsible Business Alliance (RBA). Additional measures have been initiated to prevent or mitigate salient human rights risks identified by Canon Inc. divisions or Group companies where it is believed current actions are deemed insufficient.

We also assess human rights risks for new businesses. For example, when conducting an acquisition, we examine the target company’s compliance with labor standards, health and safety laws, and other regulations as part of our due diligence. When launching a business with a new business partner, we also assess the risk of human rights violations for the partner.

In 2025, the organizations\* selected by the Human Rights Secretariat were subject to human rights due diligence, and the implementation rate reached 100%. Canon will continue to reinforce efforts to prevent and mitigate human rights risks.

\* All business units (including related group companies), headquarters administrative divisions with a high potential impact on human rights risks, and other group companies (original-product-owning companies and regional sales headquarters)

Drawing on Insights from External Experts

We are actively organizing dialogues with external experts to effectively implement human rights due diligence. By participating in human rights training programs hosted by the United Nations Development Programme (UNDP) and in seminars hosted by law firms, we gather information on current societal trends to use as a reference for our human rights response going forward. In 2025, we continued to take part in seminars and engaged in dialogue with experts, gathering information on human rights laws and regulations, including the EU Corporate Sustainability Due Diligence Directive, and are now considering our response.

Ongoing Monitoring

As mentioned above, Canon regularly verifies the status of compliance with the commitments stated in the Canon Group Human Rights Policy. We are also reviewing the Group’s human rights initiatives in accordance with social demand, dialogue with stakeholders, and Canon’s business operation.

Showcasing Canon’s Human Rights Initiatives at a METI Training Program for Vietnamese Businesses

From February 27 to March 5, 2025, a Training Program for the Promotion of Responsible Business Conduct in Vietnam was held for Vietnamese companies that do business with Japanese companies or are considering doing so. The program was planned by Japan’s Ministry of Economy, Trade and Industry. We introduced our human rights initiatives to the executives and managers of the Vietnamese companies taking part in the training.

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Salient Human Rights Risks for Canon

We have identified 11 items as salient human rights risks that may arise in Canon's business activities, including the supply chain. These include discrimination based on factors such as race, gender, or religion; harassment; child labor; forced labor; unpaid wages/low wages; excessive overtime work; occupational health and safety; and protection of privacy. As shown in the table below, various measures are taken to prevent and mitigate these risks.

Grievance Mechanism

Canon Inc. has set up an internal reporting system through which employees can report specific human rights concerns. We also work to raise awareness of the reporting system via the company intranet and training programs, among other measures, and are taking steps to ensure its appropriate use. Almost all Group companies in Japan and overseas have also established internal reporting systems to enable employees to report specific human rights concerns in local languages.

Canon Inc. also has a reporting system through which external stakeholders can report specific human rights concerns associated with Canon's corporate activities.

Salient Human Rights Risks for Canon

	Rights-holders				Measures taken by Canon
	Suppliers/Contractors	Canon employees	Customers/Consumers	Local communities	
Discrimination based on such factors as race, gender, or religion		●			P60 Diversity, Equity and Inclusion
Harassment		●			P53 Prevention of Harassment
Child labor	●				P53 Respect for Human Rights in the Supply Chain
Forced labor	●				P53 Respect for Human Rights in the Supply Chain
Unpaid wages/low wages	●				P53 Respect for Human Rights in the Supply Chain
Excessive overtime work	●	●			P52 Prevention of Excessive Overtime Work P53 Respect for Human Rights in the Supply Chain
Occupational health and safety	●	●			P63 Occupational Safety and Health and Productivity Management
Protection of privacy		●	●		P91 Protecting Personal Information
Procurement of conflict minerals				●	p79 Addressing the Issue of Responsible Minerals Sourcing
Noise, environment pollution at operational sites				●	P14 Environment
Health damage or accident caused by product			●		P71 Product Responsibility

Both the internal and external systems give careful consideration to protecting the privacy of informants, such as allowing anonymous reporting, to ensure that informants are not treated unfairly for reporting.

For reports of potential compliance violations, we investigate the facts and ultimately determine whether a violation has taken place. Based on the findings, in cases where a compliance violation has been recognized, we take necessary measures to remedy the problem and prevent recurrence.

The table below indicates the number of reported human rights-related whistleblowing reports, reported cases, and reported cases in which compliance violations were found, over the past three years. There was no case of serious human rights related compliance violation.

Reports, cases, and compliance violations (at year-end)

	(no.)		
	2023	2024	2025
Reported whistleblowing reports during the year	83	123	121
Reported cases during the year	94	140	141
Reported cases in which investigations were completed and compliance violations were found	17	27	29
Discrimination, harassment	14	23	25
Labor management	3	4	4

\* In cases where a single report contains multiple complaints, it is treated as one report and each complaint is counted as a separate case.

Responsible Business Conduct Hotline  
<https://global.canon/en/contact/csr/csr-form-e.html>



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### Human Rights Awareness Training

Canon since 2021 has been carrying out human rights awareness training programs for employees to instill basic knowledge about business and human rights and raise awareness of the Canon Group Human Rights Policy and other human rights initiatives at Canon. Training programs held overseas reflect national and local characteristics, with each company optimizing the content and translating it into each language.

Canon positioned this activity under the Risk Management Committee starting in 2025 and set a target of achieving a 100% implementation rate\* for human rights education and awareness activities across the Group over the three-year period from 2025 to 2027. The rate as of the end of 2025 was 80%. We will continue to strengthen these education and awareness activities, aiming to further enhance the awareness of human rights among all employees.

\* Implementation rate at Group companies selected by the Risk Management Committee secretariat to undertake human rights education activities

### Stakeholder Engagement

The OECD Due Diligence Guidance for Responsible Business Conduct states that it is important for companies to engage with stakeholders at each stage such as when identifying and assessing the actual or potential adverse impact caused by corporate activities or when devising measures to prevent or mitigate such impact. In addition to the Canon Workers' Union, Canon is engaged in dialogue with institutional investors, suppliers, and business partners.

#### Stakeholder Engagement: Example 1 (Canon Workers' Union)

To identify and assess salient human rights risks and to consider measures for prevention, we organized dialogues with the union (in Japan) relating to issues that represent human rights risks for employees, including discrimination based on factors such as race, gender, or religion; harassment; excessive overtime work; occupational health and safety; and protection of privacy.

Through dialogue, we identified trends in corporate responses to human rights issues and are exchanging opinions on a wide range of concerns, including the active participation of women in the workforce, issues involving lesbian, gay, bisexual, transgender, and queer (LGBTQ+) persons and persons with disabilities, and consultations about harassment and efforts to address these issues, as well as concerns about employee career development and telework and other types of flexible work styles. The results of these discussions are taken into consideration when we identify and assess salient human rights risks for Canon and consider preventive measures.

#### Stakeholder Engagement: Example 2 (Business Partner, Industrial Equipment)

Canon develops, manufactures and sells semiconductor steppers and other industrial equipment on a global basis. One of the salient human rights risks in the industrial equipment sector is the risk of accident or worker injury to employees of Canon or subcontractors during the transport or the installation of equipment. The massive size and mass of these systems means that any lack of OHS care could result in a serious accident such as being caught in machinery or falling from a height. As well as taking steps to prevent injury to its employees, Canon Inc. regularly discusses safety issues with delivery/installation subcontractors, including examples of near-misses and rule violations, and related problems.

### Human Rights Training for All Employees at Canon U.S.A.

Canon U.S.A. offers human rights training to all employees. The training explains how modern slavery such as human trafficking and forced labor breach fundamental human rights, as well as the company's commitments to respecting human rights and the responsibilities of managers and workers. It also covers how to recognize warning signs and apply best practices to uphold compliance.

#### Comment from an Employee from the Procurement Division Who Underwent Training

The training strongly reinforced that human rights risks, particularly modern slavery, can extend deep into the supply chain, which is a critical area for Procurement. I recognized the potential for hidden risks and gaps in regulatory or ethical compliance behind our first-tier suppliers. I plan to immediately incorporate the enhanced due diligence and red flag identification practices into our supplier qualification and ongoing monitoring, ensuring our contract language and future procurement processes proactively uphold Canon's ethical sourcing commitments.



Maureen Reyes  
Procurement Division  
Canon U.S.A., Inc

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**Our Respect for the Human Rights of Employees**

**Evaluation & Improvement of Human Rights Risk-related Activities at Canon Group Production Sites**

In 2025, Canon completed a human rights risk assessment at 64 Canon Group production sites in Japan and overseas using the RBA's Self-Assessment Questionnaire (SAQ). Through this assessment, Canon confirmed that there were no cases of child labor or forced labor, and verified the actual conditions regarding worker's freedom of association and collective bargaining rights.

Regarding the actual conditions identified to date through our risk assessments, we have implemented the following improvements.

- Made regulations clearly state that the company will not retain originals of personal ID documents or other personal documents
- Conducted evacuation drills when it is dark outside
- Established a framework for giving reasonable

In addition, Canon conducts internal audits, including on-site inspections, and undergoes regular external audits. In 2025, 9 sites worldwide underwent Validated Assessment Program (VAP) audits, a third-party auditing program of the RBA. The number of sites holding valid certification as of the end of December 2025 is as follows:

**Sites with RBA VAP Audit Certification\***  
(as of end-December 2025)

	Number of ranked sites
Platinum	14
Gold	4
Silver	7

\* Includes sites that underwent VAP audits and obtained certification in 2024

Facilities audited in 2025 received feedback including in the following areas and are taking corrective measures:

**Improvements Made Following the 2025 VAP Audit**



Management of consecutive working days



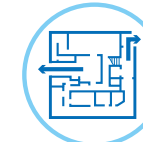
Improvements to employee protective equipment



Improvements to deficiencies in hazard labeling for chemical substances



Installation of emergency eyewash and shower facilities



Improvements to deficiencies in evacuation route maps

**Prevention of Child and Forced Labor and Unreasonable Restrictions on Movements**

We use the RBA's SAQ at Canon Group production sites in Japan and overseas. Based on the survey responses, we confirm that there is no evidence of child or forced labor or any unreasonable restrictions on workers' movements on the site or while at work. In addition, to mitigate the risk of forced labor, we have confirmed through the SAQ that Group companies do not retain originals of employee personal ID documents or other personal documents, and that they have put regulations in place that clearly stipulate this.

To prevent child labor, we thoroughly check the age of employees when they enter the company, and we have developed a response flow in case an employee who is under the minimum working age is found. In addition, young workers under the age of 18 are prohibited from working any overtime or night time, or engaging in dangerous work, thereby giving consideration to their health.

**Prevention of Excessive Overtime Work**

We have instituted a system to accurately ascertain the working hours of employees at production sites in Asia deemed to be subject to a notably high risk of excessive overtime work. Actual results on working time management, including overtime work, are reported annually to the HR division of Canon Inc. Work guidelines were introduced to Canon Group production companies based in Asia in 2015 as part of human rights risk-related initiatives. In 2022, we overhauled these guidelines to make them consistent with RBA standards, extending them to all our domestic and overseas Group production companies.

**Respect for Freedom of Association and the Right to Collective Bargaining**

As stated in the Canon Group Human Rights Policy, Canon respects freedom of association and the right to collective bargaining. We also strive to address various labor issues by promoting dialogue between labor and management. For example, the labor agreement between Canon Inc. and the Canon Workers' Union commits both sides to work in good faith to peacefully resolve issues in a timely manner.



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**Prevention of Harassment**

In line with the principle of respect for humanity that Canon has followed since its foundation, Canon not only prohibits discrimination on such factors as gender or occupation, but also maintains a zero-tolerance policy on harassment, which it communicates to all management executives and employees. In addition to sexual harassment and abuse of authority (power harassment), Canon Inc.'s employment rules and Harassment Prevention Provisions prohibit other forms of harassment, including maternity harassment. These provisions have been disseminated throughout Group companies in Japan, and many have instituted similar rules based on them. In a further effort to maintain a comfortable workplace environment, Canon Inc. and its many Group companies in Japan have established a Harassment Hotline. Confidentiality surrounding employee consultations is strictly maintained and a firm guarantee against unfair treatment is provided to victims and informants. In terms of preventing harassment, regular liaison meetings are held for persons responsible at Canon Inc. operational sites and Group companies in Japan, enabling the operational status of hotlines to be monitored and shared. Meeting participants review procedure manuals and share knowledge on how to respond to reports of harassment.

Additionally, to address the diversification of values resulting from recent changes in work styles, lifestyles, and communication methods, it is important for each employee to have a proper, common understanding of harassment. We carried out an e-learning program on preventing harassment for all employees of Canon Inc. in 2024. Furthermore, from 2025, we have been enhancing our training content and gradually rolling it out to our domestic Group companies.

**Respect for Human Rights in the Supply Chain**

Canon joined the RBA in 2019, with the aim of strengthening our initiatives for social responsibility within the supply chain, and formulated the Canon Supplier Code of Conduct, based on the RBA Code of Conduct. We communicate the Canon Supplier Code of Conduct to suppliers and also request the parts and materials suppliers of our main business products (major suppliers), to sign a compliance agreement on the RBA Code of Conduct. The RBA Code of Conduct has been translated into over 20 languages, including English, Chinese, Japanese, Thai, and Vietnamese.

In line with our support for the Keidanren-led Declaration of Partnership Building initiative, Canon is also committed to cooperation and co-existence with business partners and strives to avoid unreasonable requests for cost reductions, orders with short turnarounds that do not reflect appropriate cost bearing, and requests for sudden changes in specifications. We also make efforts to set prices that take into account the impact of higher labor costs.



**Responsible Business Alliance**

Advancing Sustainability Globally

Responsible Business Alliance (RBA): A coalition of companies promoting socially responsible global supply chains

Reference: Supply Chain Management (→P77)  
Canon Sustainability Supplier Guidelines  
<https://global.canon/en/procurement/pdf/ssg-e.pdf>

**Risk Identification and Assessment for Parts and Materials Suppliers**

We request that major suppliers conduct annual self-assessments using the RBA-approved SAQ to identify, evaluate, and prevent human rights risks at suppliers, such as child labor, forced labor, unreasonable restrictions on movement, or excessive working hours.

After assessing and analyzing SAQ responses received from suppliers, we provide feedback and request improvements as needed. For some suppliers, we also conduct online meetings and on-site inspections to verify their SAQ responses. We confirm that suppliers have put internal regulations and systems regarding human rights in place, working to strengthen the framework for compliance with the Canon Supplier Code of Conduct across the supply chain. The following are examples of matters we verified in 2025 to confirm compliance and propose improvements:

- Regulations for establishing reporting channels and their implementation status, and we provided advice to suppliers whose regulations did not clearly state that anonymous reporting was possible.
- Notices of working conditions in the native languages for foreign employees are being presented and implemented.
- Regulations regarding harassment prevention are in place and awareness-raising measures such as posting notices and distributing pamphlets are implemented.
- Necessary health and safety permits and licenses are fully obtained and submitted, and updated as appropriate.
- Safety measures for machinery and inspection rules, as well as the maintenance of evacuation routes and disaster prevention equipment at manufacturing sites.



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### Assessing and Identifying Risks for On-site Service Providers and Labor Agencies

Since 2022, we have also been carrying out risk assessments relating to labor, health and safety, the environment, and ethics for major on-site service providers contracted by our core business production sites, including security, cleaning, and food service, labor agencies, and facility or dormitory management companies. We have worked in collaboration with suppliers to address the risks identified to date. The following are specific examples:

- We verified that employees were being charged for essential work items such as uniforms and tools, and requested improvements accordingly. We subsequently confirmed that the collected amounts were refunded to employees and that the system was revised.
- Company regulations stipulating the imposition of fines and pay cuts as disciplinary measures were being applied, so we requested that the regulations be revised and confirmed that they had been.
- Since short-term workers were not provided with pay slips that clearly stated their working hours and wage rates, we advised the company to create and provide more detailed wage statements.
- We instructed a company to ensure that the transportation of heavy objects of a certain weight or more is carried out by two or more people, and confirmed that pregnant women were not engaged in such tasks.
- As measures to restrict access to personal information were not in place at a supplier, we requested that a framework be established to manage access and confirmed that password-setting and other rules were put in place.

### Comment from an Employee in Charge of an On-site Supplier Inspection

Managing the supply chain is a highly complex challenge, but we believe it is important to protect workers' rights and ensure safe and fair working conditions. At Canon, we work every day to ensure the Canon Supplier Code of Conduct is implemented not only in our own operations but throughout our supply chain together with our suppliers.

After collecting and confirming SAQ responses from suppliers, we conduct on-site inspections and examine the responses for the RBA elements: Labor, Health and Safety, Environment, Ethics, and Management Systems. When a risk is identified, we work closely with the supplier to understand the situation and implement corrective actions. Even for answers identified as low risk, we verify their reliability and, when necessary, review supporting documents that substantiate them.

Through this communication, our initiatives have been highly valued by suppliers, leading to stronger partnerships aimed at continuous improvement of working conditions. Looking ahead, we will continue working with our suppliers to create positive change and build a more sustainable future.



Marivic Liwag  
Purchasing Control  
Canon Business  
Machine (Phils), Inc.

### Compliance with Modern Slavery Act

Based on the laws and regulations of each country, such as the UK's Modern Slavery Act 2015, Australia's Modern Slavery Act 2018, and Canada's Supply Chains Act, Group companies subject to such laws publish statements outlining their policies and efforts to eliminate human trafficking, forced labor, and other illegal activities from their supply chains.

- Reference: Canon Europa N.V., Canon Europe Ltd., and Canon (UK) Ltd. Modern Slavery Act Statement [https://canon.a.bigcontent.io/v1/static/modern-slavery-statement-2024\\_09ccb9c4636a405eb7289940e7c00716](https://canon.a.bigcontent.io/v1/static/modern-slavery-statement-2024_09ccb9c4636a405eb7289940e7c00716)
- Reference: Canon Australia Pty Ltd. Modern Slavery Statement <https://www.canon.com.au/about-canon/compliance/csr>
- Reference: Canon Canada Inc. Modern Slavery Statement [https://www.canon.ca/dam/about/Org/Corporate-Profile/Statements/CCI\\_Report-on-Forced-and-Child-Labour-Report-2025\\_FINAL\\_EN\\_042825.pdf](https://www.canon.ca/dam/about/Org/Corporate-Profile/Statements/CCI_Report-on-Forced-and-Child-Labour-Report-2025_FINAL_EN_042825.pdf)
- Reference: Axis Modern Slavery Act Transparency Statement [https://www.axis.com/dam/public/permalink/159280/axis-modern-slavery-act--transparency-statement-2025-en-US\\_159280.pdf](https://www.axis.com/dam/public/permalink/159280/axis-modern-slavery-act--transparency-statement-2025-en-US_159280.pdf)





# Hiring and Treatment of Human Resources

We strive to create an attractive, motivational workplace environment for employees.

## Basic Approach

Canon believes that in order to become a truly excellent global corporation, each employee must be an “excellent person.”

Based on this recognition, we are building a corporate culture that encourages an enterprising spirit by guaranteeing respect for the values of ambition, responsibility and mission, as well as fair and impartial assignments, evaluations, and treatment based on merit.

The *San-ji* (Three Selves) Spirit has been a central guiding principle for Canon since its founding. The three “selves” refer to 1) self-motivation: proactively taking the initiative; 2) self-management: conducting oneself responsibly and with accountability; and 3) self-awareness: knowing one’s position, roles and circumstances.

Canon encourages all employees to embrace the *San-ji* Spirit as they pursue their work with a positive and forward-looking attitude, and promotes this approach at Group companies worldwide.

### Guiding Principles

- Three Selves..... Adhere to the principles of self-motivation, self-management and self-awareness in day-to-day activities
- Meritocracy..... Make vitality (V), specialty (S), originality (O), and personality (P), daily pursuits
- Internationalism... Strive to become a culturally sensitive, internationally minded, sincere and active person
- Familism..... Strengthen trust and understanding of others and work together in a spirit of harmony
- Health First..... Live by the motto “healthy and happy” and work to cultivate character

## Management of Human Capital

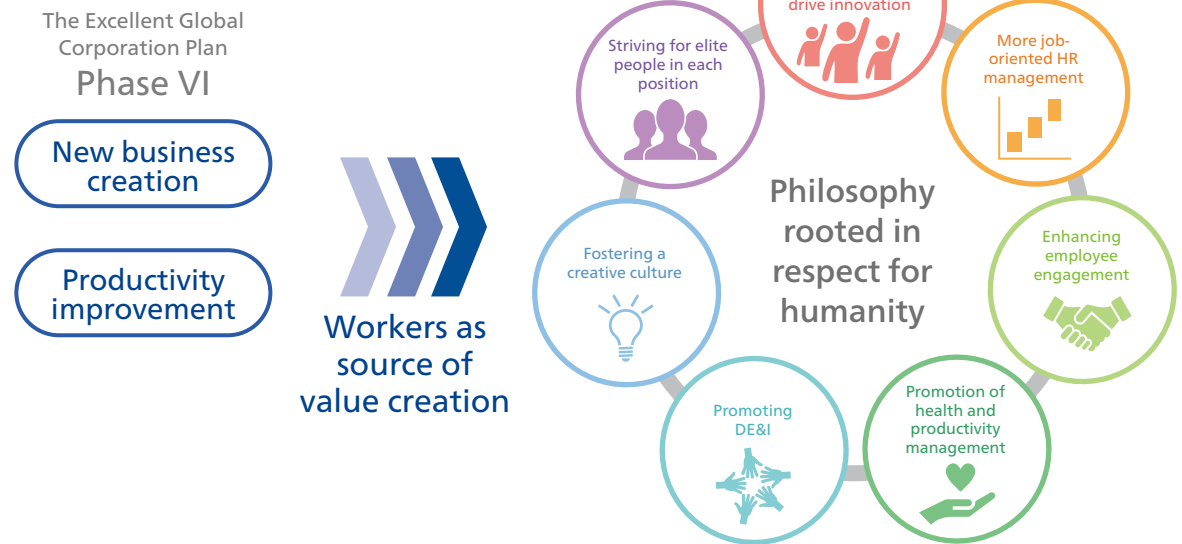
Respect for humanity has been a vital element of Canon’s DNA since foundation. Based on this philosophy, we see a talented workforce as the main source of value creation and seek to actively invest to maximize the value of human capital. In the five-year plan, “the Excellent Global Corporation Plan Phase VI,” which concluded in 2025, Canon has been advancing productivity improvements and transforming its portfolio through the creation of new businesses. Our initiatives to help realize these goals focus on recruiting, retaining and developing people with innovative talents, and on fostering a free and open organizational culture to maximize the value created based on diversity of people and ideas. Alongside this, we have adopted a remuneration system more focused on job-based roles, irrespective of age or

gender, to ensure we have the best people in each position. In addition, we try to support the physical and mental health of every employee through a variety of means to assist them in fulfilling their individual potential. Using a comfortable and rewarding work environment to help enhance engagement, we aim to foster the growth of both individuals and the company.

