

Canon EMEA – UN Global Compact Communication on Progress

We became a signatory to the Global Compact in 2014. Our President & CEO reaffirms our commitment to the UNGC and its ten principles through this submission.

This is our second Communication on Progress, summarising the actions the company has taken or plans to take to implement the UNGC's Ten Principles and providing links to the more detailed information and outcomes provided on our website and in the Canon Inc 2015 and 2016 sustainability reports.

Woo Hae: 24.10.2016

A handwritten signature in black ink, appearing to be 'Woo Hae', written in a cursive style.

25/10/2016.

Principle	Canon EMEA's response	References
Human rights		
1. Businesses should support and respect the protection of internationally proclaimed human rights	<p>We support and uphold human rights across our business.</p> <p>The Canon Group Code of Conduct includes human rights criteria such as prevention of harassment and discrimination, ensuring safe and fair labour conditions, and the strict prohibition of bribery and corruption.</p> <p>Canon's staff members are trained in understanding and applying our policies on particular human rights subjects including bribery and corruption and Canon offers grievance mechanisms to our employees (permanent and temporary staff and contractors) including a whistleblower procedure.</p>	<p>2015 Canon Inc sustainability report</p> <ul style="list-style-type: none"> <li>• p67 onwards</li> </ul> <p>2016 Canon Inc sustainability report</p> <ul style="list-style-type: none"> <li>• p 75 onwards</li> </ul> <p>Canon Europe website</p> <ul style="list-style-type: none"> <li>• <a href="#">statement on human rights and child labour</a></li> </ul>
2. Businesses should make sure that they are not complicit in human rights abuses.	<p>Our supplier code of conduct specifies the ethical principles we ask our suppliers to respect. It is used in all new tenders and contract renewals and is available in more than 15 languages.</p> <p>Canon is working with business and industry partners, aiming to avoid the use of conflict minerals.</p>	<p>2015 Canon Inc sustainability report</p> <ul style="list-style-type: none"> <li>• p67, 89, 90, 94, 95</li> </ul> <p>2016 Canon Inc sustainability report</p> <ul style="list-style-type: none"> <li>• p 125, 126, 136</li> </ul> <p>Canon Europe website</p> <ul style="list-style-type: none"> <li>• <a href="#">statement on human rights and child labour</a></li> </ul>
Labour		
3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	<p>Our EMEA employees are free to associate with labour organisations, which may vary from works councils to trades unions.</p>	<p>2015 Canon Inc sustainability report</p> <ul style="list-style-type: none"> <li>• p70</li> </ul> <p>2016 Canon Inc sustainability report</p> <ul style="list-style-type: none"> <li>• p 91</li> </ul> <p>Canon Europe website</p>

		<ul style="list-style-type: none"> <li>• <u>employee dialogue section</u></li> </ul>	
4. Businesses should uphold the elimination of all forms of forced and compulsory labour.	<p>Canon Inc.'s website includes a statement on eliminating child and forced labour which we uphold.</p> <p>We have contracts to uphold employees' rights and avoid forced, compulsory and child labour. We have clauses in procurement contracts and in the supplier code of conduct to ensure forced, compulsory and child labour is not present in our supply chain.</p>	<ul style="list-style-type: none"> <li>• 2015 Canon Inc sustainability report</li> <li>• p71</li> <li>• 2016 Canon Inc sustainability report</li> <li>• p75, 92</li> </ul> <p>Canon Europe website</p> <ul style="list-style-type: none"> <li>• <u>section on human rights and child labour under workplace practices</u></li> </ul> <p>Canon Inc website</p> <ul style="list-style-type: none"> <li>• <u>statement on Eliminating Child and Forced / Compulsory Labor</u></li> </ul>	
5. Businesses should uphold the effective abolition of child labour.	<p>Canon Inc.'s website includes a statement on eliminating child and forced labour which we uphold.</p> <p>We have contracts to avoid forced, compulsory and child labour. We have clauses in procurement contracts and in the supplier code of conduct to ensure forced, compulsory and child labour is not present in our supply chain.</p>	<ul style="list-style-type: none"> <li>• 2015 Canon Inc sustainability report</li> <li>• p71</li> <li>• 2016 Canon Inc sustainability report</li> <li>• p75, 92</li> </ul> <p>Canon Europe website</p> <ul style="list-style-type: none"> <li>• <u>section on human rights and child labour under workplace practices</u></li> </ul> <p>Canon Inc website</p> <ul style="list-style-type: none"> <li>• <u>statement on Eliminating Child and Forced / Compulsory Labor</u></li> </ul>	
6. Businesses should uphold the elimination of discrimination in respect	The Canon Group Code of Conduct includes human rights criteria such as prevention of harassment and discrimination.	<ul style="list-style-type: none"> <li>• 2015 Canon Inc sustainability report</li> <li>• p70</li> </ul>	

