



## Assurance Statement

### Terms of engagement

This Assurance Statement has been prepared for CANON INC.

Lloyd's Register Quality Assurance Ltd. (LRQA) was commissioned by CANON INC. (30-2 Shimomaruko 3-Chome, Ota-ku, Tokyo 146-8501, Japan) to assure CANON Group's greenhouse gas (GHG) inventory for the calendar year 2015, that is, 01 January to 31 December 2015 (hereafter referred to as "the Report").

The Report relates to direct GHG emissions (Scope 1<sup>1</sup>), energy indirect GHG emissions (Scope 2<sup>1</sup>) and other indirect GHG emissions (Scope 3 – Categories<sup>2</sup> 1, 4 and 11).

### Management responsibility

CANON INC.'s management was responsible for preparing the Report and for maintaining effective internal controls over the data and information disclosed. LRQA's responsibility was to carry out an assurance engagement on the Report in accordance with our contract with CANON INC.

Ultimately, the Report has been approved by, and remains the responsibility of CANON INC.

### LRQA's approach

Our verification has been conducted in accordance with ISO 14064–3:2006 *Specification with guidance for validation and verification of greenhouse gas assertions* to provide limited assurance that GHG data as presented in the Report have been prepared for conformance with ISO 14064–1:2006 *Specification with guidance at the organizational level for quantification and reporting of greenhouse gas emissions and removals*.

To form our conclusions the assurance engagement was undertaken as a sampling exercise and covered the following activities:

- Conducted site visits to CANON INC.'s head office in Tokyo, Nagahama Canon Inc. in Shiga Prefecture, and Canon Chemicals Inc. in Ibaraki Prefecture, Japan;
- Interviewed key personnel responsible for the management of GHG emissions data and information and for the preparation of the Report at the above sites;
- Reviewed processes for the management of GHG emissions data and information included in the Report;
- Verified GHG emissions data and information at an aggregated level made available at the head office and back to the original sources at the above sites visited.

### Level of assurance & materiality

The opinion expressed in this Assurance Statement has been formed on the basis of a limited level of assurance and at the professional judgment of the Verifier.

<sup>1</sup> Scope 1 and 2 emissions are as defined in The Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard.

<sup>2</sup> The categories of Scope 3 emissions are as defined in the Greenhouse Gas Protocol – Corporate Value Chain (Scope 3) Accounting and Reporting Standard, Table 5.3.

**LRQA's opinion**

Based on LRQA's approach nothing has come to our attention that would cause us to believe that the total direct GHG emissions and energy indirect GHG emissions and other indirect GHG emissions as presented in the Report summarized in Table 1 below are not materially correct and the Report has not been prepared for conformance with ISO 14064-1:2006.

**LRQA's recommendations**

CANON INC. should:

- Continuous integration of the QA/QC system for data management with internal self-verification controls at both at the corporate and member company levels.

Signed



Takahiro Ito, Lead Verifier

On behalf of Lloyd's Register Quality Assurance Limited  
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Dated: 14 April, 2016

LRQA Reference No: YKA4005113

**Table 1. Summary of CANON Group's GHG Inventory 2015**

Scope	Tonnes CO <sub>2</sub> e
Direct GHG emissions (Scope 1)	169,974
Energy indirect GHG emissions (Scope 2)	1,053,222
Other indirect GHG emissions (Scope 3)	5,088,877
<b>Total GHG Emissions</b>	<b>6,312,073</b>

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Due to inherent limitations in any internal control, it is possible that fraud, error, or non-compliance with laws and regulations may occur and not be detected. Further, the verification was not designed to detect all weakness or errors in internal controls so far as they relate to the requirements set out above as the verification has not been performed continuously throughout the period and the verification carried out on the relevant internal controls were on a test basis. Any projection of the evaluation of control to future periods is subject to the risk that the processes may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

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