In addition, under “the Excellent Global Corporation Plan Phase VII,” which started in 2026, we will aim to achieve new growth through innovations in productivity.

## Promotion System

Canon Group companies inside and outside Japan implement HR policies in line with national and regional laws and regulations, while also collaborating on various related Group-wide initiatives.



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**Hiring and Retaining Talent**

Canon seeks to hire and retain talent that can drive globalization and innovation in its businesses with the ultimate goal of sustainable growth. With this in mind, we follow a uniform policy for hiring, job placement and human resource development.

In 2025, Canon Inc. and Group companies in Japan actively continued their recruitment programs, resulting in the hiring of 2,094 employees in total. Canon has established various programs and systems, such as a career matching system (→P69) and a work-life balance program for employees engaged in childcare or nursing care to support the continued employment of all employees so that they remain motivated and can maximize their skills and abilities over the long term (→P58).

In terms of non-employee workers, a total of 7,376 people worked at the Canon Group as of the end of 2025. Canon generally outsources services such as security, cleaning and the operation of onsite worker canteens, based on corporate contracts.

**Increased Use of Mid-Career Hires**

Besides utilizing internal personnel, we are also hiring experienced workers who can contribute immediately to support our business portfolio transformation. Specific recruitment initiatives include posting position vacancy details to the Canon Group website; encouraging those who previously left Canon for unavoidable reasons (including moving to other firms or due to the assignment of a spouse) to return to Canon; and asking employees to refer suitable family members, friends or acquaintances. We contact potential recruits with matching characteristics or specialist expertise directly, too, alongside the use of recruitment referrals. Mid-career hires constituted 43% of new recruits at Canon Inc. in 2025, which was 3.9 times the equivalent

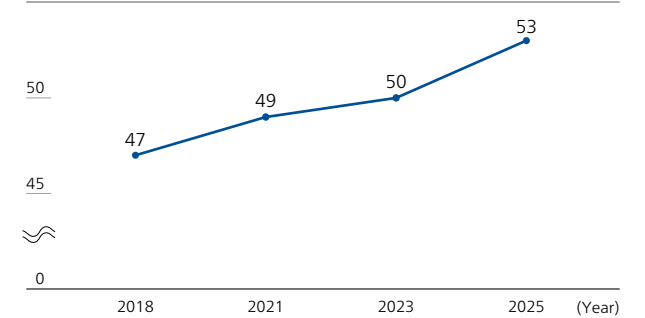
ratio from 2015. We will continue to actively recruit employees mid-career and promote suitable candidates to managerial positions.

**Enhancing Employee Engagement**

Believing that the enthusiastic work of individual employees who are aligned with the business philosophy and corporate strategy will translate into the growth of Canon, we have developed measures to enhance employee engagement. As a first step, Canon Inc. conducts an employee survey every two years to gauge workforce opinions on the organization. After a multifaceted analysis of the survey results, we hold a training event in the year after the survey for all line managers known as CAMP (Canon Active Management Program). This training involves the managers at each workplace discussing the HR issues at that site to help formulate specific measures for improving engagement. The effectiveness of the measures is ascertained using the next edition of the survey. The 2025 opinion survey generated a high response rate of 98.5%, and the proportion of positive responses increased across most categories compared to the previous survey, including personal growth and the overall perception of the company. In particular, we have seen steady improvement in categories related to engagement, such as a sense of fulfillment, personal growth, and a comfortable working environment. One concrete initiative was the CAMP training program, which adopted the theme of “Think Engagement” in 2024. The program drew around 1,800 people from 140 departments, who came together to discuss ways to enhance engagement in their own departments. We have also compiled in-house best practices in a Best Practice Handbook to guide efforts to roll out initiatives aimed at improving the workplace culture across the Group. On the other hand, other issues have come to light, including with understanding the

direction of the company, which we will aim to address by disseminating more robust information on management policies and other topics and by implementing CAMP training. To enhance engagement going forward, we will continue to identify organizational issues from a variety of perspectives and link these efforts to different HR policies to support the growth of employees and the company.

**Employee Engagement\***  
(%)



\* Percentage of positive responses for categories related to engagement, such as a sense of fulfillment, personal growth, and a comfortable working environment

**Promoting Globalization of Executive Management**

As part of promoting the development of globalized management, Canon appoints appropriate personnel, regardless of nationality, as presidents, executive officers, and managers of subsidiaries in each country and region where it operates (→P67).

For example, within the region overseen by Canon Europe, the HR globalization ratio\* is 84% for presidents and 94% for managerial positions.

\* Ratio of non-Japanese in CEO/managerial positions

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### Creating Local Employment Opportunities at Production Sites

In order to help stimulate local communities and economies through job creation, we focus on local employment at production sites.

For example, our production sites in Asia employ over 40,000 local employees. In every region of the world, Canon ensures its employees are paid substantially more than the local minimum wage.

Reference: 2025 Comparison of Canon's Minimum Wage to Local Minimum Wage  
<https://global.canon/ja/sustainability/report/pdf/data-2026-e.pdf>

### Fair and Impartial Compensation System

#### Salary Linked to Duties and Performance

Canon Inc. has introduced a position-based pay system to evaluate and compensate individuals fairly and impartially, regardless of gender or age.

In this system, remuneration is based on duties and performance. Basic pay scales incorporate the level of position in the company based on responsibilities and other factors. An employee's achievements as well as work-related processes and performance during the year are evaluated to determine annual remuneration. Bonuses reflect individual achievements and company performance. In 2021, to enhance further the balance of Canon's remuneration system, the level of "OS" (for OutStanding) was added to the individual evaluation scale to recognize special contributions in the development of groundbreaking or innovative products, or for other types of superlative achievement at work. Employees awarded an evaluation of OS are paid a special annual bonus.

This system is being promoted across the Group worldwide, and has been adopted by most Group companies in Japan and manufacturing subsidiaries in Asia. Systems for determining compensation based on

duties and performance have already been established at Canon U.S.A. and Canon Europe, along with other Group companies in those regions, as well as Group marketing companies in Asia.

Regarding basic salary amounts and increases as well as calculation and payment of bonuses, a wage committee meets with the Canon Workers' Union\* (Japan) three or four times a year to check whether remuneration is being paid in accordance with the rules of the labor agreement. The minutes of these meetings are made available to all employees. The committee also facilitates discussions between labor and management on the implementation and improvement of the compensation system.

\* The Canon Workers' Union consists of employees from Canon Inc., Canon Marketing Japan, Fukushima Canon, and Ueno Canon Materials.

#### Corporate Pension Plan

At Canon Inc., we offer employees the defined-benefit Canon Corporate Pension as a form of performance-based pay—a role- and grade-based retirement system—to supplement their public pension and contribute to a more comfortable retirement. A company-run pension fund manages pension assets, so employees do not need to provide any additional funds. Canon Inc. also offers a defined-contribution pension plan with matching contributions, which, coupled with the defined-benefit pension plan, provides solid financial security.

Other Group companies in Japan have also set up their own corporate pension plans.

### Employee Benefit Programs

Canon is working to enhance the various employee benefit programs it offers, covering each stage of life from hiring to retirement, enabling employees to work with peace of mind.

For example, as well as providing staff canteens and sporting facilities, Canon funds or subsidizes programs and clubs that bring together people with shared interests

to foster better workplace communication. We plan various events for employees and family members that incorporate the local culture of each region, developing benefit programs in line with employee needs.

With a view to securing their futures, in addition to national social insurance programs, employees of Canon Inc. and Canon Group companies in Japan are eligible for added benefits that include a corporate pension plan as well as membership in our welfare association and health insurance society. Canon Inc. also offers a voluntary employee stock ownership plan, a savings plan and group life insurance policies, among other benefits.

### Reducing Total Work Hours

Canon works diligently to ensure that employee work hours comply with the laws of each country and region where it operates, targeting reductions in hours where appropriate.

For example, at Canon Inc., we have been reviewing and revising work practices. We have promoted an open vacation program where employees can take five consecutive days of vacation once per year. We have also encouraged the taking of paid leave in various ways, such as having employees submit a plan for taking five or more days of annual vacation at their first meeting with their supervisor in the new year. Average paid leave taken in 2025 was 18.9 days. Total hours worked per employee were 1,708, a 91-hour decrease from 2010 (1,799 hours), when activities to reduce total working hours began.

### Flexible Work Styles

Canon promotes flexible work styles in line with national and regional employment customs.

For instance, in 2005, Canon Inc. formulated an action plan following the guidelines of Japan's Ministry of Health, Labour and Welfare, and is encouraging the adoption of flexible work styles while helping employees

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achieve work-life balance and taking steps to aid the development of the next generation.

**Promoting Flexible Work Styles**

Canon Inc. has several leave programs that enable employees to take time off flexibly in line with personal circumstances, including a program that facilitates leave in 30-minute blocks for reasons such as childcare, nursing care, injury or illness. We also have a long-service leave system where those employed for certain numbers of years can then take a vacation to refresh. In 2020, we introduced a remote working system aimed at boosting productivity by promoting flexible work styles not limited by time or location. The current initiatives make up the eighth phase of the action plan spanning the three-year period from April 2024 to March 2027.

In addition, Canon Inc. conducts surveys on flexible work styles to assess the circumstances and needs of employees, aiming to create a flexible workplace environment.

**A System for Supporting Working Parents, Care Givers, and Employees Undergoing Medical Treatment**

To enable employees to focus on childcare responsibilities with peace of mind, Canon Inc. offers an array of programs that go beyond the legally stipulated minimum requirements, including a childcare leave program that enables employees to take leave until their child reaches the age of three, and a system for reducing work hours to support childcare, making it possible for employees to reduce their workday by up to two hours until their child has finished the third grade of primary school. In 2025, 452 employees (359 men, 93 women) started to utilize our childcare leave system.

Furthermore, to support employees who are undertaking fertility treatment, we have put in place a fertility treatment subsidy program that subsidizes 50% of treatment costs (excluding costs covered by health

insurance), up to a ceiling of ¥1 million, together with a fertility treatment leave program to enable employees to take leave for the period required for treatment. Furthermore, we have implemented a system that allows male employees whose spouses have given birth to take two days of paternity leave.

In addition, to support the work-life balance of those in our local community, Canon Inc. has established Poppins Nursery School Tamagawa. Located on our property adjacent to the Shimomaruko headquarters, the school is certified by the Tokyo Metropolitan Government and open to local residents.

To help employees caring for aged relatives, we provide various support systems that go beyond the legally stipulated minimum requirements, including nursing care leave available for up to one year, sympathy money, and a system for reduced work hours to support nursing care, enabling employees to reduce their workday

by up to two hours a day. A total of 24 employees began using our nursing care leave system in 2025.

To assist employees living with illnesses in balancing work with medical treatment, we have also put in place systems to support flexible ways of working, including accumulated illness and injury leave, leave that can be taken in half-hour increments, and programs enabling employees to take leave of up to three years. For employees requiring particular work-related consideration, managers, occupational physicians, occupational health nurses, and HR staff coordinate to provide individual support through the workplace environment, including in terms of workstyles and job suitability.

In addition, hotlines have been set up at each of our operational sites to handle employee inquiries about these systems.

**Action Plan Phase VIII (from April 2024 to March 2027)**

Action Plan	Measures	Results as of 2025 End
(1) Promote use of work-life balance programs with aim of raising participation rate.	<ul style="list-style-type: none"> <li>Continue leave programs, hold related discussions and information seminars, and provide individuals with materials and online training and hold interviews on leave-related systems and procedures for people wishing to take leave.</li> <li>Hold seminars to assist both male and female employees seeking to balance work and childcare by increasing their understanding of related systems and providing related career support.</li> </ul>	<ul style="list-style-type: none"> <li>While female employees typically make up the majority of those taking advantage of the programs, the number of male employees is also increasing significantly.</li> </ul>
(2) Support diverse work styles while promoting further reform by encouraging work styles that do not rely on overtime; by continuing efforts to promote use of paid leave; and by maintaining an appropriate level of total work hours.	<ul style="list-style-type: none"> <li>Using total work hours as an indicator for work-life balance, bolster measures to encourage use of paid leave and maintain an appropriate level.</li> </ul>	<ul style="list-style-type: none"> <li>Designating July–September as Work-Life Balance months, implemented earlier work hours and continued efforts to promote work style reforms. Provided employee benefit programs to encourage self-development during the period of earlier work hours.</li> <li>Due to productivity gains and the promotion of work-life balance, total work hours decreased by 91 hours compared to 2010.</li> </ul>
(3) Continuing from Phase VII, carry out community contribution activities open to participation by children — who are the future of our communities — through social contribution activities.	<ul style="list-style-type: none"> <li>Continue reaching out to local regions and communities and implement appropriate initiatives from April 2024 to March 2027.</li> </ul>	<ul style="list-style-type: none"> <li>Continued to carry out the following initiatives                             <ol style="list-style-type: none"> <li>Unique learning programs for children, including an environmental education outreach program and career education</li> <li>Photography classes</li> <li>Tag rugby lessons, rugby meet-and-greet events, etc.</li> </ol> </li> </ul>

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**External Recognition**

Canon Inc., Canon Marketing Japan, Oita Canon Materials, Fukushima Canon, Canon Precision, Canon IT Solutions, and Canon System & Support have all been granted "Platinum Kurumin" accreditation by the Japanese Ministry of Labour, Health and Welfare to recognize that their family-friendly HR policies and initiatives are of a particularly high standard. The Kurumin Mark recognizes activities by companies to support childrearing activities.



**Supporting Employees' Volunteer Activities**

Canon Inc. has in place a volunteer leave system for interested employees. Under this system, employees wishing to participate in volunteer activities certified by the company may take up to one year of leave (two years and four months in the case of JICA Japan Overseas Cooperation Volunteers).

**Worker-Management Relations**

At Canon Inc. and Canon Group companies in Japan, worker-management relations are founded on the principle of prior consultation, that is, finding solutions through thorough discussion. Candid discussions between management and the labor union are held whenever policies that affect wages, working hours, safety and health, and benefit programs are to be implemented.

Canon Inc. convenes a Central Worker/Management Conference with the Canon Workers' Union to exchange opinions and information spanning a range of subjects. The CEO and other senior management attend the conferences.

In addition, special committees have been created to establish programs and enact new policies relating to wages, working hours, OHS issues, and benefit programs, based on discussions between labor and management. As of July 2025, combined employee membership in the Canon Workers' Union totaled 21,453, with a union membership rate of 78% for Canon Inc.'s workforce. The working conditions for non-unionized workers of Canon Inc. are stipulated via our employment regulations.

The annual Canon Group Workers' Union Conference is held for Group companies in Japan and representatives from Canon Inc. to enable discussions on working conditions, the status of the business, and other issues. The conference brings together 18 Group workers' unions and executives from 23 Group companies in Japan. As of the end of 2025, there were 46,969 employees in unions that belonged to the Canon Group Workers' Union Conference, for a union membership rate of 80% in the workforce of the 23 Group companies in Japan.

Dialogue-based proper labor-management relations are also maintained within Group companies outside Japan, in accordance with national and regional labor laws. The union membership rate\* for employees of major overseas Canon Group companies is 79%.

\* Calculated for companies that have internal workers' unions.

**Minimum Notification Period for Changes in Work Duties**

Canon Inc. has included a minimum notification period clause in its labor agreement to ensure personnel transfers do not negatively impact the lives of employees.

The minimum official notification period is four weeks for personnel transfers requiring relocation, two weeks for assignments not requiring relocation, and one week for other types of transfers.

Additionally, Group companies worldwide have established minimum notification periods in accordance with the laws and regulations of the countries and regions where they operate.

**System for Gathering Employee Feedback**

Canon Inc. is working to foster a more comfortable working environment, where the company and its employees are on an equal footing and where the views of every employee are heard. As part of this effort, we provide training to all line managers following the employee opinion survey. In the training, managers review the survey results to identify issues within their own organizations and discuss steps to address them. (→P56 Enhancing Employee Engagement)

We have also set up a number of hotlines where qualified, specialized HR staff can provide support suited to the circumstances of individual employees. Hotline staff address a wide range of inquiries, including career development and ways of balancing work with childcare or nursing care. We also strive to create a better working environment by responding quickly to various workplace concerns, such as harassment, while strictly maintaining the confidentiality of employees seeking consultation.



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# Diversity, Equity, and Inclusion

We aspire to be a company that grows by openly accepting and working with people having different characteristics and values.

## Basic Approach

Guided by the corporate philosophy of *kyosei*, Canon believes in the importance of allowing individual employees with varied personalities and values to fulfil their potential by playing an active role, without restricting opportunities. In line with this thinking, we respect diversity of culture, customs, language, and ethnicity, and actively encourage recruitment and deployment of employees, regardless of gender, age or disability.

## Promotion System

Canon Inc. established Vital workforce and Value Innovation through Diversity (VIVID) in 2012 as a horizontally integrated organization to help promote diversity across the company. Headed by the CFO of Canon Inc. and governed by its own policies, VIVID is engaged in a range of initiatives.

These policies are published on Canon's home page and the Intranet.

Reference: VIVID Activities Policy  
<https://global.canon/en/sustainability/society/pdf/vivid-activities-policy-e.pdf>



## Major Policies and KPIs

Two themes of Canon's pro-diversity, equity, and inclusion policies are "Promoting the Active Participation of Women" and "Encouraging Men to Participate in Childcare." We are taking a range of measures and have set specific targets and KPIs as defined below.

- Ratio of female managers: Increase to 10% or more by the end of 2030
- Rate of men taking childcare leave: Increase to 100% or more by the end of 2030

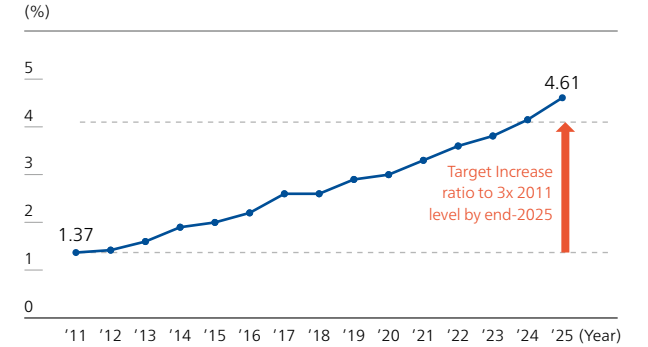
## Promoting the Active Participation of Women

Canon is committed to providing equal opportunities according to ability and fair treatment for all, irrespective of gender.

In Japan, in addition to formulating action plans and disclosing information as mandated by the Act on the Promotion of Female Participation and Career Advancement in the Workplace, we are conducting our own original initiatives guided by KPIs. For example, at Canon Inc., we organize leadership training for women as part of efforts to develop female candidates for managerial positions, and provide opportunities for female employees to learn about how to chart a self-directed career path and about leadership. Since its launch in 2012, a cumulative total of 315 women have completed the training program. As a result, in 2024, we achieved our target of tripling the ratio of female managers by the end of 2025 compared to 2011, our KPI for women's participation in the workplace, well ahead of schedule. In 2026, we set a new target of increasing the ratio of female managers to 10% or more by the end of 2030, and have begun taking steps to achieve this target. In the future, we will aim to achieve parity between the ratio of female managers and the percentage of women overall in the company (17.1% at end-2025). We are also supportive of the Keidanren's challenge of achieving 30% female executives by 2030.\*

\* Raise the ratio of female executives to 30% or more by the end of 2030

Ratio of Female Managers (%)



Furthermore, we hold return-to-work seminars for employees returning from childcare leave and their supervisors, and provide mentoring by female managers. By hosting lectures and interviews with female executives and organizing events to share the experiences of female managers, we are creating opportunities that help raise awareness around working with purpose and balancing work with life events.

Group companies in Japan are promoting a range of initiatives to support career development for women, including roundtable discussions between presidents and female employees and surveys to gauge awareness, as well as networking events with female leadership candidates inside and outside the company, career advancement training, and career training for women who have returned from childcare leave.

Outside Japan as well, to coincide with International Women's Day, since 2020 Group companies in the Middle East and Africa have begun the SHE RISE Program, an in-house campaign to encourage the active participation of women. In addition, Canon Europe formulated a set of diversity and inclusion commitments, and is monitoring and reviewing these in the regions it oversees. The commitments include activities to raise awareness of diversity and recruitment of diverse personnel.

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Canon Inc. applies the same remuneration system to all employees, regardless of gender. The pay disparity between men and women at Canon is mainly due to the lower ratio of women in managerial roles. Going forward, we aim to eliminate this disparity by increasing the ratio of women managers through initiatives to boost female participation, as discussed above.

2025 Base Salary and Total Salary per Employee by Gender (Canon Inc.)

		Female : Male
Base pay	Management	100 : 105
	Non-management employees	100 : 113
Total pay	Management	100 : 108
	Non-management employees	100 : 121

Comment from a Participant in Leadership Training for Women

I completed the leadership training for women in 2024, the 12th time the program was held. Through active learning about new business creation, I acquired leadership skills as well as a strategic management perspective, practical skills, and the ability to discern the essence of market principles and customer value. The experience of respecting diverse values and building consensus while gaining more in-depth mutual understanding was a chance for me to revisit my own values, which has become the foundation for my approach to inclusive leadership after the training. My fellow program participants are also a valuable asset, as we continue to support and encourage one another going forward.



Mio Kikuno  
Digital Printing Business Operations

External Recognition

Canon Inc., Canon Components, Fukui Canon Materials, and Fukushima Canon were granted Grade 3 Eruboshi certification for their outstanding efforts to empower women in the workplace, while Canon Marketing Japan and Canon IT Solutions were granted Grade 2 certification.

The Eruboshi certification is granted by the Japanese Ministry of Health, Labour and Welfare based on satisfying certain evaluation criteria.

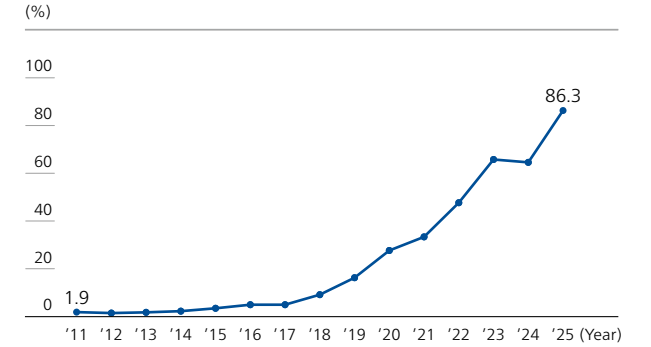


Encouraging Men to Participate in Childcare

Canon is promoting initiatives to encourage men to participate in childcare, with the goal of realizing a society where men and women participate equally as parents.

