

About this Report

Editorial Policy

Every year Canon publishes the Canon Sustainability Report to share information on the diverse initiatives it is undertaking to contribute to the realization of a sustainable society. This year, the report introduces highlight articles on materiality initiatives related to Canon's CSR along six themes. It also explains the impact of Canon's activities on the Sustainable Development Goals (SDGs) adopted by the United Nations in 2015. The report is comprehensive in nature and provides a variety of CSR information under categories specified in the GRI Sustainability Reporting Guidelines (G4), namely, economic, environmental, labor practices and human rights, society, product responsibility, and management structure.

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 2016 (January 1 to December 31, 2016). 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 367 companies (60 companies in Japan and 307 overseas) that are consolidated companies of the Canon Group has been compiled and reported.

Date of Publication

August 2017 (previous: July 2016, next planned: August 2018)

Referenced Reporting Guidelines

- GRI Sustainability · Reporting · Guidelines (G4)
- Ministry of the Environment, Japan "Environmental Reporting Guidelines (2012 Edition)"
- Ministry of the Environment, Japan "Environmental Accounting Guidelines (2005 Edition)"

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 data presented in last year's report.

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 Canon, including Europe, the Middle East, Africa region, it is said to be "Europe".

Third-Party Opinion and Third-Party Assurance

Canon received a third-party opinion 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, Canon calculates direct greenhouse gas (GHG) emissions (Scope 1), indirect GHG emissions from energy sources (Scope 2), as well as other indirect GHG emissions (Scope 3, Category 1, 4, and 11), and has received third-party assurance from Lloyd's Register Quality Assurance Limited (LRQA).

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.

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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 principle of *kyosei*.



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