## About this Report

#### **Editorial Policy**

This year's report, in addition to information relating to ESGs (Environmental, Social and corporate Governance) provided in previous editions, contains wide-ranging information necessary for a more integrated report. Such information includes Canon's 2018 corporate performance and financial status and such features as "Canon's value creation process" and "A History of Value Creation at Canon." In doing so, we can provide both the financial and non-financial information our various stakeholders need to form a fully integrated understanding of Canon's initiatives. Furthermore, this report is designed with consideration for the disclosure items recommended by the Financial Stability Board (FSB) Task Force on Climate-related Financial Disclosures (TCFD).

Finally, this report is prepared in accordance with the GRI Standards Core option.

#### Scope of the Report and Period Covered

In principle, this report covers Canon's economic, social and environmental activities within the scope of consolidated accounting for 2018 (January 1 to December 31, 2018). The scope of environmental reporting is not limited to activities (development, production, and sales) at operational sites. Rather, it covers every stage of the product lifecycle, including raw materials and parts manufacturing by suppliers, as well as product use by customers. Supplemental information on important targets, indicators, and initiatives prior to and beyond 2017 is referenced in this report. Information specific to a region or organization is indicated as such.

#### Target of the Report

Data from 379 companies (60 companies in Japan and 319 overseas) that are consolidated companies of the Canon Group have been compiled and reported.

#### **Date of Publication**

May 2019 (previous: August 2018, next planned: May 2020)

#### **Referenced Reporting Guidelines**

- GRI (Global Reporting Initiative) Sustainability Reporting Standards 2016
- RBA Code of Conduct
- Ministry of the Environment, Japan "Environmental Reporting Guidelines (2018 Edition)"
- Ministry of the Environment, Japan "Environmental Accounting Guidelines (2005 Edition)"

Comparative tables for the RBA Code of Conduct and GRI Standards can be found online at the following URLs. Relevant GRI references are listed for each management approach used in CSR activity reporting.

- (Ref.) Comparative table for GRI Standards (2019 Edition) (to be published in June):
- https://global.canon/en/csr/search/gri.html
- (Ref.) Comparative table for RBA Code of Conduct (2019 Edition) (to be published in June):

https://global.canon/en/csr/search/rba.html

#### 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.

#### 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 full-time employees and also includes part-time workers. In addition, "Europe" refers to the region including Europe, the Middle East, and Africa.

#### Third-Party Opinion and Third-Party Assurance

Canon received a third-party opinion ( $\rightarrow$ P126) from Justus von Geibler (D.Phil.) of the Wuppertal Institute, which is helping to improve ongoing CSR initiatives as part of the company's stakeholder engagement activities. Furthermore, a third-party assurance ( $\rightarrow$ P129) from Lloyd's Register Quality Assurance Limited (LRQA) has been obtained for GHG emissions, energy consumption and water consumption data for 2018.

#### Forward-Looking Statements

This report contains not only past and present facts about Canon, but also forward-looking statements based on plans, prospects, 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: 03-3758-2111 E-mail: susrepo@mail.canon Website: https://global.canon/en/csr/



#### On the cover:

 MRI System "Vantage Galan 3T"
 A Japanese White-eye photographed by the Canon Bird Branch Project

- Mirrorless camera "EOS M50"
  Video management software that enables centralized management of multiple video feeds from network cameras
- (5) Canon Europe is developing its Young People Programme
- ⑥ Office multifunction device "imageRUNNER ADVANCE C5560F III"

# Under the corporate philosophy "*Kyosei*," we are stronger and deeper with stakeholders

Following half a century of operations, Canon adopted *kyosei* as its corporate philosophy in 1988, expressing clearly the company's firm commitment to working together with stakeholders around the world.

*Kyosei* is the aspiration to create a society in which all people, regardless of race, language or culture, harmoniously live and work together for the common good into the future.

Canon is pursuing the realization of a sustainable global society based on the philosophy of *kyosei*.



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