At Canon Inc. and Group companies in Japan, we organize roundtable talks by, and publish interviews with men who have used childcare leave-related systems, and we hold seminars to introduce our childcare-related programs to male employees. These initiatives have proven effective: Average childcare leave taken by male employees of Canon Inc. in 2025 was 94 days per year. The rate of men taking childcare leave at Canon Inc. has also increased significantly, to 86.3% in 2025, up from just 1.9% in 2011—in 2023, we reached our target of increasing this ratio to 50% or more by 2025, ahead of schedule. In 2026, we set a new target of increasing the rate of men taking childcare leave to 100% or more by the end of 2030, and are stepping up efforts to achieve this goal.

Rate of men taking childcare leave



LGBTQ + Inclusion

The Canon Group Code of Conduct emphasizes respect for the individual and prohibits discrimination based on race, religion, nationality, gender, age, sexual orientation or gender identity. Our initiatives also cover sexual minorities, including LGBTQ+ persons. With the goal of eliminating all forms of discrimination from the workplace, training for managers includes education on preventing discrimination. In addition, we make use of various opportunities to educate employees, such as departmental staff meetings and compliance meetings. The Barrier-free Mindsets training program, which we provide for employees of Canon Inc. and Canon Group companies in Japan, features content relating to sexual minorities and aims to deepen understanding of related issues. The program is an online training module that aims to help employees understand the problems and hurts created by barriers within society, along with the many issues experienced by those with disabilities or members of sexual minorities, plus related points to consider. At Canon Inc., a cumulative total of 25,346 employees took part in this training between 2023 and 2025.



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Another provision to promote a barrier-free environment is gender-neutral washrooms. We also provide counseling and consultation services with a specialist counselor.

**Utilizing the Abilities of Senior Talents**

Canon Inc. has introduced a postretirement hiring system that extends employment for five years, up to age 65. This allows employees to continue working with peace of mind after reaching the mandatory retirement age of 60. Our postretirement hiring open recruitment system, available to rehired employees, supports the independent career development of such employees while addressing the needs of organizations seeking personnel with extensive skills and knowledge. Furthermore, we have established a flexible work system, including shortened working hours, to enable employees to work in ways that suit their life stage. As of the end of 2025, 2,730 rehired employees were active in various workplaces in the Group, with 85% of employees reaching retirement age taking advantage of the rehiring system.

**Proactive Support for the Participation of People with Disabilities in Society**

Respecting the ideal of normalization\*1, Canon proactively employs persons with disabilities at Canon Inc. and Canon Group companies in Japan.

The employment rate at Canon Inc. for people with disabilities was 2.7% in 2025, exceeding the statutory minimum of 2.5%. Our recruitment processes also include workplace experience days and site tours to ensure all recruits can adapt quickly to life at work.

Moreover, we are doing our utmost to make workplaces more comfortable and accessible for people with disabilities by improving facilities, including providing greater barrier-free access. We are also

working to expand the range and nature of jobs for people with disabilities.

Canon Wind\*2 primarily hires people with intellectual disabilities. It maintains a high employee retention rate, with a payroll of 25 persons at the end of December 2025. Employees perform specific roles tailored to those with disabilities, while receiving lifestyle support services as well. With the help of our engineering divisions, we have created special jigs to enable employees to be a part of EOS-series camera production. By utilizing a rational approach and the cooperation of related departments, we are creating a work environment that enables disabled people to contribute in an efficient and reliable manner, thereby deriving more satisfaction from work. Canon Wind has been recognized as a progressive leader in this field, which included receiving an MHLW award for excellence in the employment of disabled persons in 2020.



Production of EOS series cameras

Canon Inc. and Group companies in Japan have set up on-site hotlines after the 2016 amendment of the Promotion of Employment of Disabled Persons Law prohibiting discrimination and mandating reasonable consideration for people with disabilities. Canon's

measures to prevent discrimination against people with disabilities and ensure reasonable consideration at each site include providing individual consultations and personalized assistance or instruction during evacuation training drills and disaster preparedness training.

Since 2004, Canon Inc. and Canon Group companies in Japan have organized training courses and created e-learning modules to ensure workplaces are attentive to the needs of the hearing impaired. The training provides an accurate understanding of hearing impairments and introduces sign language to help promote smoother workflow. A total of 1,111 employees participated in this training up to and including 2025.

\*1 According to the World Programme of Action concerning Disabled Persons adopted by the United Nations in 1982, society is made up of many different types of people, and it is normal for people with and without disabilities to coexist in all settings. Therefore, we should create an environment in which all people can live and work together.

\*2 A subsidiary of Oita Canon formed in 2008 as a joint venture with the Social Welfare Corporation Gyoun Welfare Association with the aim of promoting employment for persons with intellectual disabilities.

**Support for Balancing Work and Nursing Care**

Preventing the flow of people leaving their jobs to provide nursing care for family members has become an important social issue in Japan, which has a falling birthrate and an aging society. At Canon, we are taking steps to reduce the number of employees leaving work for nursing care by promoting activities to support them in balancing both priorities. Canon Inc. and Group companies in Japan hold nursing care seminars, conduct interviews with employees engaged in nursing care, and offer information on steps to take when a relative begins to need care and on nursing care-related systems, both public and internal.

Since 2020, we have been holding online nursing care seminars in cooperation with local authorities.

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# Occupational Safety and Health and Productivity Management

We pursue initiatives aimed at improving occupational safety and health so employees can feel safe and secure in their work environment.

## Basic Approach

Based on the principle that “management without safety is not management,” the safety and health of employees form the foundation of business activities at Canon.

Moreover, in line with the Health First principle, we take a proactive stance on the promotion of health and productivity management to ensure employees stay healthy in body and mind.

## Promotion System

Canon has established the Central Safety and Health Committee as its highest body overseeing safety and health activities. Chaired by the CFO of Canon Inc., the committee establishes its central activity policies and plans for safety and health, while labor and management also work together to promote the elimination of occupational accidents, the maintenance and improvement of health, traffic safety, fire and disaster prevention, and the creation of pleasant workplaces.

In line with labor agreements, management also works with unions to ensure working conditions are safe for employees.

Canon Inc. and Group companies in Japan have established safety and health teams at each operational site, and set targets based on the situation at each site in line with the policies of the Central Safety and Health Committee, to build healthy and safe work environments for all workers, including those of contractors. We also hold health and safety conferences with contractors to maintain and improve health and safety on site.

We are applying an integrated approach across the Group’s overseas production sites, while taking into consideration the specific circumstances of each region and Group company.

## Priority Targets and Initiatives

### Occupational Safety and Health (OSH)

Canon strives to create workplaces that are safe and secure. Canon Inc. and Group companies in Japan have worked on the following priority targets and initiatives.

#### Priority Targets for 2025

1. Eliminate all types of machinery-related accidents (0 cases)
2. Eliminate accidents caused by highly hazardous chemical substances (0 cases)

#### Priority Initiatives

1. Canon Group Occupational Safety and Health Management System
2. Risk assessments
3. Enhanced employee OSH awareness
4. Transition to autonomous chemical substances management system

### Health and Productivity Management

Canon Inc. and Group companies in Japan have declared their commitment to addressing the following priority targets and initiatives through the Central Safety and Health Committee. Health care initiatives carried out in collaboration with the health insurance union include long-term health targets and measures formulated in line with health care plans based on an analysis of medical cost and diagnostic data.

### The Central Safety and Health Committee Medium-Term Plan (2025-2027)

#### Priority Targets

- Improving productivity
  - Reducing presenteeism\*
  - Reducing absenteeism
- Revitalizing individuals and organizations
  - Improving work engagement
  - Improving employee engagement

#### Initiatives

1. Mental health-related measures
2. Lifestyle disease prevention
3. Improving health literacy

\* Decrease in productivity when an employee comes to work with health issues

## Occupational Safety and Health

### Prevention of Workplace Accidents

In 2025, there were four cases of serious occupational accidents at Canon Inc. and Group companies in Japan relating to the use of machinery (getting pinched or caught). There were two accidents requiring time off work caused by hazardous chemical substances. We are taking steps to prevent accidents from reoccurring, in terms of both education and equipment, such as investigating the underlying cause of any accident, retraining workplace personnel, and improving the operability of machinery. We conduct a thorough safety inspection and risk assessment to determine if similar risks exist at the site where any accident occurs. In addition, information about accidents is promptly shared with Group companies, particularly production sites, to prevent similar occurrences elsewhere.

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**Promoting Effective Operation of Canon Group Occupational Safety and Health Management System**

We are expanding the Canon Group Occupational Safety and Health Management System in an effort to promote autonomous safety and health activities across countries and regions. System requirements are based on the Occupational Safety and Health Management System of the Japan Industrial Safety and Health Association and reflect Canon Inc.'s standards and rules. We are also working to cultivate best practices across all sites based on reciprocal supervision as well as develop measures to tackle a variety of issues.

As of the end of December 2025, approximately 34% of Canon Inc. and Canon Group production companies around the world had acquired ISO 45001 certification.

Reference: ISO 45001 Certifications  
<https://global.canon/en/sustainability/society/pdf/iso45001-e.pdf>

**Entrenchment of Risk Assessments and Promotion of Effective Use**

To help prevent accidents, Canon conducts risk assessments for all installed machinery and related operations based on common Group-wide standards. For all operations with high risk of injury, illness, or accident, we take appropriate risk mitigation measures and manage any residual risk. Recognizing the especially serious risks posed by machinery-related accidents, we review existing equipment at least once a year. For new businesses, we also identify and evaluate risks from the R&D stage and implement OHS measures based on risk assessment outcomes.

To ensure common standards are applied to risk assessment across the Canon Group, we provide online learning programs for workplace managers and employees with responsibility for equipment operations to deepen their understanding of assessment methods. In addition, if a specific risk is identified, all relevant workers are notified of the risk and given the requisite

training, including steps to confirm understanding and mastery of any new work processes.

**Improving Health and Safety Awareness by Enhancing Education and Training**

Whenever an occupational accident occurs at Canon, we immediately brief all operational sites in Japan and overseas production sites, as well as publish the causes and countermeasures on our intranet to prevent a similar accident from occurring elsewhere.

To help eliminate workplace accidents, we also provide training to managers involved in on-site workplace risk assessment, along with online learning programs to ensure all employees involved with risk assessments have a good understanding of assessment objectives and procedures. A total of 27,582 people received such training up to and including 2025.

In addition, we are also taking steps to foster a workplace culture that is constantly aware of health and safety. For example, at Canon Inc. and Group companies in Japan, we provide health and safety training and use original awareness-raising posters and leaflets to educate employees about checking and enforcing basic safety behaviors in their work.

Canon is working to implement an occupational safety and health management system overseas, mainly at its production sites, on the same level as in Japan. For example, to help employees understand health and safety matters in their native language, we make effective use of work manuals, health and safety training materials, posters, leaflets, and other materials prepared by Canon Inc. in Japanese, English, Chinese, and Vietnamese to suit the situation of each site. At Canon Vietnam, we are making a focused effort to promote activities for early prevention of hazards by raising employees' health and safety awareness. These include an experiential training facility called the Safety Experience Ring that enables trainees to experience the importance of safety through simulated hazard

experiences, as well as risk assessment activities and a program for sharing improvement proposals based on on-site experience.



A poster created in Chinese encouraging employees to wear protective equipment to promote safe work



A poster created in Vietnamese warning about falls

**Transition to Autonomous Chemical Substances Management System**

Besides working to realize full legal and regulatory compliance through proper chemical substances management, Canon has adopted measures to try to minimize worker exposure to chemicals, based on chemical substance risk assessments that place the highest priority on preventing related employee health issues. In response to the significant recent revisions to OHS laws and regulations, Canon is moving away from the traditional approach based on regulation of individual chemicals to a system of autonomous chemical substances management in which workers choose which measures to apply to prevent exposure. We have promoted improved levels of oversight with chemicals by appointing supervisors responsible for managing chemical substances at each operational site as well as staff in charge of ensuring that workers use appropriate protective equipment at each workplace.

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## Health and Productivity Management

### Health and Productivity Management Strategy Map

The ultimate goal of promoting health and productivity management is to improve employee well-being. By visualizing specific measures and expected outcomes in the health and productivity management strategy map below, we are clarifying our health and productivity management strategy and making our measures more effective.

### Mental Health-Related Measures

Canon conducts a variety of programs to promote comprehensive mental health at Group companies in Japan. These incorporate four types of care: self-care,

care from workplace supervisors, care from occupational health staff, and care from external organizations. There are also programs to promote primary, secondary, and tertiary prevention. Specific measures include illness recovery and return-to-work support programs, and training programs to help HR and health management personnel build the relevant skills.

We conduct mental health stress checks for workers, with 96.9% of employees at Canon Inc. undergoing such assessments in 2025. In addition to check-ups with an occupational physician, any employees showing signs of high stress receive individualized health consultations. In addition, the results of grouped data analysis are distributed to management. The results inform worksite

meetings on mental health, in conjunction with the results of the employee opinions survey. Completion rates exceed 90% for online mental health training for managers aimed at enhancing workplace support capabilities.

### Lifestyle Disease Prevention

We are taking thorough measures to prevent the onset of serious illness among our employees. These include having all employees at Canon Inc. and Group companies in Japan receive an annual health check-up, and providing personalized follow-up and educational measures based on a common quantitative standard and action standards.

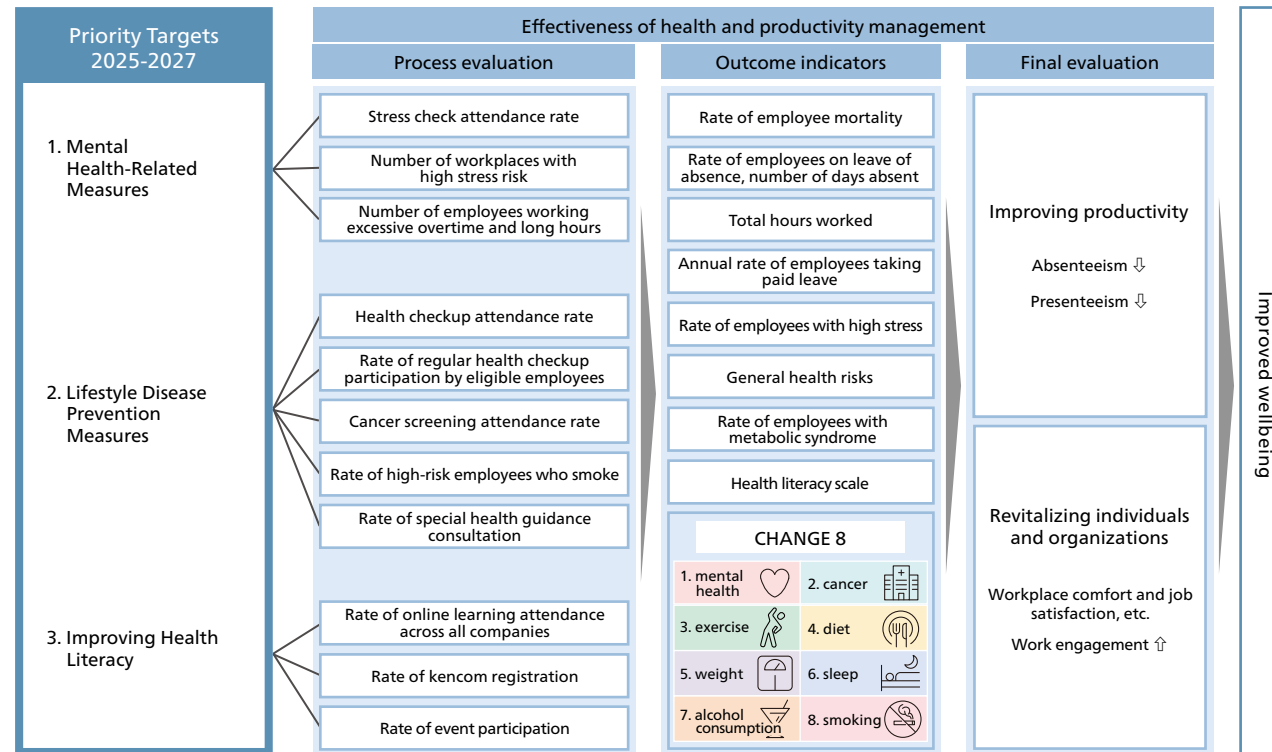
We identify the priority health areas and steps based on an analysis of the employee data gained from workplace health assessments. For example, lack of sleep, smoking, rapid eating, and other factors were linked with the onset of metabolic syndrome through an analysis of physical exam data. Smoking is completely banned inside workplaces at Canon Inc. and all Group companies in Japan, and we provide seminars and online programs to help employees quit smoking.

Based on cooperation with health insurance unions, the provision of health guidance from expert providers has resulted in a decline in the numbers of employees either at high risk of metabolic syndrome or subject to specific health guidance.

### Measures to Address Cancer

In our efforts to address cancer, Canon aims to create workplaces where employees can feel safe and secure by raising employee awareness about health, improving the cancer screening attendance rate, and providing support for treatment. First, we encourage the use of cancer screening programs for the early detection and treatment of cancer. Canon Inc. and Group companies in Japan have set a 70% screening rate target and are taking various steps to increase this rate. Specifically, we are fostering an environment that makes it easier for employees to

Health and Productivity Management Strategy Map



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attend screening, such as providing financial assistance through the Canon Health Insurance Union and holding regular cancer screening appointment drives with health support staff. As a result, the screening rate at Canon Inc. reached 52% as of the end of March 2025. We also seek to raise employee health awareness by highlighting the importance of the prevention and early detection of cancer through a range of educational initiatives, including hosting various seminars and disseminating information. In recent years, we have stepped up our efforts regarding women’s health, such as by broadcasting online seminars focused specifically on the Pink Ribbon campaign. We also support employees attending cancer treatment in balancing their work and treatment, such as by setting up a consultation desk to enable them to continue to feel safe and secure in their work.

**Comment from an Occupational Physician**

Grounded in the intersection of the Health First principle and the *San-ji* Spirit, health support at Canon involves management, employees, and the health support departments all carrying out their respective roles. It is critical to analyze health checkup results and employee data, and to develop measures and set priorities based on scientific evidence. We also focus on creating systems that encourage healthy behavior, such as distributing reports that visualize the degree of health across the organization. I believe Canon’s distinctive approach to health and productivity management is about maximizing the capabilities of individuals and organizations to generate corporate results and ensuring that every employee can feel healthy and happy in their work.



Hirotaka Takada  
Chief Occupational Physician  
Human Resources Management & Organization  
Headquarters  
Canon Inc.

**Improving Health Literacy**

We are promoting health activity targets in the eight Canon Health ActioNGoals 8 areas (mental health, cancer, exercise, diet, weight, sleep, alcohol consumption, and smoking) across Canon Inc. and Group companies in Japan.



We compile a Health Report for each organizational unit using the results of health checks and data on healthy activities. Workplaces use this information to undertake health initiatives. Regarding sleep, we use individualized approaches for those identified as high-risk, and we have conducted an education campaign about sleep for all employees, including those at Group companies. Data suggest that these efforts are translating to improvements in sleep and the results of health checks. Separately, we continue to disseminate health information via ICT and host walking events, among other activities for employees. We also provide online learning programs tailored to different job positions and ages, including specific age characteristics, plus an opt-in, points-based self-health management system.

Canon Group companies outside Japan also conduct health support programs and initiatives tailored to the characteristics of each region. Canon Hi-Tech Thailand, Canon USA, Inc., and Canon (China) Co., Ltd. are among the companies that organize mental health seminars by occupational physicians as part of efforts to raise awareness of various health issues.

In addition, the Canon Health Call service provided by the health insurance union offers personal health support to Canon Group employees, including employees on overseas assignments and their families, on a 24/7 basis.

**Infectious Disease Prevention**

Canon Inc. provides online education courses and other training to staff traveling or being assigned overseas

related to HIV, malaria, and other infectious diseases, based on information put out by the Quarantine Information Office of Japan’s Ministry of Health, Labour, and Welfare. In addition, the company also recommends various vaccinations depending on the destination country or region, based on information from both the Quarantine Information Office and the Ministry of Foreign Affairs, and covers the cost of such vaccinations.

**Health Training for Contract Workers**

With increasing rates of heat stroke occurring in both indoor and outdoor worksites throughout Japan, Canon Inc. provides ongoing training to contract workers on heat stroke prevention. We also take preventative measures in the workplace environment.

**External Recognition**

The efforts of Canon Inc. to prevent occupational accidents and promote health and safety were recognized with a Safe Workplace Creation Award at the fiscal 2024 SAFE (Safer Action for Employees) Awards sponsored by the Ministry of Health, Labour and Welfare.

Canon’s ongoing progressive health support initiatives, based on the Health First principle we have upheld since the company’s founding, continue to gain recognition. We have been certified for nine years in a row in the Large Enterprise category of the “White 500” Health & Productivity scheme jointly administered by the Japanese Ministry of Economy, Trade and Industry (METI) and the Nippon Kenko Kaigi. We have also been certified as a “Sports Yell Company” by the Japan Sports Agency, recognizing that we are a company that actively promotes sports activities to improve employee health.



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# Human Resource Development and Personal Growth

We provide all employees the opportunity to build and advance their career.

## Basic Approach

Based on the principle of “respect for human rights,” a constant element of our corporate DNA since the company’s foundation, we actively invest in human resources since we regard the growth of employees as a source of business competitiveness.

We support employee growth through a system of training/study programs and traineeships, based on the desire of every individual to grow in line with the *San-ji* (Three Selves) spirit, along with on-the-job training (OJT) that relies on support provided by superiors and workplace colleagues.

We have also created specialist in-house bodies and programs to support business strategy in certain domains. Developing next-generation leaders, software engineers and other human resources will help to drive Canon’s future growth.

## Promotion System

Led by the Human Resources Management & Organization Headquarters, Canon has put in place a wide range of HR development systems, based on the idea of “developing our people in-house.” As a rule, this means training the course trainers in-house as well.

Technical HR development committees have been established for each specialist area. Composed of in-house experts from each field, the groups discuss related HR development issues and training set-ups to support the systematic development of specialist engineering human resources.