of employment and occupation.	Diversity and inclusion training is available for all EMEA employees. We also monitor diversity indicators as part of our recruitment processes and retention processes which include the EMEA Performance Management process, grievance policies in each country and the EMEA Whistleblowing Policy.	<p>2016 Canon Inc sustainability report</p> <ul style="list-style-type: none"> <li>• p75, 91</li> </ul> <p>Canon Europe website</p> <ul style="list-style-type: none"> <li>• <u>statement on workplace practices (non-discrimination)</u></li> </ul> <p>Canon Inc website</p> <ul style="list-style-type: none"> <li>• <u>section on prohibiting discrimination and preventing harassment</u></li> </ul>
<b>Environment</b>		
7. Businesses should support a precautionary approach to environmental challenges.	Our ISO 14001 certified environmental management system covers more than 800 sites globally, including 118 sites in 25 countries in EMEA. This supports our produce-use-recycle lifecycle approach for all our products. We have targeted key areas for ongoing improvement based on our assessment of our material impacts (see Achievements and targets). Our Environmental Charter is available on the web.	<p>2015 Canon Inc sustainability report</p> <ul style="list-style-type: none"> <li>• p25, 27, 33</li> </ul> <p>2016 Canon Inc sustainability report</p> <ul style="list-style-type: none"> <li>• p41, 43, 53, whole environment section</li> </ul> <p>Canon Europe website</p> <ul style="list-style-type: none"> <li>• <u>Link to Environmental Charter and general environmental information</u></li> <li>• <u>ISO 14,001 information</u></li> </ul>
8. Businesses should undertake initiatives to promote greater environmental responsibility.	We include environmental messages as relevant in customer communications and marketing materials, and help selected customers evaluate the potential reduction in their footprint by using our services and devices. We also pursue a programme of sustainable business, in which the environment has always been a key component. This includes incorporating environmental improvements into our operations e.g. embedding sustainability criteria in our lease financing contracts and in our new warehousing facilities in Rotterdam and our e-commerce operations started in 2015.	<p>2015 Canon Inc sustainability report</p> <ul style="list-style-type: none"> <li>• p35, whole environment section</li> </ul> <p>2016 Canon Inc sustainability report</p> <ul style="list-style-type: none"> <li>• p44, whole environment section</li> </ul> <p>Canon Europe website</p>

	Our green procurement programme in EMEA began in 2008.	<ul style="list-style-type: none"> <li>• <a href="http://www.canon-europe.com/about_us/sustainability/environment/">http://www.canon-europe.com/about_us/sustainability/environment/</a></li> <li>• <a href="http://www.canon-europe.com/about_us/sustainability/business/">http://www.canon-europe.com/about_us/sustainability/business/</a></li> </ul>
9. Businesses should encourage the development and diffusion of environmentally friendly technologies.	Through making energy and resource efficiencies part of our customer and value propositions, we offer products, solutions and services that help customers reduce raw materials, paper and energy use, and lower their carbon footprint. We extend product and resource life, for example through recycling and remanufacturing programmes for products and components, through using remote servicing and through promoting the circular economy. Canon is a founding signatory to EuroVApriint, a voluntary agreement to improve the environmental performance of imaging equipment.	<p>Canon website – <u>product marketing information</u></p> <ul style="list-style-type: none"> <li>• environmental responsibility details.</li> </ul> <p>2016 Canon Inc sustainability report</p> <ul style="list-style-type: none"> <li>• circular economy section</li> </ul>
Anti-corruption		
10. Businesses should work against corruption in all its forms, including extortion and bribery.	We have mandatory anti-corruption and bribery training for all employees. 73.1% of our employees across EMEA have received anti-corruption and bribery training. Standard training is online, and is supplemented by face-to-face training in higher risk areas. We also have a supplier code of conduct which forms part of our General Terms and Conditions of Supply and references Canon Europe's zero tolerance approach to bribery and corruption.	<p>2015 Canon Inc sustainability report</p> <ul style="list-style-type: none"> <li>• p91-92</li> </ul> <p>2016 Canon Inc sustainability report</p> <ul style="list-style-type: none"> <li>• p120</li> </ul> <p>Canon Europe website</p> <ul style="list-style-type: none"> <li>• anti-bribery and corruption policy</li> <li>• <u>Supplier Code of Conduct</u></li> </ul>