In addition, we have created systems to allow Canon engineers to gain the latest external knowledge and technical skills through assignments to universities and research institutions in Japan and abroad.

## Developing Globally Minded Personnel

With 330 operational sites\* worldwide as of the end of 2025 the globalization of Canon’s operations is proceeding apace. Against this backdrop, we are stepping up training to develop human resources with leadership abilities that can be utilized on the international stage.

\* Number of operational sites includes Canon Inc., consolidated subsidiaries and equity-method affiliates.

## Vitalizing Human Resources Through International Assignments

Canon established the Canon Global Assignment Policy (CGAP) as an international assignment system for its Group companies worldwide to stimulate international personnel exchanges, not only from Japan to other countries, but also from other countries to Japan and within the international Canon Group. The goal of this program is to promote global business cooperation and the development of human resources capable of functioning at the global level.

CGAP is an international personnel dispatch policy shared by our Group companies, and personnel assignment policies in each respective country or region are based on it. Combining these policies allows us to promote personnel exchanges and to share basic philosophies and systems, while providing for flexibility in dealing with the special characteristics of each region, such as laws and culture.

For example, in Europe and the United States we have the US/Europe Exchange Program, which enables employees with at least three years of service to participate in a personnel exchange for a period of one year; and, in Asia we have the ASIA CGAP, which is a one-year training program in Europe and the United States for developing executive management candidates from Asia.

As of the end of 2025, a total of 1,010 employees were deployed on international assignments under these programs.

## Global Training for Young Employees

In order to help employees acquire language and international business skills, Canon Inc. has established a system to allow employees to gain overseas work experience early in their careers.

In 2020, we launched the Canon Global Marketing & Sales Trainee Program for new employees. With the aim of fostering human resources who will play an active role in Canon’s future global marketing fields, participants spend a year and a half both in Japan and overseas acquiring sales experience and language proficiency.

The Overseas Study Program for Technicians is intended to develop engineers and technicians who can function internationally, as well as enable them to acquire skills that they can use to contribute to Canon’s core businesses in the future.

This program in principle requires students to complete a master’s or doctoral course before studying abroad. Since it was launched in 1984, a total of 132 employees have participated, studying at universities abroad. With the aim of continually acquiring the latest technology, we plan to select several employees each year for overseas study.

## Fostering Experts in Various Fields

### Development of Human Resources in Engineering

To aid development of next-generation engineering human resources, Canon Inc. has built specialization-specific training set-ups for machinery, electronics, optics, materials, software, and other areas. We have also set up committees to oversee development of human resources across these core specializations.

Each committee develops rank-based training programs for personnel from new hires and junior engineers to experienced leaders, as well as conducting courses and implementing other initiatives. We also provide training in some non-core specializations such as analytical technology. In 2025, a total of 19,040

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engineers from Group companies in Japan took part in 309 related programs. Since 2023, we have also offered training to systematically build general DX literacy for Canon employees across all job types. We also offer Group-wide courses on AI, programming, and data utilization, helping numerous employees gain a more in-depth understanding of leading-edge technologies, regardless of their job type or department. Additionally, in collaboration with universities and research institutes, we are developing a curriculum to cultivate engineers with advanced specialization, seeking to raise up the next generation of engineering human resources.

In 2023, to help recognize advanced technical knowledge, we added the “Top Scientist” and “Top Engineer” designations to our HR system. Recipients are selected by a special committee once a year and are recognized as engineers who drive Canon’s technology.

This system promises to boost the motivation of engineers and enable them to further contribute to Canon’s business success.

**Development of Software Engineers**

Canon Inc. set up the Canon Institute of Software Technology (CIST) in 2018 to cultivate software engineers. Programs at CIST provide systematic support for the development of human resources in this area, from upskilling for engineers within product development teams to providing basic training for new recruits and people joining from other occupational fields.

Elsewhere, we send engineers to the Top SE (system engineer) Course sponsored by Japan’s National Institute of Informatics, which aims to train software engineers; to the Smart SE Course sponsored by Waseda University, a business course in the field of AI, IoT, and big data technologies; and to the Data Science Full-Scale Training Program sponsored by UTokyo Extension Co., Ltd., which aims to systematically instill key methodologies in the field of data science.



Based in Tokyo, the CIST develops software engineers



Software engineer training at CIST

**Global Development of Manufacturing Personnel at Production Sites**

Canon Inc.’s Monozukuri Advancement Center takes the lead in focusing on the development of personnel supporting production activities.

In 2025, the center hosted 29 online training sessions at six overseas production sites, with a total of 160 participants.

Additionally, to promote participation in training at overseas production sites, we have emphasized the “Training for Site Trainers.” In 2025, we held 4 online trainer training sessions, with 11 participants. Training conducted by site trainers was expanded at each site, with approximately 3,200 participants in 2025.

Furthermore, we have introduced and operated the “Skills Certification System” at overseas sites, maintaining the same standards as in Japan. In 2025, we conducted certifications in seven job categories, including injection molding, manufacturing of PCB (printed circuit boards), and measurement, at seven sites in Thailand, Vietnam, Malaysia, and other locations, with approximately 300 participants.

**Human Resource Development System**

To motivate employees and enhance skill specialization, Canon Inc. maintains an educational system for rank-based, elective, and self-development training that is in principle open to all employees.

Rank-based training is carried out to help employees more readily understand and fulfill their respective roles and to foster awareness of the actions and behaviors defined by Canon’s guiding principles. We also supplement this with elective training that includes e-learning programs and other programs.

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On average, Canon Inc. employees spent about 26 hours on average in training in 2025. Related training costs per employee amounted to approximately ¥167,000 at Canon Inc., and about ¥99,000 at major Canon Group companies in Japan and overseas marketing companies.

**Managerial Development**

For the development of management personnel, we operate the Canon Management School and the Canon Leadership Development (LEAD) Program. The Canon Management School, aimed at division managers and general managers, is designed to develop top-class management leaders. Led by our CEO, the school invites as instructors experts from such fields as politics, foreign diplomacy, economics, and science and technology. The program has produced many of our Group executives. The LEAD Program is designed to help candidates switch to a management-oriented mindset and develop their leadership abilities while also reinforcing strategy planning and execution capabilities. It provides training prior to and after appointments to management positions, as well as assessments prior to appointments. Our goal is to further reinforce efforts to systematically cultivate the next generation at Canon, concentrating on the development of management personnel as well as personnel for global, technological, and manufacturing roles.

These training programs cover such issues as harassment prevention and compliance.

**Canon Inc.'s Career Development Support Programs**

■ **Regular Performance and Career Reviews**

To evaluate the conduct and performance of all employees under our position-based pay system, supervisors have individual meetings with each team member three times a year: at the start, midpoint, and end.

These meetings are held to confirm duties and targets, monitor progress, and discuss future career development based on a "career sheet" filled out by the employee.

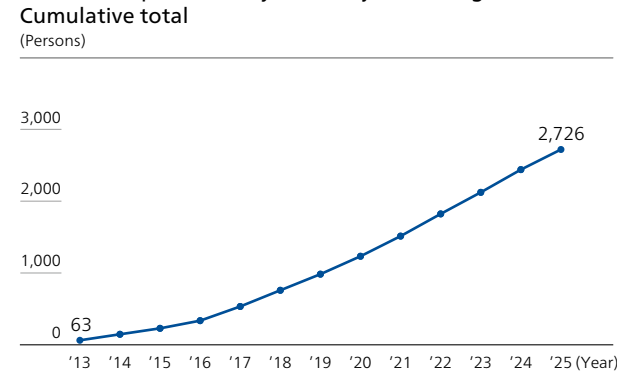
When discussing the evaluation, supervisors offer advice and guidance on improving results and work performance. This enables employees to objectively understand their own strengths and weaknesses, which aids them in achieving further growth. Supervisors also use this information in future development plans for the employee.

■ **Career Matching System**

Canon Inc. has also established an internal career matching system to support its employees in pursuing satisfying careers. The system matches the right people to the right jobs, promotes internal mobility of human resources, and brings greater vitality to the company.

We also provide a trainee-style career matching system featuring a combination of training and internal recruitment. Employees who wish to take on new work challenges in a field where they have no experience can receive training opportunities to gain requisite skills, and then take up a position based on their skill level. In 2025, a total of 281 moved jobs via our internal recruitment system.

Transferred personnel by internal job offering



■ **Career Development Support for Young Employees**

To create an environment where young employees feel at ease and can demonstrate their potential, we follow a three-pronged system involving support from superiors, senior employees and HR. We are upgrading the support offered especially to new employees in the first three years at the company by establishing various training opportunities as well as one-on-one meetings. On first entering the company, we conduct an aptitude test to evaluate aspects such as personality and motivation, while assisting superiors in promoting self-understanding and autonomous career development. We also use monthly pulse surveys to gauge job satisfaction, work relationships, health status and other items. These help to visualize motivation and identify any employees who need follow-up at an early stage. To help new recruits settle quickly, the system also features young HR staff known as "Accompanied Crew" who work alongside the new employees to provide additional support, including holding one-on-one discussions with anybody identified as requiring follow-up via the pulse surveys and organizing social events. Moreover, to ensure close support, we appoint staff from other departments to act as "sibling" mentors for individual young employees. In 2022, we introduced a special training program for young employees in their third year with the company aimed at fostering greater awareness of career development. The program features group work sessions with employees at the same career stage and individual meetings with in-house career counselors. These initiatives have shown positive results in terms of reducing numbers quitting work and preventing mental health issues, with some saying these moves made them feel "the company was looking out for them." Going forward, we will continue to provide support to young employees, while analyzing and utilizing the data collected from the various surveys.

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■ **Post-Retirement Career and Life-plan Training**

We hold Creative Life Seminars for employees when they reach the ages of 50 and 54 to help them plan for their retirement years. By providing employees with an opportunity to think about their life plan and career plan at an early stage, we help them to systematically plan and prepare for life after the age of 60.

■ **Supporting Organizational Invigoration**

Canon aims to realize individual and organizational growth at the same time as achieving success in business. To this end, we have established a dedicated division for organizational development, which supports organizational invigoration through consulting on increasingly diverse organizational challenges, post-activity support, and rank-specific training. As of 2025, the division has provided support to 469 divisions and 16,600 employees, including Group companies worldwide.

■ **Other Career Development Support**

To offer a more diverse range of learning opportunities and support the career development of self-motivated employees, we have created new e-learning content. We promote the use of subscription services for content useful in the workplace that is optimized for self-directed learning, encouraging employees to follow their interests in learning a wide range of content.

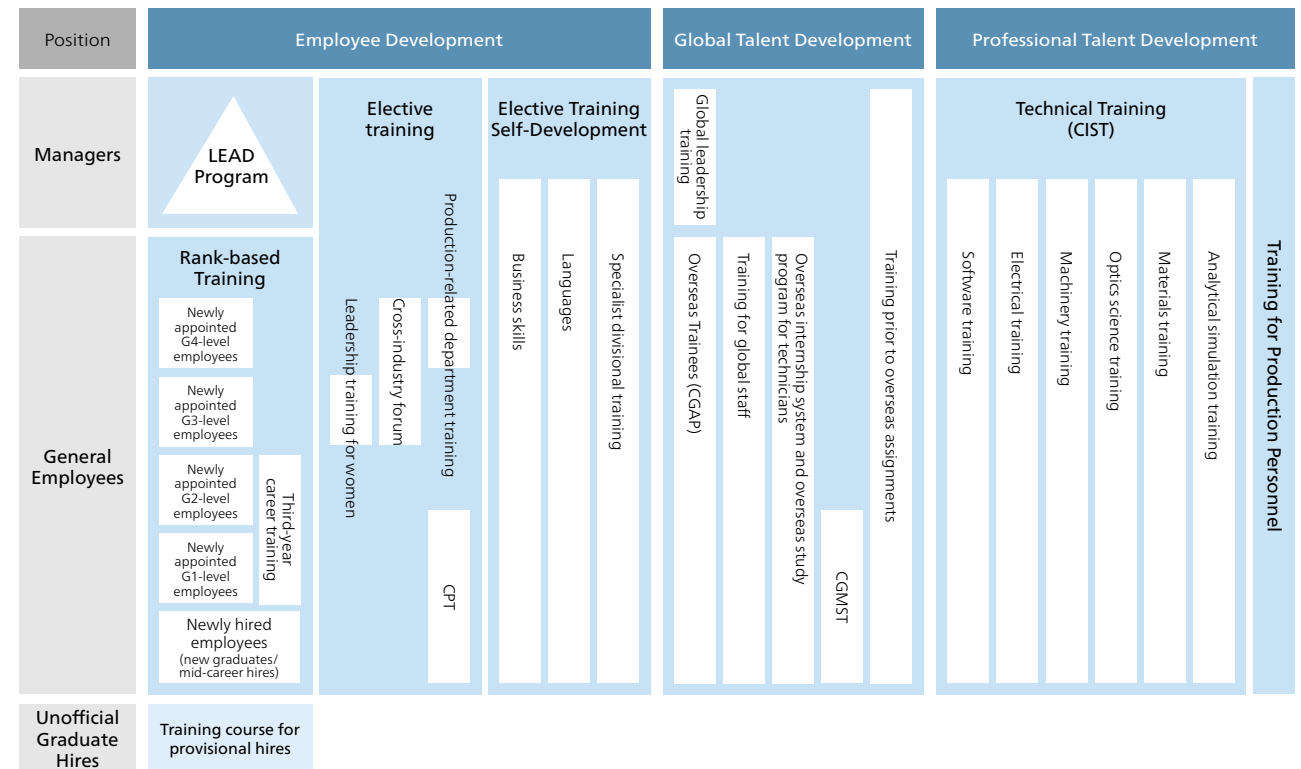
**Various Certification and Award Programs**

Canon has established various sets of awards to recognize the achievements of Group employees.

The Canon Summit Awards honor Group companies, divisions, teams, and individuals who have made significant contributions to the development of Canon’s activities and product areas. Other awards include: the Canon Group Invention Awards, for employees who have contributed to invention and intellectual property

activities; the Quality Awards and Production Innovation Award, for outstanding contributions to quality improvement and productivity enhancement; the Meister Certification and Award, for individuals who have contributed to manufacturing with a wide range of skills; the Canon Master Craftsman Certification and Award to honor exceptional skills deserving further in-house cultivation; and the Environmental Awards, to recognize excellent environmental activities.

**Canon Inc.’s Human Resource Development System**



LEAD: Canon Leadership Development Program  
 CPT: Canon Production Trainee  
 CGAP: Canon Global Assignment Policy  
 CGMST: Canon Global Marketing & Sales Trainee  
 CIST: Canon Institute of Software Technology





# Product Responsibility

Canon makes every effort to provide high-quality products and services that customers can use safely, with peace of mind, and with satisfaction.

## Quality Management

### Approach to Quality

In 1964, Canon determined that its basic quality concept\* is to ensure that customers have “no claims, no trouble,” and has since striven to earn the trust and heartfelt satisfaction of customers around the world by providing products and services of surpassing quality. Based on this mindset, the Canon Group’s firm commitment is to adhere to the Canon Quality motto that incorporates the three keywords “Safety + Smartness + Satisfaction” — the elements we view as essential to product and service quality. We are dedicated to improving the quality of products and services over their lifecycles.



\*“To contribute to the growth of the company and prosperity of the world, with the realization of ‘no claims, no trouble’ as our goal, based upon the company’s corporate philosophy and aims.” (Canon Quality Assurance Basic Regulations, Article 2)

### Quality Assurance System

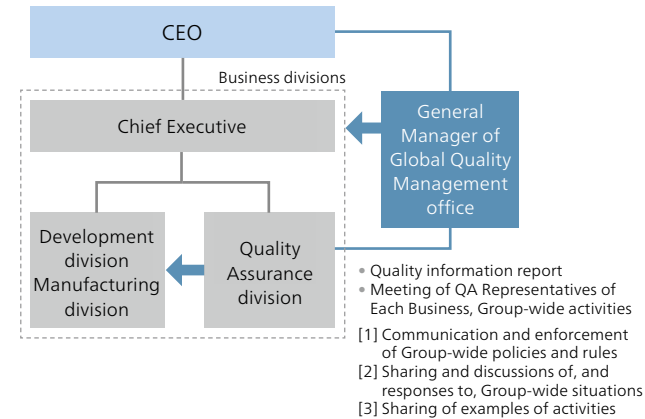
At Canon, we have developed an in-house quality management system that we follow assiduously. The system has three defining characteristics, as outlined below.

- (1) Fulfills all the requirements of the international quality assurance standard ISO 9001\*<sup>1</sup>
- (2) Incorporates the concept of “substantial safety”<sup>\*2</sup> as standard for quality management
- (3) Introduces a framework for checking quality in product commercialization processes to ensure reliable product safety standards\*<sup>3</sup>

Using our in-house quality management system as a base, the various Headquarters divisions at Canon implement rigorous quality control by building quality assurance (QA) systems that are optimized for the characteristics of each business, as well as in compliance with the legal and regulatory standards of each country and region.

Under Canon’s quality governance set-up, the quality assurance division within each business division works independently of the development and manufacturing divisions. The Global Quality Management Office, a separate entity reporting directly to the CEO, also oversees quality assurance activities by each business division.

### Quality Governance Framework



\*<sup>1</sup> The in-house regulations governing Canon’s quality management system have been recognized by the International Register of Certificated Auditors (IRCA) as an alternative standard to ISO 9001 since 2017.

\*<sup>2</sup> This means safety not only in terms of what is required by laws and statutes, but also any safety issue that can reasonably be expected to arise during customer use even if not regulated or mandated by law.

\*<sup>3</sup> This involves setting QA standards that must be satisfied for each of the stages in the development of Canon products from development and design to production and shipping. At each checkpoint along the development path, the QA framework requires a decision on whether the QA standard is satisfied to ensure rigorous control of product quality.

### Education and Raising Quality Awareness

Canon employs a range of measures to instill high employee awareness of the need to maintain outstanding quality and attain further quality improvements, and to help employees gain related knowledge.

We continually communicate our basic concept and motto on quality, while also conducting annual Group-wide surveys of employees to ascertain the degree of quality awareness. Each November, during our designated Quality Month, we also hold a Quality Awards ceremony to recognize groups selected from among submissions within the Canon Group for activities that achieved outstanding results in quality improvement. We host a Quality Fair at the same time, with exhibits showcasing award-winning activities and seminars on quality-related topics. By sharing this information online, we promote better quality awareness across the Group as well as the horizontal adoption of best practices.



Quality Fair



Quality Awards ceremony

We provide online educational courses on quality for all employees and have developed a tiered training curriculum for Group companies in Japan and abroad. Alongside this, we have training programs customized to the specific circumstances and issues of each division, and we also conduct on-site training at production sites.

We also focus attention on training related to product safety, including a wide range of online and other training courses aimed at all levels from new employees to managers on product safety regulations and technology used in creating designs for safe products.

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Furthermore, to prevent serious quality issues—a growing concern in society at large—from occurring at Canon, we developed online learning programs for all employees and rolled them out across the Group in Japan. We also invited outside experts to give lectures on preventing quality issues, tailored both to directors and senior managerial staff and to managerial and general staff.

Training Completion for Canon Inc. (2025)

Lecture	Number of attendees
Basic Online Course on Quality (7 components)	12,231 people (cumulative)
Tiered Course on Quality (new employees, general/managerial staff)	12,698 people (cumulative)
Online Course on Product Safety Regulations (11 components)	11,174 people (cumulative)
Training Course on Technology for Safety Design (4 components)	125 people

Ensuring Product Safety

Voluntary Action Plan Based on the Basic Policy on Product Safety

Canon Inc. believes one of its important missions as a manufacturer is to provide safe products to customers. With this in mind, we formulated a Basic Policy on Product Safety that Canon Group companies strictly adhere to.

Based on this policy, Canon Inc. and Group companies formulate and follow individual Voluntary Action Plans for Product Safety suited to their business format, working to ensure product safety while remaining customer-focused.

Besides using online training courses to help ensure such information is disseminated and followed, we continually update every Canon Group company involved in the sale, repair or servicing of products with the latest safety information for repairs and part exchanges.

Moreover, we comply fully with government laws and notices, and have developed a system for immediate reporting, for example, in the unlikely event of an accident involving one of our products.

2025 Activities Scorecard for Canon Inc.

- Carried out review by senior management based on the Voluntary Action Plan for Product Safety (conducted annually since 2008)
- Continued efforts to raise awareness among customers about smoke emission from counterfeit batteries and the safe handling of electric cords and plugs, etc.
- Continued implementation of product safety training and emphasis on the importance of product safety during basic training on quality
- Continued implementation of e-learning course for all employees to promote understanding of the Voluntary Action Plan for Product Safety
- Revised the internal standards relating to product/chemical safety

Establishment of In-house Product Safety Technical Standards

Canon has established its own safety standards (for substantial safety) for all Canon products, which take into account customer safety as well as legally stipulated product safety standards.

For example, Canon’s safety-conscious standards call for the use of plastics that are more flame resistant than the law requires, and we implement double-protection schemes for important safety-related components. We regularly revise these standards in light of technological advances as well as changes in how customers use our products, and changes in customer demands regarding safety.

We use our proprietary safety standards to apply rigorous quality controls to all products within a framework for checking quality across product commercialization processes. Ensuring that all our

products are safe to use, we never release to market any product not meeting the standards.

Main Approaches to Safety Technology

- Conduct safety assessments that address human factors (physical function, abilities, thinking and behavior), taking into account the variety of possible operations a user may perform
- Conduct safety-confirmation testing based on abnormal voltage waveforms in commercial power supplies confirmed at marketing sites in each country and region
- Hypothesize abnormalities, such as glitches or malfunctions, and conduct stricter safety-evaluation testing than is required by the laws of each country or region

Quality Assessment During Development

Creation of Assessment Environment for the Delivery of Safe Products

Canon has testing facilities for accurate and detailed evaluation of all aspects of product safety in line with official standards and any applicable laws or regulations, including the measurement of chemical emissions, noise, biological safety, EMC\*1, and flame resistance ratings.

ISO and IEC\*2 accreditation enable Canon to use in-house facilities for the rigorous testing required to apply for safety/environmental labels for Canon products worldwide. This includes one of the largest, most advanced electromagnetic anechoic chambers in Japan, as well as various other world-class facilities. High-level, reliable quality evaluation is built into Canon’s product development process.

\*1 Electromagnetic compatibility testing. Testing for electromagnetic interference caused by a product or its power source that may affect the operation of other equipment, and testing for electromagnetic susceptibility of the product itself that may result in malfunction.

\*2 International Electrotechnical Commission, an international standardization group that formulates standards on electrical and digital technologies.



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**Varied Safety-Oriented Initiatives**

■ **Safety Assessments of Chemical Emissions from Products**

Canon assesses the chemical emissions from its printers, multifunction printers, and other products. Our assessments include measurements of data necessary for acquisition of Germany’s Blue Angel environmental label.

To ensure the safety of customers using Canon products, we have also defined our own internal safety standards based on the guidelines for indoor air quality and indicators as set by major bodies in Japan, the US and Europe, along with the related international standards. We also check that our products conform to these standards.

The in-house laboratory conducting these assessments has received accreditation from Germany’s Federal Institute for Materials Research and Testing (BAM) and is therefore capable of conducting the assessments required for applications for Blue Angel certification. It has also received ISO/IEC 17025 accreditation to conduct measurements in a fair and neutral manner.

Our evaluation protocols appropriately reflect the most up-to-date knowledge, such as the adoption of the ISO/IEC 28360-1 international standard for measuring chemical emissions, which was revised in November 2021.



Chemical emission evaluation testing laboratory

■ **Biological Safety Assessments for Ink, Toner, and Other Consumables**

Canon assesses the safety of its ink, toner, and other consumables, enabling customers to use its printers and MFPs with confidence.

For example, with regard to the materials for ink and toner, we carry out assessments related to genotoxicity, thought to be closely linked to carcinogenicity, using bacterial reverse mutation tests and in vitro mammalian cell micronucleus tests.

Canon’s testing laboratories are highly reliable and have been certified by Japan’s Ministry of Health, Labour and Welfare as in compliance with Good Laboratory Practice (GLP)\*1 standards in the Act on the Evaluation of Chemical Substances and Regulation of Their Manufacture, etc. (Chemical Substances Control Law). Canon’s laboratories also comply with GLP standards set by the Organization for Economic Cooperation and Development (OECD). Furthermore, Canon became the first in Japan to have its in vitro mammalian cell micronucleus test certified as in compliance with the GLP standards in the Chemical Substances Control Law.

Canon is actively working on the use of alternatives to animal testing in chemical safety assessments. Besides researching and utilizing information on Integrated Approaches to Testing and Assessment (IATA) including the use of alternative testing data\*2, we are making progress in conducting in-house testing according to OECD Test Guidelines.

\*1 The standard for the management, testing and reporting of facilities and organizations that operate as testing agencies conducting chemical substance safety assessments. Testing according to GLP standards ensures reproducibility and data reliability. GLP standards set by the OECD were enacted in 1981, and since then, member countries have developed domestic laws and regulations based on these standards. Facilities certified as compliant under Japan’s GLP standards in the Chemical Substances Control Law must have their certification renewed every three years, which involves receiving a new conformity screening prior to the expiration of the certification’s validity period.

\*2 Canon does not conduct animal tests on ink, toner, or other consumables, unless required by laws or regulations, or requested by authorities, or where such testing is essential to safeguard customer safety. When conducting animal tests, we must comply with the “3Rs (Three Rs),” which are the basic principles of animal testing worldwide. This is stipulated in our internal rule regarding chemical safety.



Safety assessment of chemical substances in GLP-compliant facilities

■ **Assessing the Safety of Medical Devices**

Canon assesses the safety of medical devices based on ISO 14971 standards for the risk management of medical devices to ensure the health and safety of patients and users. For example, we do not simply identify hazards related to electrical, mechanical, or thermal energy in general. We also identify various related hazards such as biological safety, use error due to inappropriate usability, and cybersecurity, confirming throughout the lifecycle that anticipated risks have been reduced to an acceptable level.

**Ensuring Quality and Reliability in Parts Procurement**

Canon actively pursues activities to ensure the quality and reliability of procured parts and materials used in products, so that they can be used for years with confidence.

To ensure product quality, we have devised technical checklists by type for important procured components; we also maintain a quality assurance framework to ascertain the technical capabilities of suppliers prior to any new parts procurement. To enhance quality, we work together with suppliers to optimize quality control systems and manufacturing processes. Also, to detect and resolve quality defects at an early stage, we are working to apply and upgrade X-ray CT scanning, thermal

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analysis, and other high-precision nondestructive analysis technologies, as well as chemical analysis to elucidate the causes of material degradation and contamination with impurities.

Product/Service Security Measures

Measures to Address Vulnerabilities in Canon Products/Services

Network connectivity via the cloud or smartphones is increasingly enhancing the benefits from Canon products and services. On the other hand, there is a growing need for measures against the increasing cybersecurity risks, including the risk of loss of personal information or confidential data. Canon focuses on the potential cybersecurity risks from the product development stage to prevent any problems. In case specific security issues are identified, a system is set up to prevent or mitigate any negative impact on customers.

Development Process

We formulate the security requirements for Canon Group products and services based on regulatory information and the technology trends adopted by industry bodies, software vendors and other parties. The requirements are reflected in the development process by utilizing a secure development process that must include compulsory review checks and vulnerability testing. To prevent recurrence of past vulnerabilities, final quality sign-off requires prior completion of a vulnerability assessment stage within a company-wide process.

Education and Training

Product/service vulnerabilities response is a highly specialized area in which it is necessary to acquire and track the latest technical progress as well as increasingly sophisticated attack methods. Canon defines career and

skill levels for its new software engineers, customer service engineers and security specialists, and has designed a level-specific security training curriculum to develop human resources. Support to the onsite vulnerability testing is provided as a follow-up to also build practical skills alongside the theoretical knowledge base.

Activities of Product Security Incident Response Team (Canon PSIRT)

We created the in-house Canon PSIRT team to respond to security issues as they arise in the field.

Working in the framework of METI's Early Warning Partnership and collaborating with the external groups such as JPCERT\*1 Coordination Center and FIRST\*2, Canon PSIRT pays close attention to vulnerability related

developments in the field, and gathers the latest information. Canon PSIRT website is published as a window to receive vulnerability information from researchers worldwide, and to release customer advisories on vulnerabilities of Canon products and services in a timely manner, thus ensuring cybersecurity response is on a world standard level.

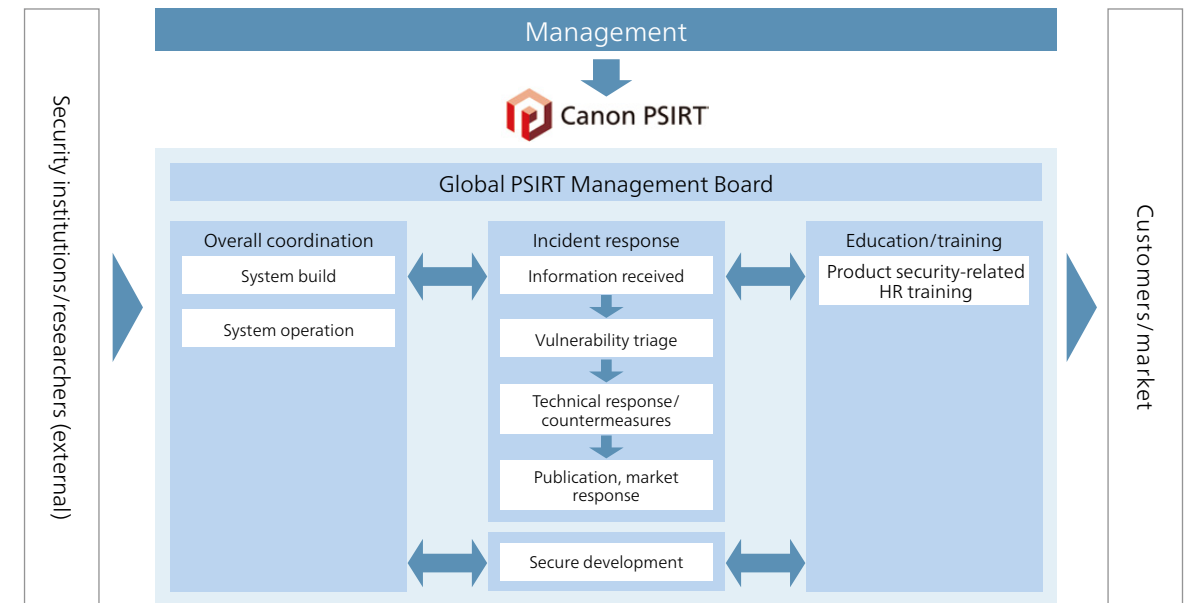


Canon PSIRT

\*1 JPCERT: Japan Computer Emergency Response Team  
 \*2 FIRST: Forum of Incident Response and Security Teams (a global community of cybersecurity incident response teams from government entities, educational institutions and companies in countries and regions worldwide)

Reference: Canon PSIRT  
<https://psirt.canon>

Framework for Responding to Product and Service Security Issues



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**After-sales Support**

**Enhancing After-Sales Services in Various Countries and Regions**

After-sales service is crucial to enabling customers to use our products with confidence. Canon is putting efforts into expanding the after-sales service network to be able to provide the same level of prompt, reliable support anywhere in the world.

For example, to enhance customer usability and more easily resolve issues, we are expanding customer support services globally through our website. In addition to posting FAQs, product specifications, user manuals, and other support information, the latest driver software is also available for download. Support information and software are both based on content shared worldwide, while including needed local content for each country or region. Group marketing companies then localize the content in various languages.

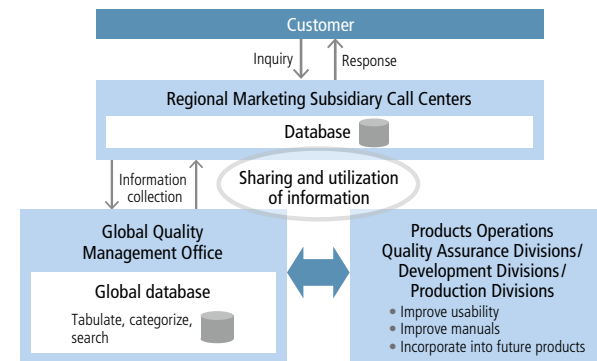
We continually monitor how customers use content and analyze survey responses and other data, feeding back the results to divisions producing content to constantly make updates and improve customer usability. We are also working to offer more user-friendly services by optimizing content to support the greater use of a wider range of information devices.

**Market Information Collection and Analysis, Feedback**

In order to achieve even greater customer satisfaction, Canon conducts product evaluations from the customer's perspective at the development stage, and incorporates customer feedback and requests in its development and design processes.

For example, using a framework called the Call Information Collection and Analysis System, we built a database of customer feedback and requests received by call centers at our marketing companies worldwide, and manage this data centrally. Development divisions take advantage of this data to enhance customer usability, such as improving display methods on product control panels or simplifying the steps needed to connect to wireless LAN. Information gleaned from customers is shared internally throughout the Group, including development divisions, production divisions and marketing companies, and used to improve each local site.

**Call Information Collection and Analysis System**



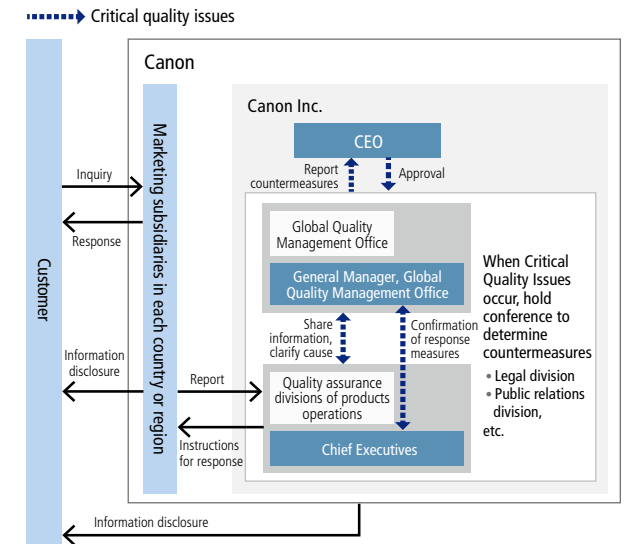
**Process for Responding to Quality Issues**

Should a quality issue arise, Canon has systems in place to promptly and appropriately investigate the cause, repair products free of charge, and disclose quality information. We also keep our customers informed about product quality issues and remedial procedures by

placing product advisory statements in various newspapers and on our website.

There were no such statements in 2025. Should a quality issue arise, our marketing companies in each country or region, which serve as the contact point for customers, file a report with the quality assurance division of the respective Canon Inc. Headquarters division (products operations). The quality assurance division then investigates the cause of the issue as well as countermeasures. Moreover, in the event of a major issue, related Headquarters divisions (products operations), the Global Quality Management Office, legal division, and public relations division are consulted concerning response measures, and after the matter is reported to the CEO, action is promptly taken.

**Process for Response to Quality Issues**



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### Improving Product Usability

#### Providing Information on the Appropriate Use of Products

##### ■ Pursuing Usability for Canon Products

From consumer products to industrial equipment, to ensure the greatest possible ease of understanding and use for customers with a wide range of needs, Canon carries out usability testing using both internal and external monitors, online surveys, and usability expert reviews at the product development stage.

We objectively test human factors, including physical characteristics, perception, judgment, and operating burden, to develop products that customers can use comfortably and with ease. We built a dedicated monitoring test room equipped to allow detailed observation and recording of the behavior and actions of testers as they operate devices, including even hand movements.

##### ■ Promoting Universal Design

Canon strives to develop people-friendly products by pursuing functionality, operability, and convenience from the customer’s perspective in actual usage situations. As part of this effort, we have adopted a universal design approach through which we endeavor to create products from a customer perspective from the design stage onward, facilitating use by all customers, regardless of age, gender, nationality, or physical ability. At Canon, we approach product design and development from the perspective of making the customer “look like a natural.”

For example, we evaluate and test usability, accessibility, and comfort from various perspectives, regarding aspects such as text sizes that are easy to read and color designs that are easy to recognize for people with various visual sensitivities. Information obtained from these activities is valuable in the development of more user-friendly products.

Moreover, aiming to encourage efforts in universal design, we distribute a guidance booklet to all development divisions that addresses the physical characteristics of users and various other issues that arise during product use, and conduct training to enhance knowledge in this area. We also create customer-oriented pamphlets and post website content among other steps to share information both inside and outside the company about the universal design initiatives underway at Canon.

##### ■ Product Accessibility

Canon is working to increase the accessibility of its products in order to make them easy to use for the elderly and persons with disabilities.

Section 508 of the United States Rehabilitation Act requires that agencies of the federal government only purchase products that meet stipulated accessibility standards. The results of Section 508 accessibility evaluations of Canon products have been collected into a VPAT\* and made available on the Canon U.S.A. website. To facilitate ready access for our developers, content on Section 508 stipulations is also made available internally in the form of Accessibility Evaluation Guidelines. In Europe, the latest update for the European Accessibility Act, an EU Directive, was promulgated in 2021. European Standard EN 301 549, which is consistent with Section 508 standards, is now beginning to be adopted for government procurement, not only in Europe but also globally.

\* Voluntary Product Accessibility Template, a document that evaluates how accessible a particular product is according to Section 508 standards.

#### Universal Design Action Guidelines

- Ease of use in every aspect  
Beginning with a complete understanding of customers’ usage scenarios, we use every means in our designs to provide usability suitable for the customers’ usage objectives and situations.
- Aim for products and services that people want to use  
We seek out and generate innovative ideas that go beyond mere improvements to create products and services that customers naturally want to use.
- Put the latest technologies to use  
We take advantage of Canon’s most advanced technologies to enhance customer convenience and realize richer and more comfortable living and working conditions.

Reference: Canon’s Universal Design  
<https://global.canon/en/design/ud/>



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# Supply Chain Management

As a manufacturer with global business operations, Canon conducts procurement activities that take the environment and society into consideration.

## Basic Approach

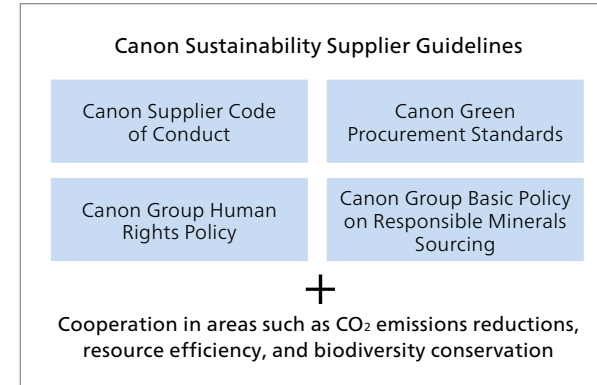
Having formed partnerships with suppliers worldwide, from whom it purchases considerable numbers of components, such as electronic parts, mechanical parts, units and materials, Canon believes it has a responsibility as a global manufacturer to consider the social and environmental impact of its procurement activities. In 2019, in line with this approach, Canon joined the Responsible Business Alliance (RBA), a coalition of companies that promotes socially responsible global supply chains.

Besides focusing on legal and regulatory compliance related to procurement from a global standpoint, Canon believes in the importance of dealing with suppliers in a fair and transparent manner. We promote an open procurement approach utilizing a broad base of suppliers worldwide.

## Policies

Canon's Procurement Policy establishes our basic stance on procurement, with the emphasis placed on observing corporate ethics, environmental conservation, and fair and equitable business conduct. We are working to develop a socially responsible global supply chain on issues such as labor, occupational health and safety, the environment, corporate ethics and management systems. We have also formulated the Canon Supplier Code of Conduct, based on the RBA Code of Conduct. In July 2024, we also formulated and distributed to suppliers the Canon Sustainability Supplier Guidelines, which summarize our initiatives for addressing climate change, human rights, and other important issues related to sustainability; requests for supplier cooperation and surveys; and the standards set out in the Canon Supplier Code of Conduct and Canon Green Procurement Standards. Based on these guidelines, we will continue to

strengthen sustainable procurement in our supply chain. Our Procurement Policy and the Canon Sustainability Supplier Guidelines are published on our website to inform all stakeholders.



To strengthen cooperation with our major suppliers, we hold a procurement annual meeting to explain procurement policies, request compliance with the Canon Sustainability Supplier Guidelines, and report on related activities. In addition, we raise awareness of the code by conducting an annual survey of our suppliers worldwide, while also asking first-tier suppliers to ensure their supply chain (Canon's second-tier suppliers) understand and comply with the Canon Sustainability Supplier Guidelines.

In 2025, we requested all major suppliers to comply with the Canon Sustainability Supplier Guidelines.

Reference: Procurement Policy  
<https://global.canon/en/procurement/policy.html>  
 Reference: Canon Supplier Code of Conduct  
<https://global.canon/en/procurement/pdf/coc-e.pdf>  
 Reference: Canon Sustainability Supplier Guidelines  
<https://global.canon/en/procurement/pdf/ssg-e.pdf>

## Promotion System

The executive officer in charge of the Procurement Headquarters at Canon Inc. oversees and promotes procurement activities across the Group. A central unit has also been established to manage internal controls, including setting rules, monitoring operational status, and training staff.

Furthermore, policy items and significant matters regarding legal violations and risks relating to business operations are deliberated by the Risk Management Committee (→P87) in terms of ways of responding to business risks and needed measures, with a framework for relevant reporting to the CEO and Board of Directors.

## Initiatives with Suppliers

### Supplier Evaluation

Before starting business dealings with a new supplier, Canon conducts an assessment based on the Canon Sustainability Supplier Guidelines and other reference standards of whether the company fulfills all requisite standards in terms of corporate ethics, environmental conservation (chemical substance management, prevention of air pollution and water pollution, proper disposal of waste, initiatives aimed at conserving energy and resources, reduction of GHG, and biodiversity conservation), finance, and production structure. Only those suppliers who meet these criteria are accepted as suppliers. We aim to preferentially deal with suppliers evaluated highly in our comprehensive assessment including our annual supplier survey as well as each supplier's trade performance. In addition, we conduct on-site audits of suppliers with low evaluations, providing guidance and instruction for improvement. In particular, Canon may choose to terminate business with suppliers if they are not complying with laws and social norms covering areas such as human rights, labor, and the environment.

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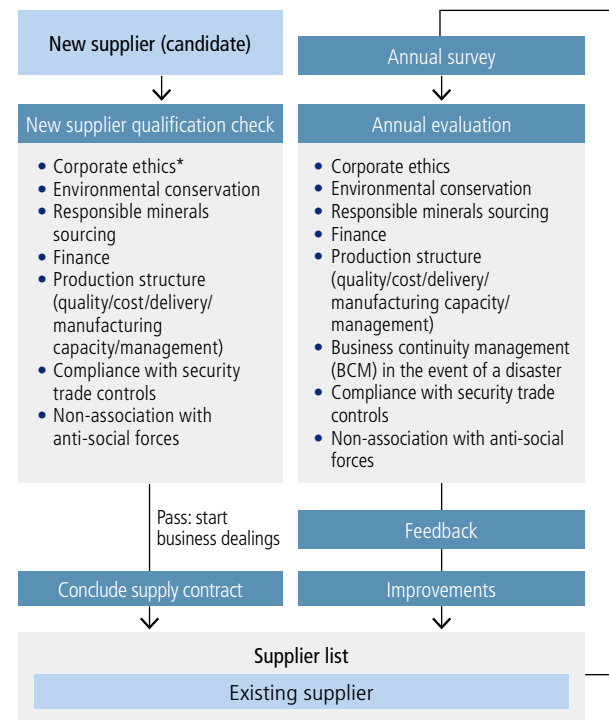
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\* Corporate ethics covers areas including legal compliance, product safety, management of confidential information, human rights, labor, health and safety, and intellectual property right protection.

We request major suppliers to sign an agreement concerning actions related to the RBA Code of Conduct. In 2025, agreements were signed with 367 of 374 major suppliers, equivalent to a consent rate of 98.1%.

Canon also uses an RBA-approved Self-Assessment Questionnaire (SAQ) to identify and assess labor, health and safety, environmental, and ethical risks. Our goal is to consistently achieve a risk assessment response rate of over 95 percent. The response rate was 99.5 percent in 2025 (372 responses out of 374 companies surveyed).

Suppliers that did not reply to the survey were followed up individually. No businesses were identified as high risk among major suppliers, but we provided feedback on the results to our major suppliers and requested that they identify weaknesses and improve on them.

We also conduct online meetings and arrange site visits to help verify the SAQ responses of a select number of major suppliers.

For more detailed information concerning human rights with regard to our suppliers, please refer to Respecting Human Rights (→P48)

Green Procurement and Guidance to Suppliers

In the environmental area, Canon has established Canon Green Procurement Standards, which outline its environment-related requests to suppliers, and makes compliance with the standards mandatory for all transactions. We view a supplier’s environmental management as consisting of two interrelated elements: business activities and parts and materials. We require that the supplier must operate effective environmental management in each of the four frameworks labeled A–D in the following diagram. If a supplier is found to have a negative impact on the environment, we immediately demand corrective action be taken and check the status of improvements made.

Requirements of the Canon Green Procurement Standards

	Environmental management system	Performance
Business activities	<b>A: Environmental management system for business activities</b> Construction and operation of an environmental management system for business activities	<b>B: Performance of business activities</b> - Compliance with environment-related laws and regulations - Compliance with other applicable legal requirements - Non-use of prohibited substances - Reduced use of substances targeted for reduced levels of use - Preventative measures against soil and groundwater pollution
Parts & materials	<b>C: Management of chemical substances in products</b> Construction and operation of system for management of chemical substances in products	<b>D: Performance of parts and materials</b> - No prohibited substances are contained - No use-restricted substances are contained after a specified period

■ Evaluation of supplier (A-C) ■ Evaluation of parts and materials (D)

For more detailed information concerning our management of chemical substances in products, please refer to Chemical Substances (→P37)

Specifically, to actively maximize resource efficiency as stated in the Environmental Assurance Philosophy of the Canon Group Environmental Charter, we require suppliers throughout the supply chain to put in place and operate an environmental management system aimed at reducing the environmental impact of their business activities.

It was already Canon’s practice to check the organization and environmental performance of a supplier’s business activities and any corrective measures taken. Now, we have further strengthened our risk management to help prevent pollution in our supply chain. For example, in order to ensure compliance with stricter regulations, we are taking measures to boost information gathering and analysis activities regarding laws and regulations on wastewater and emissions in emerging countries. We also conduct risk management in plating processes, where there is a relatively high risk of environmental pollution associated with wastewater treatment as a certain volume of heavy metals is used. Expanding the scope of risk management in this way helps ensure pollution prevention.



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### Cooperation with Suppliers

Canon is enhancing its cooperative relationships with suppliers through implementation of the EQCD concept (→P14).

Specifically, as part of our environmental initiatives, we are working in partnership with suppliers to reduce CO<sub>2</sub> emissions using varied measures such as emissions visualization and the adoption of parts and materials with lower CO<sub>2</sub> emissions; to promote materials recycling; and to promote regulatory compliance relating to chemical substances.

In addition, as part of our initiatives to improve quality, besides clarifying evaluation standards, we are looking at cooperative approaches that utilize supplier feedback to help raise quality.

#### ■ Collaboration with Suppliers in 2025

Canon Hi-Tech (Thailand) (CHT) is working with suppliers to improve its packaging methods with the aim of reducing plastic waste and the volume of packaging materials. Instead of plastic bags, the subsidiary uses cardboard corner coverings to package parts. It has also reduced the use of stretch film to wrap the pallets used in shipping. CHT is also reusing packaging materials with its suppliers.



Meeting with suppliers (rear)

Canon Precision is collaborating with suppliers to take action to save energy, seeking to step up the pace of reducing environmental impact across the supply chain. This includes visiting suppliers to share case studies of improvements and to check the status of their activities. The company also lends measuring equipment to suppliers to enable them to visualize electricity and air usage, and make improvements accordingly. In 2025, Canon Precision carried out activities with two suppliers, contributing to a reduction of 6.16 t-CO<sub>2</sub>e in emissions (yielding a cumulative reduction of 30.81 t-CO<sub>2</sub>e among four companies since 2024). It plans to implement further measures going forward, including reducing emissions generated in logistics by making transportation more efficient.

#### Comments from a Supplier Collaborating in Reducing Environmental Impact

Since relocating and rebuilding our factory in January 2024, our company has been making efforts to reduce its environmental impact. After having multiple meetings and getting advice from Canon Precision, however, we were able to further reduce our environmental footprint by focusing on optimizing compressor air, something that is easy to overlook. This was a very meaningful initiative, as we were able to discover new insights that will lead to continued improvements going forward.



Takuya Maeda  
Aomori Factory Manager  
TOMOKU CO., LTD.

Canon also worked with Nidec to calculate primary data on raw material CO<sub>2</sub> emissions for that company's fan motors, incorporating this data for the first time into the calculation of life cycle CO<sub>2</sub> emissions for Canon's office multifunction printers (→P24).

### Hotline for Risks in the Supply Chain

Canon has set up a hotline to allow anyone inside or outside the company to anonymously report any concerns about the supply chain. This enables whistleblowers to share any specific concerns or information relating to human rights or other responsible business practices, such as instances of child labor or forced labor. This process is detailed in the Canon Supplier Code of Conduct and publicized.

Reference: Responsible Business Conduct Hotline  
<https://global.canon/en/contact/csr/csr-form-e.html>

### Addressing the Issue of Responsible Minerals Sourcing

Products manufactured and sold by the Canon Group and numerous other corporations contain materials that originate from a variety of minerals. These materials are sourced through diverse supply chains from their places of origin throughout the world. Mineral mining sites, smelters or other processing sites for some of those materials have been shown to have links to armed groups, serious human rights violations or environmental destruction. Corporations are therefore being called upon to exercise their social responsibility by identifying conflict/high-risk regions and avoiding the use of materials supplied from business operators disrespecting human rights or environmental conservation in those regions.

To reassure customers using Canon products, we are working with suppliers and industry bodies on responsible mineral sourcing initiatives.

Reference: Canon Group Basic Policy on Responsible Minerals Sourcing  
<https://global.canon/en/sustainability/society/conflict/policy/>

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### Due Diligence

Canon investigates the countries of origin of minerals and exercises due diligence, following the 5-step framework recommended by the Organization for Economic Co-operation and Development (OECD) in its Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (OECD Guidance).

Based on a common Group-wide policy and survey reporting system, Canon identifies products that could contain certain metals or minerals and then conducts investigations of the parts and materials in question, tracing up the supply chain to determine places of origin. Canon exercises due diligence to identify human rights and environmental risks in conflict-affected and high-risk areas around the world.

### Risk Identification and Evaluation

Tin, tantalum, tungsten and gold (3TG) produced in the Democratic Republic of the Congo (DRC) and neighboring countries are said to have been used in some cases to provide funding for armed groups allegedly responsible for serious human rights violations, environmental destruction, illegal mining, and other issues. These are generally referred to as "conflict minerals." Canon conducts risk assessments for 3TG extracted from regions around the world that are at high risk due to conflict or other factors, including the DRC and neighboring countries.

Furthermore, we are conducting risk assessments on cobalt, a non-3TG mineral that has attracted growing global attention due to concerns over human rights risks at mining locations.

In identifying and evaluating the above risks, Canon uses the Conflict Minerals Reporting Template (CMRT) and the Extended Minerals Reporting Template (EMRT) published by the Responsible Minerals Initiative (RMI\*),

as well as internally developed formats based on survey indicators where necessary. We use the results of these surveys to inform risk-mitigation efforts in this area.

\* An international program that plays a leading role in the response to conflict minerals.

### Initiatives to Reduce Risk

Supplier cooperation is essential in identifying places of origin for minerals and related smelters. Besides assisting eligible suppliers by compiling a guidance manual for our surveys, we also encourage suppliers to ascertain and use only those smelters confirmed as conformant by the RMI. Where significant risk is found, we seek to mitigate it by requesting that suppliers switch to a supply chain with lower mineral procurement risk.

Canon established a page entitled "Procedure for the Submission of Concerns Regarding Mineral Risk" on its official website to recognize such risks in the early stage. Parties with specific concerns and/or information regarding circumstances of extraction, trade, handling and export of minerals in conflict-affected and high-risk areas as they pertain to Canon product supply chains (such as facts indicating that those minerals are the source of funds for armed groups in conflict-affected areas and human rights violations) can contact Canon through this page.

Reference: Procedure for the Submission of Concerns Regarding Mineral Risk  
<https://global.canon/en/contact/conflict/conflict-form-e.html>

### Cooperation with Industry Groups

Since April 2015, Canon has supported the activities of the RMI, an international program focused on addressing the issue of conflict minerals.

In Japan, Canon is active as a leading member of the Responsible Minerals Trade Working Group (RMTWG) of the Japan Electronics and Information Technology Industries Association (JEITA).

### 2025 Surveys and Disclosure

In 2025, Canon requested CMRT/EMRT-based surveys relating to 3TG and cobalt sourcing from eligible suppliers. The response rates were approximately 91.7% for 3TG and 90.9% for cobalt (tentative response rate as of March 23, 2026)

Based on the survey responses, there is no evidence pointing towards significant human rights or environmental risks in Canon's supply chain. However, the complex nature of the supply chain makes it difficult to identify specific smelters or in many cases to obtain clear responses. Given these and a range of other survey challenges, Canon is working for further risk identification and improvement.

In line with OECD Guidance, the assessment framework of Canon Group surveys, the results, risk analyses and information relating to specific smelters are published annually in the Conflict Minerals Report on Canon's website.

The Responsible Minerals Sourcing Report (3TG) is audited by independent private-sector experts to provide assurance that the Group's initiatives on conflict minerals investigation conform to international standards in the form of the OECD Guidance.

A total of nine Canon Group production sites underwent VAP audits by the RBA in 2025. The audited sites have been recognized by an outside auditing organization as being compliant with standards for 'D. Ethics 7. Responsible Mineral Sourcing' of the RBA Code of Conduct.

Reference: Responsible Minerals Sourcing Report (3TG)  
<https://global.canon/en/sustainability/society/conflict/>

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# Sociocultural Support Activities

We are contributing to the sustainable development of local communities using technology and knowledge gained in business.

## Basic Approach

Contributing to society through business activities has been the ethos underpinning our corporate culture ever since Canon was founded. Guided by this thinking, we harness the technology we have cultivated through our business to contribute to the sustainable development of local communities, both through educational and sociocultural support activities and through the provision of medical care in impoverished regions.

Furthermore, we support the Children’s Rights and Business Principles formulated by UNICEF jointly with the United Nations Global Compact and Save the Children. In support of the next generation, Canon is engaged in activities to help protect the rights of children.

## Policies

Based on the Canon Group CSR Activity Policy, we are engaged in activities that support the arts, culture, academic study, and sports; in providing humanitarian aid and disaster relief; and in activities that enrich local communities while also taking care of the global environment. Under this policy, we are developing sociocultural support activities across the Canon Group by leveraging the Group’s strengths in terms of advanced technological capabilities, global business development expertise, and diverse, specialized human resources.

Reference: Canon Group CSR Activity Policy  
<https://global.canon/en/sustainability/society/pdf/csr-activity-e.pdf>

## Promotion System

The Group Executive for Sustainability Headquarters promotes sociocultural support activities across the entire Canon Group. We have a framework for periodically reporting important matters to the Chairman & CEO, the Vice Chairman & CFO, and the President & COO\* for approval.

Moreover, staff in charge of social contribution activities at Group companies around the world regularly share information on such matters, while we actively use our intranet and social media platforms to share with employees information about Group activities, how social issues are being addressed (SDGs, etc.), and other related topics to promote sociocultural support activities across the Group.

\* As of April 2026.

## Major Initiatives

### Canon Young People Programme Harnesses the Power of Positive Visual Storytelling

Canon Europe partners with local NGOs across Europe, the Middle East, and Africa through the Canon Young People Programme (CYPP) to empower disadvantaged youth. The program promotes sustainable futures by teaching visual storytelling and critical thinking aligned with the SDGs, and offering hands-on experience in photography and video.

In 2025, Canon celebrated the 10th anniversary of CYPP, marking a significant milestone with 10,000 young people engaged. Research conducted by the University

of Northampton’s Institute for Social Impact & Innovation (ISII) confirms that CYPP has delivered significant and lasting impact on young people, communities, and partner organizations worldwide.

The Independent ISII evaluation highlights that, through visual storytelling and skills training, CYPP empowers young people to address local social and environmental challenges, develop leadership capacity, and explore new career paths. Over the past decade, by working with more than 40 partners across 36 countries, alumni have emerged as community leaders, entrepreneurs, and agents of change.



CYPP participants photographing wildlife in Botswana

### Comment from a CYPP Alumni

CYPP gave me my first encounter with a camera in 2020, when I was introduced to photography through Wild Shots Outreach (WSO). I quickly discovered my abilities, capabilities, and passion. Photography helped me tap into a whole new dimension of learning about photography, about wildlife conservation, and about myself. Now, on the 10th anniversary of CYPP, I am a Programme Leader. In this position, I am able to coach, encourage, and empower the next generation from African communities like my own. Through CYPP, my mission is to change the narrative, to give young people like me a voice, and to make photography and wildlife conservation more diverse and inclusive.



Karabo Magakane  
WSO Programme Leader

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**Miraisha Programme Aims to Increase Employment Opportunities and Technical Skills in Africa**

High youth unemployment is a severe problem in Africa. Moreover, while demand is increasing for photography, video production, and printing, most of this business is done by foreign companies because local skill levels often do not reach international standards. In response to this situation, Canon Central and North Africa has been promoting its *Miraisha* Programme, a social investment initiative in Africa. *Miraisha* is a portmanteau of the Japanese word *mirai*, meaning future, and the Swahili word *maisha*, meaning life. Through the program, Canon aims to improve the technical skills of local young people and increase employment opportunities for local young people in Africa’s growing photography, video production, and print industries.

Through partnerships with local organizations, educational institutions, event organizers, and with the assistance of Canon Ambassadors and trainers, the *Miraisha* Programme has trained a total of 7,900 participants, including 300 who participated in 2025. Canon has also created a training program to develop local photographers and videographers as Canon-accredited trainers for the *Miraisha* Programme. By 2025, a total of 21 Canon Certified *Miraisha* trainers were



*Miraisha* students participating in practical hands-on shooting sessions in Nigeria

working throughout Africa, three of whom were recruited as Canon Group employees.

**Inclusivity Initiatives Using Elevated Printing Technology**

Canon Europe is currently hosting the World Unseen campaign in different regions of EMEA, challenging people to see the world from new perspectives. As part of the campaign, which began in 2024, a photo exhibition was held using Canon’s imaging and printing technologies to allow visually impaired people to experience photography. Works by renowned photographers, including Sebastião Salgado, are printed using Canon’s UV-curable large-format flatbed printers, which utilize ink thickness to create a raised effect, allowing people to experience them through touch.

In 2025, across the EMEA region, from Europe to the Middle East and South Africa, we continued to hold photography exhibitions, offering new experiences and inspiration to visitors. Our approach to such exhibits has started to influence other major exhibitions. For example, at the 2025 Ocean Photographer of the Year marine photography competition and exhibition, Canon’s elevated printing technology was adopted for displays in both London and Cape Town.



The grand prize photograph for Ocean Photographer of the Year, which used Canon’s elevated printing technology

**The Research and Education Program “Eyes on Yellowstone” Made Possible by support from Canon U.S.A. Helps to Communicate the Importance of Environmental Conservation**

Canon U.S.A. donates products and funds to Yellowstone Forever, the official nonprofit partner of a globally renowned Yellowstone National Park in the U.S.A. to support initiatives such as surveillance activities targeting endangered wildlife species.

Eyes on Yellowstone allows Yellowstone’s scientists and managers to break new ground in conservation, endangered species protection, and the application of cutting-edge science and technology to park wildlife and ecosystem management. The data collected from these projects have educated and inspired millions of people around the world. Eyes on Yellowstone enhances the experience for both in-person and virtual visitors, inspiring deeper engagement with our national parks and global environmental conservation.

In 2025, Canon’s 4K Outdoor PTZ Camera captured a bison herd chasing away a grizzly bear from the live-stream of Old Faithful geyser.



Live stream recording from Old Faithful using Canon’s 4K outdoor Pan Tilt Zoom (PTZ) Camera

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**The 4E's Project in India**

Canon India carries out the 4E's Project in partnership with the NGO Humana People to People India. The project provides various forms of assistance in the four fields of eye care, education, environment, and empowerment to impoverished villages near to the Canon India offices.

Especially in the field of eye-care, Canon strives to provide improved medical assistance to the people with vision impairment by utilizing its technology from the Medical Group that Canon plans to further strengthen and expand its operation as part of the priority business strategy. In India, despite the fact that 80% of cataracts, a major cause of visual impairment, are believed to be preventable or treatable, the issue is lack of access to appropriate diagnostic or therapeutic care due to insufficiently developed healthcare infrastructure. Canon India opens vision centers in selected villages to provide eye examinations using equipment made by Canon.

A total of 5,746 people visited these centers in 2025, with 707 receiving free eyeglasses, and 408 patients being referred for treatment in hospital. More than 21,000 beneficiaries were reached through the 4E's Project.



Eye testing at a vision center in India

**Support for Education in Asia**

Canon supports the education of children across Asia who will become leaders of the next generation.

Respecting the right of every child to receive an education, we have set up 11 Canon Hope Elementary Schools in China to provide a better educational environment through improved access to education.

In Vietnam, since 2007 we have been pursuing the Canon Friendship School Chain Project, which involves constructing school buildings, providing desks and chairs, and donating school supplies to improve the learning environment for children. We opened our 55th school in 2025 in an impoverished area in the mountainous region of northeastern Vietnam.



Opening ceremony for the 55th school in Vietnam

In Thailand as well, Canon staff are engaged in ongoing volunteer activities to support children in impoverished areas in receiving a high-quality education in conducive environments. Employees visit schools to repair facilities, take photographs for student IDs, and donate Canon products and daily necessities. Furthermore, to foster greater interest in scientific technology, we provided opportunities for disadvantaged public elementary school children to visit science museums.

In a Charity Goods Fair organized at Canon Inc., employees donated children's goods, picture books, and other unused household items in addition to recycled items to be sold at an in-house bazaar. The company matched the proceeds generated by the sales, donating the funds to organizations supporting education and medical services in Asian countries, including Myanmar, Laos, and Cambodia.

**Collaborating with Other Companies and Leveraging Each Other's Strengths to Support Education**

Since 2014, the Canon Marketing Japan Group has been working with Pentel (ASTRUM Corp.) on the Memories of School Building Project, which supports the creation of final memories of school buildings that are to be demolished due to rebuilding, closure, or amalgamation. Children draw on the entire school building and the scenes they capture with digital cameras, and these are made into large posters and donated. By leveraging the strengths of both companies, the project supports children's memory-making and helps to raise awareness of the arts and contributes to regional revitalization. This program was implemented at eight schools in 2025.



Children creating murals

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### Preserving Precious Japanese Cultural Assets for the Future Through the Tsuzuri Project

Canon and Kyoto Culture Association (NPO) have been running the Cultural Heritage Inheritance Project, commonly known as the Tsuzuri Project, since 2007.

Many of Japan’s precious ancient cultural assets have limited viewing opportunities, often because they have been moved overseas or are preserved in storage as designated National Treasures. The Tsuzuri Project combines Canon’s imaging technology with traditional Kyoto craftsmanship to create high-resolution facsimiles that are as faithful to the original as possible. The facsimiles are utilized in a range of ways, including in public exhibitions held by the donating institution and for educational purposes.

In 2025, a high-resolution facsimile of the “*Landscapes, Flowers, and Trees of the Four Seasons*” folding screen, a work that never leaves the Smithsonian’s National Museum of Asian Art, was donated to the National Institutes for Cultural Heritage. A high-resolution facsimile of the “*Arrival of the Southern Barbarians*” folding screen held by The Cleveland Museum of Art was donated to Nagasaki Prefecture, while a high-resolution

facsimile of the “*Peafowl and Phoenixes*” folding screen was donated to the city of Izumi in Osaka Prefecture. Furthermore, as part of support for efforts to aid rebuilding after the Noto Peninsula Earthquake, a high-resolution facsimile of “*Maple Tree*,” a National Treasure now preserved at Chishaku-in Temple in Kyoto, was donated to the city of Nanao in Ishikawa Prefecture, after which outreach classes were conducted at local elementary and junior high schools.

In the city of Nakadomari in Aomori Prefecture as well, it was announced that the fusuma (sliding door) painting



The special exhibition at the Miyakoshi residence

“*Birds and Flowers of Spring and Summer*” held in the Shimuan annex of the historic Miyakoshi family residence was a pair with the “*Birds and Flowers of Autumn and Winter*” fusuma painting found in the collection of the British Museum. Following the announcement, a high-resolution facsimile of the latter painting that had been donated to Tanzan Shrine in 2018 as part of the Tsuzuri Project was put on display at the Miyakoshi residence. Around 6,000 visitors came to view the paintings at special spring and autumn exhibitions.

### Contributing to Society Through Rugby

Canon Inc. manages the Yokohama Canon Eagles, part of Japan’s Rugby League One, with the aim of creating and sharing thrilling experiences with sports fans and local residents through the sport of rugby.

As a social contribution activity targeting elementary, junior high, and high school students nationwide, the team holds career education classes and tag rugby workshops run by current Eagles players and staff. The goal is to contribute to the healthy development of children through rugby by letting them experience the importance of team play and the joy of physical activity.

In 2025, the team held career education classes and tag rugby workshops at 29 elementary schools, with a total of 3,018 students participating. The team also hosted the “Eagles Cup 2025” mini-rugby tournament for rugby schools from the region at their training ground at Canon Sports Park in Tokyo.



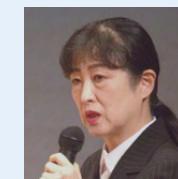
“Eagles Cup 2025” mini-rugby tournament

### Comment from the Curator of the Ishikawa Nanao Art Museum

I would like to express my gratitude for the Tsuzuri Project's donation of the high-resolution facsimile of the “*Maple Tree*” painting in support of the Noto Peninsula earthquake reconstruction efforts in September 2025. We received many words of joy and celebration from the citizens of Nanao and others in the disaster-affected region who watched the news coverage of the donation ceremony.

“*Maple Tree*” is a representative work of the group of *kinpeki shōhekiga* (gold-leaf wall and sliding-door paintings) that were passed down to Chishaku-in Temple in Kyoto from Shoun Zenji Temple, which Toyotomi Hideyoshi built for his eldest son, Tsurumatsu, who died young at three years old. The artist, Hasegawa Touhaku, was a painter from Nanao here in Noto. The giant maple tree with its branches stretching to the left and right against a magnificent gold-leaf background reflects the splendor of the Momoyama period. Meanwhile, the autumn flowers painted in front of the tree bloom daintily, as if to ensure that Tsurumatsu never feels lonely.

This is a beautifully executed reproduction, faithfully recreated with genuine gold-leaf applied by skilled artisans and using high-resolution technology that allows the raised shell-white pigment to remain visible even when viewed up close. In addition to its use in educational programs for children in collaboration with the Board of Education, the reproduction will be used in cultural heritage outreach activities and to further showcase the appeal of Touhaku’s works.



Yoko Kitahara  
Curator  
Ishikawa Nanao Art  
Museum

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## Contributing to Society Through Academic Study and Research

### Supporting Research Activities that Contribute to the Sustainable Development of Humankind Through the Canon Foundation

The Canon Foundation was established in 2008 with the aim of contributing to the development of science and technology. Operating completely independently of Canon’s business activities, it provides assistance in a wide range of science and technology research fields. The foundation’s aim has been to create new value for society by adopting an approach of supporting research that addresses cutting-edge fields of science and technology. Based on this concept, the foundation supports two research programs, focusing on the themes of “Science and Technology that Achieve a Good Future” and “Science and Technology that Create New Industries.”

Over the past 17 years, the foundation has disbursed a total of 250 research grants totaling ¥4.6 billion. It enjoys recognition from universities and public research institutions across Japan as a distinctive research grant foundation providing an average project grant of around ¥30 million yen per project for the “Science and Technology that Achieve a Good Future” program, and about ¥20 million for the “Science and Technology that Create New Industries” program—relatively high amounts mainly awarded to fledgling research projects and young researchers just starting out.

Under the “Science and Technology that Achieve a Good Future” program, the foundation provides grants for innovative scientific and technological research aimed at solving social issues expected to arise in the future. Three projects were selected in 2025, including “Development of Water Use Efficiency Control Technology for Plants to Achieve Harmonization of Water, Greenery, and Microorganisms.”

Under the “Science and Technology that Create New Industries” program, the foundation provides grants for innovative and original scientific and technological

research that leads to the creation of new industries not yet known to the world. In 2025, 12 projects were selected, including “Rapid AI-Driven Drug Discovery for Rare and Intractable Diseases” and “Development of Large-scale Integrated Circuits Operational at High Temperature.”

We also held an online seminar for the general public in 2025, featuring three researchers who had previously received research grants. They delivered presentations introducing their cutting-edge research results and approaches to solving social issues while touching on the potential of smell, taste, and other sensory functions. Participants ranged from teenagers to people in their 60s and, considering the many questions and comments received on the day, they seem to have experienced firsthand the usefulness and intrigue of science.

Reference: Canon Foundation website  
<https://jp.foundation.canon/eng/index.html>



16th Research Grant Award Ceremony

### Canon Institute for Global Studies Aims to Help Address Problems Faced by Humankind

The Canon Institute for Global Studies (CIGS) is a non-profit private-sector think tank established in 2008 as a general incorporated foundation.

In this era of globalization, CIGS analyzes the status quo and offers strategic recommendations from the perspective of how Japan should position itself in the

world. Its specific areas of research are centered around three pillars: macroeconomics, energy and environment, and foreign affairs and security.

In the area of macroeconomics, CIGS conducts research on how to achieve healthy economic growth from a broad perspective. Also, as Asia, particularly China, becomes a key player in the global economy, the institute looks at what economic analysis methods exist and what policy-making mechanisms are most desirable.

In the area of energy and environment, CIGS conducts research based on a dynamic approach to see how issues in these fields—which might be constraining economic growth—can be transformed into drivers of growth.

In the area of foreign affairs and security, the institute researches how Japan should consider its role, addressing both urgent issues and long-term strategies.

Other than this, CIGS delves into policy discussions on a wide range of issues and current and future situations, including healthcare schemes, agriculture and forestry, fiscal and social security, and the Chinese economy. Through these activities, CIGS is building a global knowledge network to pass on various emerging ideas to the next generation.

Reference: The Canon Institute for Global Studies  
<https://cigs.canon/en/>



Presentation by CIGS researchers on global management strategies

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### Fundamental Policy

In order to establish a sound corporate governance structure and continuously raise corporate value, Canon Inc. believes that it is essential to improve management transparency and strengthen management supervising functions. At the same time, a sense of ethics and mission held by each executive and employee of a company is very important in order to achieve continuous corporate growth and development.

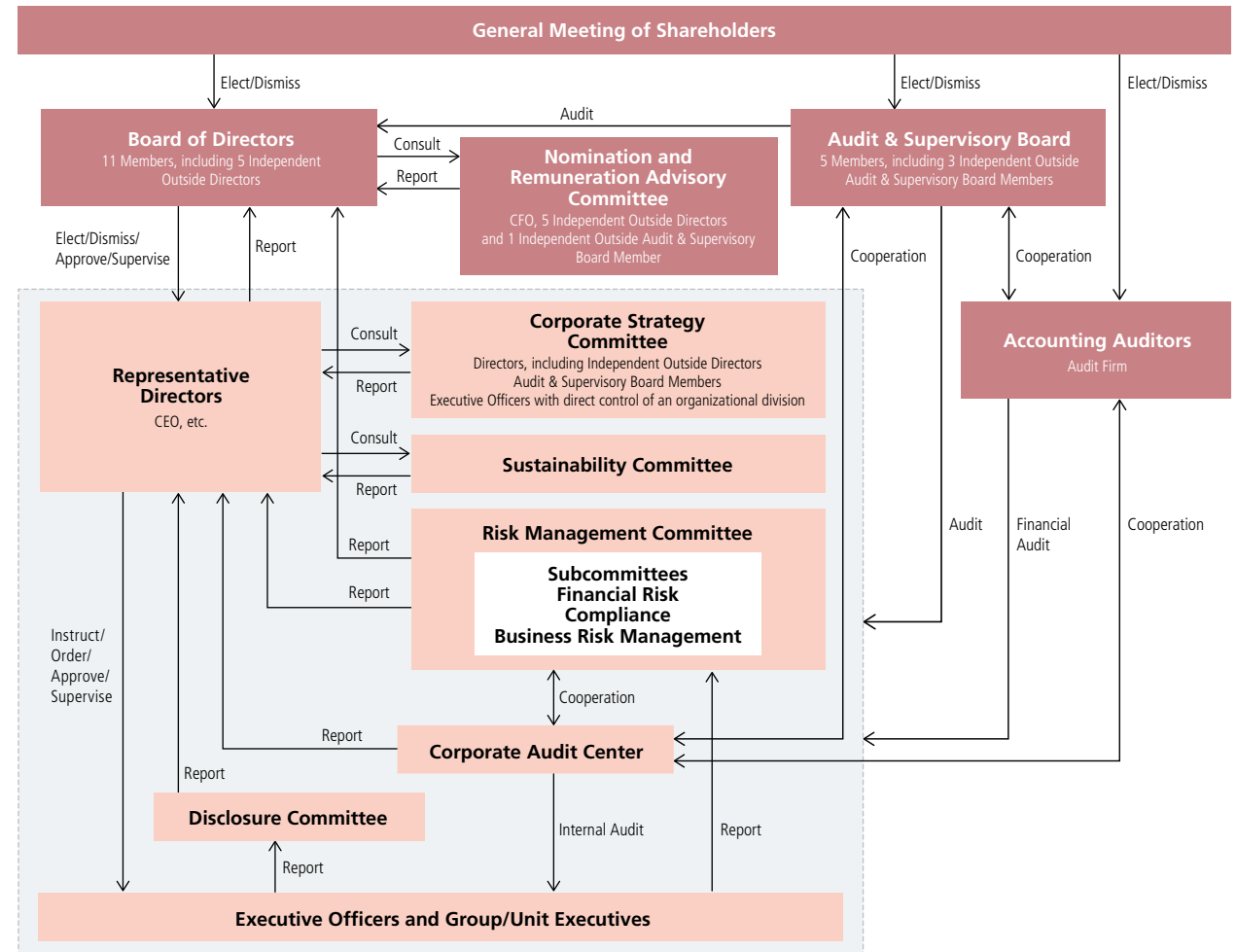
### Governance Structure

Canon Inc. is globally expanding its businesses in various business fields, including printing, medical, imaging, and industrial, and aims to aggressively expand into new business fields in the future. In order to make prompt decisions in each business field, and make important decisions for the entire Canon Group or on matters that straddle several business fields from a company-wide perspective and at the same time secure appropriate decision making and execution of operation, Canon Inc. judges the corporate governance structure shown on the right to be effective.

#### Change in Corporate Governance Structure

2010	<ul style="list-style-type: none"> <li>Reduced the number of Directors (from 25 to 17)</li> </ul>
2014	<ul style="list-style-type: none"> <li>Appointed Outside Directors (two)</li> </ul>
2015	<ul style="list-style-type: none"> <li>Appointed female Executive Officer</li> <li>Measures to assess effectiveness of Board of Directors</li> </ul>
2016	<ul style="list-style-type: none"> <li>Reduced the number of Directors (from 17 to 6)</li> <li>Established Nomination and Remuneration Advisory Committee</li> <li>Established the Independence Standards for Independent Directors/Audit and Supervisory Board Members</li> </ul>
2024	<ul style="list-style-type: none"> <li>Appointed a female Director</li> <li>Increased the number of Directors (from 5 to 10)</li> </ul>
2025	<ul style="list-style-type: none"> <li>Appointed a female Audit &amp; Supervisory Board Member</li> </ul>
2026	<ul style="list-style-type: none"> <li>Increased the number of female Directors (from 1 to 2)</li> </ul>

Corporate Governance Structure (as of April 1, 2026)



\* The grey boxes represent the Organizations executing operations

For more information on corporate governance, see the following.

Reference: An Overview of Corporate Governance at Canon Inc.

<https://global.canon/en/ir/strategies/governance.html>

Reference: Integrated Report

<https://global.canon/en/ir/library/integrated.html>

Reference: Corporate Governance

<https://global.canon/en/sustainability/governance/corporate-governance/>



# Risk Management

## Basic Approach

At Canon, we recognize that to ensure proper operations and to continually improve corporate value, implementation and maintenance of a risk management system to deal with significant risks that the Group may face in business operations is vital.

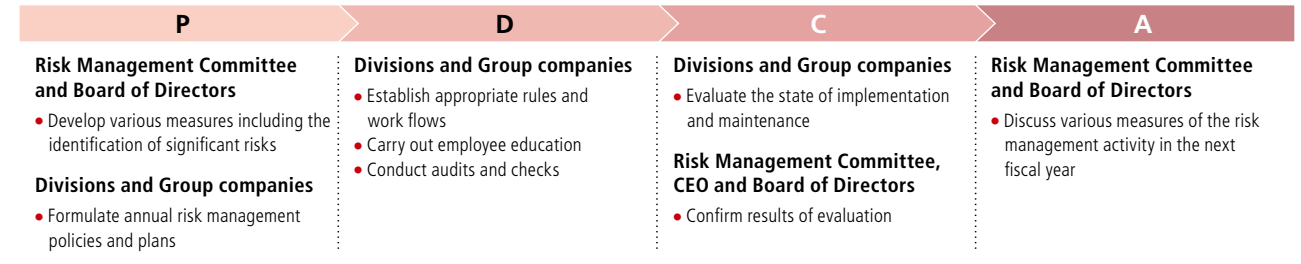
## Risk Management System

Canon Inc. has established a risk management committee based on a resolution of the Board of Directors. Chaired by the CFO, the committee has established three subcommittees: the Financial Risk Management Subcommittee, Compliance Subcommittee, and Business Risk Management Subcommittee.

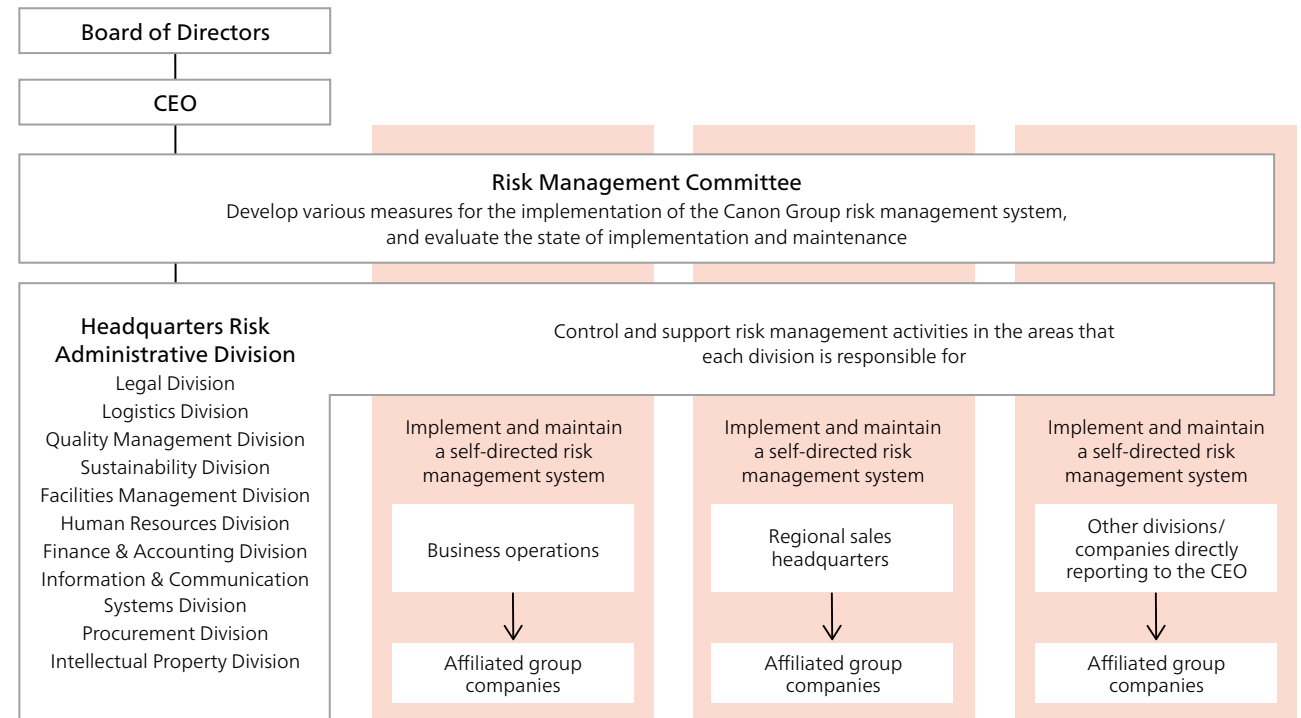
The Risk Management Committee develops various measures to implement Canon's risk management system, including identifying any significant risks (violations of laws and regulations or corporate ethics, inappropriate financial reporting, environmental issues, quality issues or information leaks, etc.) that the Group may face in the course of business.

Canon Inc. administrative divisions responsible for various risks associated with business activities, including the Legal Division, Logistics Division, Quality Management Division, Human Resources Division, Finance & Accounting Division, belong to the relevant subcommittee and according to their areas of responsibility, control and support the risk management activities of each Canon Inc. division and Group company.

## Processes for Implementation and Maintenance of Risk Management System



## Risk Management System



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Under this system, each Canon Inc. division and Group company implements and maintains a self-directed risk management system and makes a yearly report to the Risk Management Committee on the results of its activities.

Having received the report of each subcommittee, division, and Group company, the Risk Management Committee evaluates the state of implementation and maintenance of the risk management system and reports its findings to the CEO and Board of Directors. The evaluation conducted in 2025 found no material flaws in the system.

### Group-wide Risk Management Communication

At Canon Inc, during training for newly appointed executives of Group companies, participants are educated on the importance of autonomously implementing and maintaining a risk management system at each company, and the role of executives in implementing and maintaining such a system.

We also distribute the Canon Group Risk Management Handbook to executives and senior managers of Canon Inc. and Group companies in Japan. Moreover, the handbook is used in training for newly appointed general managers and section heads to emphasize the importance of risk management and the role played by managers in building our risk management system.

In addition, an intranet website provides employees of Canon Inc. and Group companies with timely information, including our approach to risk management and updates on activities.

### Financial Risk Management

The internal controls for financial reporting used at Canon Inc. are consistent with the basic framework outlined in the On the Revision of the Standards and Practice Standards for Management Assessment and Audit concerning Internal Control Over Financial Reporting (Council Opinions) issued by the Business Accounting Council; these controls are maintained and operated accordingly. The aforementioned Financial Risk Management Subcommittee also conducts activities to strengthen internal controls pertaining to financial risks for the entire Canon Group, including compliance with Japan’s Companies Act and Financial Instruments and Exchange Act.

Specifically, we support each Group company to implement independent initiatives and self-driven educational activities, with each company implementing its own PDCA cycle on financial risk-related business procedures to target qualitative improvement in the reliability of the Group’s financial reporting.

As a result of these initiatives, we determined that our internal controls over financial reporting as of December 31, 2025 were effective.

### Promoting Compliance

The Compliance Subcommittee works to promote corporate ethics across the Group in accordance with the Canon Group Code of Conduct, developing and regularly reviewing the Group’s compliance system. As a result of these initiatives, Canon had another year free from material fines or other sanctions in 2025.

### Sections of the Canon Group Code of Conduct (Extract)

#### Management Stance

##### 1. Contribution to Society

- Provision of excellent products • Protection of consumers
- Preservation of the environment
- Social and cultural contributions • Communication

##### 2. Fair Business Activities

- Practice of fair competition
- Observance of corporate ethics
- Appropriate disclosure of information

#### Code of Conduct for Executives and Employees

##### 1. Compliance with Corporate Ethics and Laws

- Fairness and sincerity • Legal compliance in performance of duties
- Appropriate interpretation of applicable laws, regulations and company rules

##### 2. Management of Corporate Assets and Property

- Strict management of assets and property
- Prohibition against improper use of company assets and property
- Protection of the company’s intellectual property rights

##### 3. Management of Information

- Management in compliance with rules
- Prohibition against personal use of confidential and proprietary information
- Prohibition against insider trading
- Prohibition against the unlawful acquisition of confidential or proprietary information pertaining to other companies
- Appropriate use of confidential and proprietary information pertaining to other companies

##### 4. Conflicts of Interests/Separation of Personal and Company Matters

- Avoidance of conflicts of interests
- Prohibition against seeking, accepting or offering improper gifts, entertainment, or other benefits
- Prohibition against acquisition of pre-IPO shares

##### 5. Maintenance and Improvement of Working Environment

- Respect for the individual and prohibition against discrimination
- Prohibition against sexual harassment
- Prohibition against bringing weapons or drugs to the company workplace



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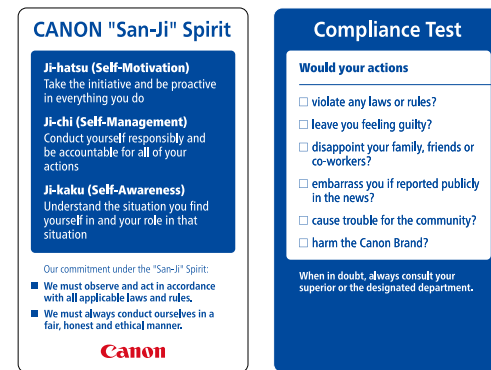
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**Promoting Corporate Ethics**

■ **Canon Group Code of Conduct and Compliance Card**

We have established the Canon Group Code of Conduct to clarify the management stance of the entire Group and the standards that executives and employees must comply with in their duties. To ensure that its content is understood by executives and employees in countries and regions worldwide, in addition to Japanese, the Code of Conduct is translated into more than 20 languages, including English, French, and Chinese, and adopted by a resolution of the Board of Directors of each Group company. A copy of the Code is issued to Group executives and employees worldwide and/or its text is posted on our intranet system as part of further efforts to ensure that it is known and practiced by all.

In addition, a Compliance Card that executives and employees can carry with them has been created in Japanese and more than 20 other languages, including English, French, and Chinese, and issued to Group executives and employees worldwide. Written on one side of the card is the *San-ji* (Three Selves) Spirit, which has been a guiding principle since our founding, and on the other side is a compliance test that enables employees to conduct a daily self-evaluation.



Compliance Card

■ **Corporate Ethics and Compliance Training**

Canon carries out corporate ethics and compliance training for executives and employees suited to the circumstances and conditions of the region where they operate.

For example, Canon Inc. and Group companies in Japan conduct relevant training for executives and employees as part of new recruit training, etc. Additionally, we have since 2004 designated a Compliance Week twice a year—once in the first half of the year and the other in the second half—in order to foster discussions in the workplace about compliance issues. Through these efforts, we strive to develop and improve operational processes to ensure that employees are aware of compliance and abide by the law.

■ **Compliance Hotline System for Internal and External Whistleblowers**

Canon Inc. has a compliance hotline system to handle reports of compliance issues, including violations of laws, bribery and other forms of corruption, and other breaches of the Canon Group Code of Conduct. We encourage appropriate use of the system by using the intranet, compliance training and other means to build awareness.

Canon Inc. also has a hotline for external stakeholders, which they can use to report specific human rights-related concerns and information in connection with Canon’s corporate activity or other specific concerns relating to various risks in the supply chain.

With both the internal and external hotlines, due care is taken to protect the privacy of informants and to ensure they do not suffer disadvantageous treatment as a result, including the option of anonymous reporting.

When a report containing a possible compliance violation is received, an investigation is launched to establish the facts and a final decision is made as to

whether there is a compliance violation. If a compliance violation is found, the necessary corrective action is taken along with measures to prevent recurrence.

Nearly all Group companies worldwide have a compliance hotline.

Canon Inc. receives biannual reports from Group companies on the operational status of their respective compliance hotline systems. These biannual reports from each Group company include not only the number of cases they received but also a summary of each case, investigation results and responses, and measures to prevent recurrences. Cases at Canon Inc. and Group companies that have been investigated and where compliance violations have been identified are analyzed statistically by category, and the analysis results are reported on a yearly basis to the Risk Management Committee and then fed back to the various Group companies.

The table below shows the numbers of whistleblowing reports, whistleblowing cases and compliance violations recognized after investigation into each case of whistleblowing, over the past three years. There have been no serious compliance violations.

**Reports, cases and compliance violations (at year-end)**

	(no.)		
	2023	2024	2025
Reports of whistleblowing during year	298	374	373
Cases of whistleblowing during year	336	409	459
Compliance violations recognized after investigation into whistleblowing	43	66	62

\* In cases where a single report contains multiple complaints, it is treated as one report and each complaint is counted as a separate case.



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### Compliance System

We have identified the significant compliance violation risks that Canon may face in the course of business (for example, violations of competition laws, anti-bribery laws and export control regulations) based on an assessment of the likelihood of the risk materializing and the scale of its potential impact on our business. To reduce these risks, we are working to improve the system to ensure legal compliance by improving operational workflows and rules, providing compliance training to applicable employees, and conducting audits and checks.

#### ■ Strict Compliance with Security Trade Control

Canon implements a security trade control framework headed by the President. The framework ensures that we comply with regulations on the export of goods and technologies that could be diverted for use in weapons of mass destruction or conventional weaponry. Specifically, prior to entering into business we strictly check such issues as whether export goods and technologies are controlled by regulations, or whether counterparties are engaged in the development of weapons of mass destruction.

Security Trade Control is insufficient if undertaken by a single country or region. It is important to have international cooperation based on international treaties and export control regime agreements. To provide a unified policy and standard in the field of Security Trade Control, we established the Canon Security Trade Control Guidelines, which is implemented at Group companies worldwide.

In recent years there has been a move to use regulatory frameworks for security trade control in order to restrict the transactions of certain countries, regions, or corporations, mainly for reasons related to competition in the development of advanced technologies, information security, and protection of human rights. As it expands its range of business fields, Canon has also

seen an increase in business transactions that require careful attention. We will pay close attention to the international situation and to the latest regulatory trends in our activities to ensure full compliance with Security Trade Control.

#### ■ Compliance with Competition Laws

Business divisions of Canon Inc. and Group companies worldwide with sales and service functions conduct regular training for employees of divisions exposed to the risk of competition law violations to educate them about competition laws, give examples of legal violations, and provide everyday operational compliance guidance. Employees are encouraged to make use of Canon’s competition law hotline (connected to the Legal Division) when unsure of how to interpret or apply competition laws.

#### ■ Prevention of Corruption

The Canon Group Code of Conduct (→P88) clearly stipulates that Group executives and employees are prohibited from receiving benefits from business partners and corporate customers in the form of gifts or entertainment, etc., that exceed the social norm, and from providing similar benefits to government agencies, business partners, and corporate customers. It also clearly prohibits actions that may cause conflicts of interest or constitute insider trading. For our suppliers, we have formulated the Canon Supplier Code of Conduct, which requires them to refrain from engaging in any form of corruption, including bribery.

Based on the above policy, following identification and assessment of the risks that Canon may face in conducting business, the Risk Management Committee has identified violation of anti-corruption laws as a significant risk. As a countermeasure, corruption risk is assessed based on the country/region and type of business using such references as the Corruption

Perceptions Index published by Transparency International, and then depending on such risk, anticorruption systems are established in accordance with laws and guidelines related to anti-corruption in major countries, such as the Foreign Corrupt Practices Act (FCPA) of the United States and the Bribery Act of the United Kingdom. Specifically, for businesses and regions assessed as high risk, each Group company has established a responsible division and has clarified its management stance on anti-corruption and matters to be observed through the formulation of basic policies and company rules on anti-corruption. We are also putting in place systems to prevent corruption among suppliers, intermediaries, and other third parties outside Canon (performance of due diligence and inclusion of an anti-bribery clause in the contract) and conduct annual training for employees engaged in high-risk duties to deepen their understanding of the anticorruption laws and regulations in major countries and regions. Moreover, we not only conduct audits depending on the risk of corruption but also conduct an annual survey (→P77) of suppliers as part of our supply chain management to check whether measures are in place to prevent the acceptance of bribes or inappropriate benefits. Finally, the Risk Management Committee undertakes an annual evaluation of the implementation and maintenance of the risk management system, which includes such anticorruption systems, and reports the results of such evaluations to the CEO and Board of Directors.

Reference: Canon Suppliers Code of Conduct  
<https://global.canon/en/procurement/pdf/coc-e.pdf>



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■ **Protecting Personal Information**

Based on its Personal Information Protection Policy, Canon Inc. has drawn up and is improving its internal rules for processing of personal information, including its Personal Information Protection Regulation.

The Risk Management Committee has also identified violation of the Protection of Personal Information Act as a significant legal risk for Canon. Accordingly, besides keeping abreast of related regulatory trends, Group companies worldwide are working to build systems where all personal information is properly acquired, utilized and managed, through the application of internal controls, regular self-audits, and education programs.

**Major privacy legislation affecting Canon**

Japan	Act on the Protection of Personal Information
EU	General Data Protection Regulation (GDPR)
The State of California, U.S.	California Consumer Privacy Act
China	Personal Information Protection Law

**Promoting Business Risk Management**

The Business Risk Management Subcommittee is responsible for identifying significant operational risks in terms of their potential impact and managing them.

Action policies and plans for each identified significant risk are decided in cooperation with the responsible divisions across the Group, and system implementation and risk mitigation activities are promoted through each business division and the responsible division at each Group company.

**Business Continuity Plan**

Canon’s Headquarters building and core facilities for information systems and research and development are concentrated in suburban areas of Tokyo. As the incidence of earthquakes in Japan is relatively high, it is also at greater risk of earthquake damage than other countries and regions. Canon also has a global network of facilities and offices. The occurrence of earthquakes, floods, other natural disasters, or terrorist attacks could cause disruption of the infrastructure for such facilities and offices. Canon believes that establishing a system to ensure that business operations can continue in the event of such a natural disaster or emergency represents one of the most important social responsibilities of any company. Based on this recognition, we have formulated a business continuity plan (BCP)\*1 and Canon Group Disaster Preparedness Guidelines, and are taking other measures to ensure business continuity in the event of a disaster. Such measures include putting in place a backup system based on parallel production of similar models at a number of sites, upgrading buildings constructed according to old aseismic design standards, concluding disaster agreements with local communities, and developing systems for collecting information and reporting.

Due to the critical importance of our Shimomaruko headquarters in Tokyo, Japan, as the home base for all Group operations, we have established a crisis control center, installed backup generators, stockpiled fuel, equipment, and supplies, and established a multiplex communication system. Moreover, we set up a Disaster Recovery Center\*2 to back up information systems to ensure that the core IT system will operate securely in the event of a large-scale disaster such as an inland earthquake in the Tokyo capital region.

We have updated all Group company facilities in Japan, setting up emergency communications equipment and support structures, and inculcated a sense of

readiness in our employees through practical disaster-preparedness training. We also have systems that use data from surveillance cameras installed at each Group site so that any damage caused by natural disasters or other emergencies can be evaluated swiftly. Furthermore, we have prepared a leader’s manual in order to safeguard human life immediately following a natural disaster or fire, prevent secondary disasters, and protect company assets. Using this manual as a model, Group companies are also creating localized manuals based on the unique risks in the areas where they operate to facilitate the smooth restoration of services in the event of a disaster. Last year, 45 operational sites conducted emergency drills based on these manuals.

\*1 An action plan that includes measures to provide for the continuation of a minimal level of business in the event of disaster, accident, or other such event, and to restore operations promptly.

\*2 A facility prepared for data backup in the event of a system breakdown due to a disaster.

**Economic Security Initiatives**

In response to the recent rise in geopolitical risk, activities to promote economic security by maintaining and reinforcing factors such as strategic autonomy and strategic indispensability – the stated aims of Japan’s Economic Security Promotion Act, enacted in May 2022 – have gained in importance. This includes stronger initiatives to prevent technology outflows and the introduction of new export controls with expanded scope.

In addressing economic security issues, Canon Inc. collates, researches, and analyzes related internal and external information, sharing and reporting appropriately with management and the relevant divisions to promote the Group’s economic security activities while bolstering related risk mitigation capabilities.



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**Proper Payment of Taxes**

Canon believes that, as a multinational corporation with operations spanning the globe, the proper payment of taxes in the countries and regions where it operates is one of its most fundamental and important social responsibilities. Accordingly, Canon Inc.'s Finance & Accounting Headquarters operates an integrated tax management system in accordance with the principles set out below. As a result, Canon did not receive any negative tax-related judgments or assessments in 2025, nor was it subject to any major punitive measures, such as fines.

1. Pay taxes properly in accordance with the letter and the spirit of tax-related laws and ordinances without employing tax planning for tax avoidance purposes.
2. Ensure that tax accounting and other related processes are carried out unflinchingly, according to law.
3. Develop tax-related governance systems and work to raise awareness about tax compliance.
4. Adhere to common international rules on international taxation (guidelines set by the Organization for Economic Co-operation and Development and the United Nations) and ensure that actions are in compliance with the tax laws of each country.

**Corporate Income Taxes**

	2021	2022	2023	2024	2025
Taxes on income before income taxes (hundred million yen)	719	924	1,063	1,183	1,239
Effective tax rate on income before income taxes (%)	23.7	26.2	27.2	39.3	25.7

**Addressing Risks in the Development and Use of AI Technology**

Canon is striving to hone the competitiveness of its products by incorporating proprietary AI technology into products and services in various business domains. We have a track-record of capitalizing on AI technology to launch products with significantly enhanced performance and functionality, primarily in the Imaging and Medical businesses, but are further incorporating AI technology into our products and extending this technology to all business groups, including the Printing and Industrial businesses. Additionally, by developing and providing AI technology-based services in the various businesses, we are helping to transform the business processes of our customers. Canon is also actively leveraging generative AI in in-house operations to pursue operational reforms and boost productivity.

Meanwhile, developing and harnessing rapidly evolving AI technology for Canon's products and services requires compliance with AI-related laws and regulations being formulated in various countries and regions. Even in cases where AI does not fall under regulations, consideration must be given to the ethical aspects of this technology, including biased judgments, the output of erroneous information, and unexpected behavior. Moreover, with regard to the use of generative AI, there is a need to prevent risks such as copyright and trademark infringement, breaches of confidential information, and unauthorized access.

**Addressing AI Risks**

Canon Inc. has established a Group-wide framework for assessing and responding to AI risks to ensure that we provide safe and secure AI products and services while complying with legal and ethical requirements for AI. To address all such risks, including risks related to ethical considerations, in addition to the legal and regulatory requirements of various countries and regions, we have prepared our own AI risk assessment checklist, which includes evaluation criteria such as fairness, transparency, appropriate use, safety and robustness, and privacy and security. We use this checklist to assess AI risks at appropriate stages of the product development process (e.g., in planning and at completion), and obtain final approval after taking any needed steps, thus seeking to minimize AI risks in our products and services. We have also established a dedicated organization to address AI risks, which works with the Quality Assurance and Legal divisions to deploy measures across the Canon Group.

Regarding generative AI, we have established a company-wide cross-functional organization to develop rules for use and educational programs. We are working to improve awareness and literacy regarding intellectual property rights and information security through training for all employees. Furthermore, we are working to mitigate risks to the infrastructure by selecting and rolling out AI services that incorporate advanced security. Through these steps, we are working to boost work productivity while ensuring safety in the use of generative AI.



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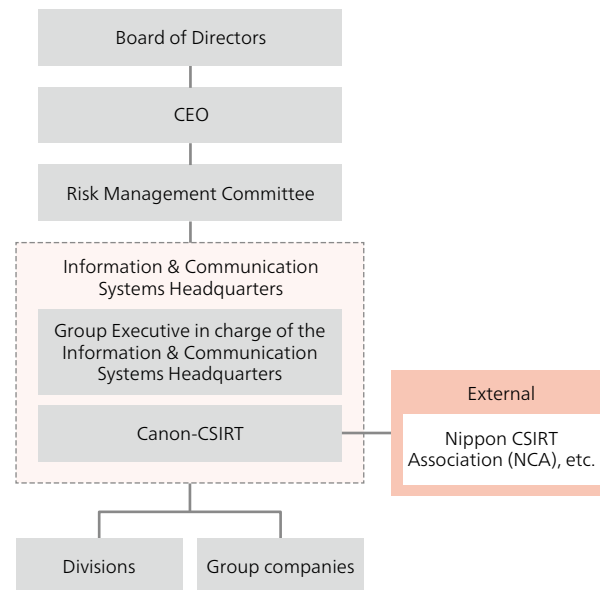
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# Information Security

## Basic Approach

Recognizing it as a vital management issue, Canon conducts Group-wide information security initiatives in line with the fundamental principles of information security regulations. Since information security poses potentially major and direct business risks to Canon operations, we have created an information security promotion system as part of our risk management approach (→P87).

### Information Security Promotion System



## Information Security Promotion System

Canon has constructed a system for the rapid collection and reporting of information on any information security-related incidents, based on the Risk Management Committee (→P87) established through a Board resolution.

Any incidents that occur must be reported to the Information & Communication Systems Headquarters. Depending on the circumstances and the business implications, they are also reported to the CEO and Board of Directors via the Risk Management Committee. Canon has also designated the senior executive in charge of information security at Canon Inc. as the Group Executive in charge of the Information & Communication Systems Headquarters. The executive has decision-making responsibility for information security measures and is tasked with managing information security across the entire Group.

The Information & Communication Systems Headquarters is also responsible for any input into medium-term business planning relating to information security, prior to CEO approval.

CSIRT\* is a dedicated team for dealing with information security incidents established inside the Information & Communication Systems Headquarters. Canon CSIRT joined the Nippon CSIRT Association (NCA) to strengthen collaboration with CISRTs of other companies.

The Information & Communication Systems Headquarters formulated the Canon Group Information Security Rules to ensure that uniform measures and a consistent approach to information security are applied across the Group, both in Japan and overseas.

Each Group company creates regulations and guidelines based on these rules in line with its needs and conducts related training and awareness activities.

\* Computer Security Incident Response Team. This is a dedicated, organized group that deals with incidents involving computer security.

## Information Security Management System

### Information Security Training & Development

In order to maintain and improve information security, Canon is focusing on raising awareness among employees who use information systems.

Canon executives and all employees undergo annual information security training using an online platform. Roughly 23,000 employees of Canon Inc. received the information security training in 2025. Course content focused on improving information security literacy, including ways of identifying suspicious emails, vulnerability risks and related mitigation measures, and critical points to consider when web conferencing.

In addition, special training sessions based on a targeted email attack were conducted involving roughly 60,000 Canon Inc. and Group company employees. This was intended to provide practical instruction in how to respond appropriately to suspicious emails and thus avert widespread damage. Specifically, newly hired employees unaccustomed to using email in the work environment received separate training to reinforce their awareness.

### Information Security Audits

The status of each Group company's information security measures is confirmed by means of internal inspections based on the "Canon Group Information Security Policy" as well as through periodic audits by the Information and Communications Systems Headquarters, and improvements or revisions are made as needed.

In 2025, information security audits were conducted at 23 Group companies in Japan and 28 Group companies overseas. No major security risks with business implications were detected through these audits.



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### External Certification

Canon Inc.'s information security division has acquired ISO 27001 certification, the international standard for building and operating information security management systems.

### Information Security Initiatives

#### Information System Security Measures

As part of measures to prevent the leakage of confidential data, we ensure that critical information is stored using a dedicated, access-controlled system with reinforced security and auto-recorded user activity. In addition, we have established an environment in which employees can safely access the company's information assets from outside the office, and we also carefully manage email attachments as well as the taking of company computers and storage media offsite.

As a measure against cyber-attacks, we use monitoring systems to identify any suspicious emails with possible malware attachments. We also monitor unauthorized online communications to try and prevent attacks from causing more widespread damage.

In addition, we have participated each year since 2017 in cyber-attack response training (NISC\*/NCA affiliated cross-field company-wide training), in order to strengthen our system for countering obstructions.

\* National center of Incident readiness and Strategy for Cybersecurity.

### Security Measures for Production Facilities

Canon implements security measures for its production facilities to ensure malware, cyberattacks or other information security issues do not reduce productive capacity or otherwise disrupt production plans.

In the past, corporate mainframes or online information systems were the major targets for cyberattacks. Today, the growing use of off-the-shelf OS software and IoT means that production facilities attract the same level of information security risk. A separate approach is needed for production systems because production lead-times are longer than the customer support periods for off-the-shelf OS software. To ensure that Canon Inc. and Group manufacturing companies in Japan and overseas do not have to suspend operations due to a virus infection or similar attack, we also monitor the networks linked to important facilities and production lines for any unauthorized activity.

We also conduct security audits of production facilities to maintain a safe production environment.

### Product/Service Security Measures

Canon is engaged in initiatives to prevent any cybersecurity risks with products or services before they appear. In addition, our systems are designed to try to minimize the customer impacts if a cyber-security incident occurred.

See Product/Service Security Measures (→P74).

### Security Measures for Supply Chain

Risks have grown in recent years of an attack against one part of the supply chain impacting the entire chain, leading to interruptions in the supply of products and services or the leaking of confidential information. In turn, this could result in economic damage, the loss of credibility and brand value, or other negative outcomes.

To mitigate such risks, Canon Inc. is engaging with suppliers through information sharing and other cooperative efforts aimed at reducing information security risks within the entire supply chain.



# Third-party Assurance

Canon has received third-party assurance from LRQA Limited for GHG emissions, energy consumption and water consumption data within Canon Sustainability Report 2026 for the year 2025.

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## LRQA Independent Assurance Statement

Relating to *CANON Group's Environmental Data within CANON Sustainability Report 2026* for the calendar year 2025

This Assurance Statement has been prepared for *CANON INC.* in accordance with our contract but is intended for the readers of this report.

### Terms of Engagement

LRQA was commissioned by *CANON INC.* ("the Company") to provide independent assurance of its Environmental data within *CANON Sustainability Report 2026* ("the Report") for the calendar year 2025, against the assurance criteria below to a limited level of assurance and materiality of the professional judgement of the verifier using ISAE 3000 (Revised) and ISO 14064 -3:2019 for greenhouse gas emissions.

Our assurance engagement covered operations and activities of the Company and its subsidiaries in Japan and overseas and specifically the following requirements:

- Verifying conformance with the Company's reporting methodologies in accordance with the GHG Protocol for the selected dataset; and
- Evaluating the accuracy and reliability of data for the selected environmental indicators listed below:<sup>1</sup>
  - Scope 1 GHG emissions (tonnes CO<sub>2</sub>e)
  - Scope 2 GHG emissions, [market-based and location-based] (tonnes CO<sub>2</sub>e)
  - Scope 3 GHG emissions associated with Categories 1 to 15 (tonnes CO<sub>2</sub>e)
  - Energy consumption by energy type
    - o Electricity (MWh)
    - o Gas (km<sup>3</sup>)
    - o Oil (L)
    - o Heat (steam, DHC, other) (TJ)
  - Water consumption (m<sup>3</sup>)

Our assurance engagement excluded the data and information of the Company's suppliers, contractors and any third-parties mentioned in the report.

LRQA's responsibility is only to the Company. LRQA disclaims any liability or responsibility to others as explained in the end footnote. The Company's responsibility is for collecting, aggregating, analysing and presenting all the data and information within the Report and for maintaining effective internal controls over the systems from which the Report is derived. Ultimately, the Report has been approved by, and remains the responsibility of the Company.

### LRQA's Opinion

Based on LRQA's approach nothing has come to our attention that would cause us to believe that the Company has not, in all material respects:

- Met the requirements of the criteria listed above; and
- Disclosed accurate and reliable environmental data as summarized in Table 1.

The opinion expressed is formed on the basis of a limited level of assurance<sup>2</sup> and at the materiality of the professional judgement of the verifier.

<sup>1</sup> GHG quantification is subject to inherent uncertainty.

<sup>2</sup> The extent of evidence-gathering for a limited assurance engagement is less than for a reasonable assurance engagement. Limited assurance engagements focus on aggregated data rather than physically checking source data at sites. Consequently, the level of assurance obtained in a limited assurance engagement is lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.



### LRQA's Approach

LRQA's assurance engagements are carried out in accordance with ISAE3000 (Revised) and ISO 14064-3:2019. The following tasks were undertaken as part of the evidence gathering process for this assurance engagement:

- Auditing the Company's data management systems to confirm that there were no significant errors, omissions or mis-statements in the report. We did this by reviewing the effectiveness of data handling procedures, instructions and systems, including those for internal verification;
- Interviewing with key people responsible for compiling the data and drafting the report;
- Sampling datasets and tracing activity data back to aggregated levels;
- Verifying the historical GHG emissions, energy consumption, water consumption and records for the calendar year 2025; and
- Visiting Ueno Canon Materials Inc. and Makuhari site of Canon Marketing Japan Inc. to confirm the data collection processes, record management practices, and to physically check emission sources.

### Observations

The Company should continue efforts for implementing quality assurance and quality control (QA/QC) systems in the data and information management of GHG emissions, energy consumption and water consumption (in particular, it is expected that data management at overseas sites will be more accurate).

### LRQA's Standards, Competence and Independence

LRQA implements and maintains a comprehensive management system that meets accreditation requirements for ISO 14065 *Greenhouse gases – Requirements for greenhouse gas validation and verification bodies for use in accreditation or other forms of recognition* and ISO/IEC 17021 *Conformity assessment – Requirements for bodies providing audit and certification of management systems* that are at least as demanding as the requirements of the International Standard on Quality Control 1 and comply with the *Code of Ethics for Professional Accountants* issued by the International Ethics Standards Board for Accountants.

LRQA ensures the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all verification and certification assessments is then internally reviewed by senior management to ensure that the approach applied is rigorous and transparent.

This is the only work undertaken by LRQA for Company and as such does not compromise our independence or impartiality.

Signed

Dated: 16 March 2026

Kazuyori Yukinaka  
 LRQA Lead Verifier  
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The English version of this Assurance Statement is the only valid version. LRQA assumes no responsibility for versions translated into other languages.



Introduction

Sustainability at Canon

Environment

Society

Governance

Third-party Assurance



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**Table 1. Summary of CANON Group's Key Data for CY2025:**

Data Category		
Scope 1 GHG Emissions	184,184	tCO <sub>2</sub> e
Scope 2 GHG Emissions (Location-based)	796,720	tCO <sub>2</sub> e
Scope 2 GHG Emissions (Market-based)	816,739	tCO <sub>2</sub> e
Scope 3 GHG Emissions	6,773,283	tCO <sub>2</sub> e
Category 1	2,590,396	tCO <sub>2</sub> e
Category 2	968,349	tCO <sub>2</sub> e
Category 3	172,955	tCO <sub>2</sub> e
Category 4	369,523	tCO <sub>2</sub> e
Category 5	21,142	tCO <sub>2</sub> e
Category 6	54,645	tCO <sub>2</sub> e
Category 7	129,242	tCO <sub>2</sub> e
Category 8	0	tCO <sub>2</sub> e
Category 9	28,456	tCO <sub>2</sub> e
Category 10	0	tCO <sub>2</sub> e
Category 11	2,240,839	tCO <sub>2</sub> e
Category 12	155,820	tCO <sub>2</sub> e
Category 13	41,916	tCO <sub>2</sub> e
Category 14	0	tCO <sub>2</sub> e
Category 15	0	tCO <sub>2</sub> e
Energy consumption		
Electricity	1,938,174	MWh
Gas	34,193	km <sup>3</sup>
Oil	19,039,365	L
Heat (steam, DHC, other)	410	TJ
Water consumption	8,405,314	m <sup>3</sup>



**Canon**

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