

Canon Europa NV, Canon Europe Ltd, and Canon UK Ltd Modern Slavery Act Statement for Year Ended the 31st of December 2023.

Canon Europa NV, located in Amstelveen (The Netherlands), Canon Europe Ltd, located in Uxbridge (UK) (together referred to as **Canon Europe**), and Canon (UK) Ltd (**Canon UK**), situated in Uxbridge (UK), make this statement pursuant to the United Kingdom Modern Slavery Act 2015. This statement aims to provide transparency on our policies and due diligence strategy to prevent the occurrence of modern slavery in our operations and supply chains for the fiscal year-end on the 31st of December 2023.

OUR BUSINESS

Canon Inc. is a Japanese corporation established in 1937. Its headquarters is in Tokyo, Japan. Canon Inc. is the parent company of the Canon Group, which operates four business segments: the Printing Business Unit, the Imaging Business Unit, the Medical Business Unit, and the Industrial Business Unit. Canon develops, manufactures, and sells office multifunction devices (MFDs), laser printers, inkjet printers, cameras, medical equipment, lithography equipment, and other products.

Canon Europe is a subsidiary of Canon Inc. Canon Europe is one of Canon's regional headquarters looking after its strategy creation, marketing, service and support for its markets in Europe, the Middle East, and Africa (EMEA region).

Canon UK is a UK marketing and sales operation subsidiary of Canon Europa NV. On the 31st of December 2023, Canon UK employed 1304 people in various locations, including the head office in Uxbridge and offices in London, Elstree, Birmingham.

As of 31st of December 2023 Canon Inc.'s global consolidated net sales were 4181 billion yen, and the Canon Group had approximately 169,000 employees. In Europe, Canon totalled sales of 1111 billion yen and had a workforce of approximately 12475 employees over the same period. Further details about our corporate activities can be found on the Canon website: <https://global.canon/en/>

OUR SUPPLIERS

Unlike many manufacturers, Canon does not fully outsource assembly operations or other production processes to outside contractors. Canon places great importance on manufacturing and engaging in product assembly as well as production of certain components, parts and materials in house at Canon Inc.'s own plants, factories and Canon group manufacturing companies.

Group manufacturing companies located in Japan, China, Taiwan, Malaysia, Thailand, the Philippines, Vietnam, the United States, and Europe are responsible for supplying Canon products to Canon Inc. as well as Group marketing subsidiaries and affiliates. As the head of the Canon Group, Canon Inc. supervises Group manufacturing companies that directly employ large numbers of people. Canon production sites also have partnerships with thousands of

suppliers unaffiliated with the Canon Group, from whom they purchase considerable numbers of components, such as electronic parts, mechanical parts, units and materials.

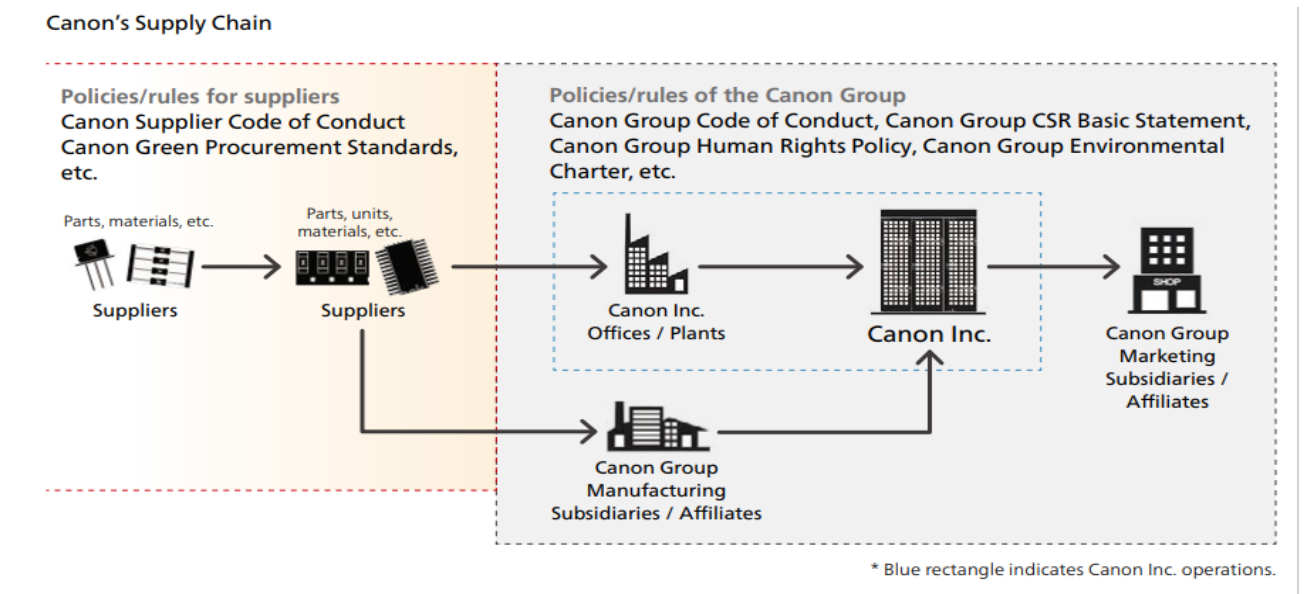


Figure 1: Canon Supply Chain

Canon Europe and Canon UK obtain the majority of their commercial products directly from Canon Inc. In Europe and the United Kingdom, we primarily source printing paper, packaging, and a relatively small number of non-Canon commercial products from regional suppliers. We also source various services from suppliers across the EMEA region and beyond, including warehousing and distribution, real estate and facility management, ICT, marketing and communication, finance, travel, etc.

OUR POLICIES & OUR CODES OF CONDUCT

Canon's corporate philosophy is *kyosei*, which means "living and working together for the common good." Kyosei philosophy 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 realising *kyosei* difficult. Canon strives to eliminate these factors through activities rooted in our corporate philosophy of *Kyosei*. As such, Canon believes that respect for human rights is fundamental to our business and corporate management.

Further details on: <https://global.canon/en/vision/philosophy.html>

Canon Group Human Rights Policy

The Canon Group Human Rights Policy expresses Canon Group's commitment to respect human rights and take measures to protect human rights under the corporate philosophy stated above. This policy specifies that Canon commits to respect international initiatives such as the Universal Declaration of Human Rights, the United Nations' Guiding Principles on Business and Human Rights, the International Labour Organization (ILO) Declaration on

Fundamental Principles and Rights at Work, and the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises.

This policy was established in 2021 and signed by Canon Inc.'s Chairman and CEO. A copy of the policy is available to the public via our website: [Canon Group Human Rights Policy](#)

Our Code of Conduct

The Canon Group Code of Conduct, established in 2001, sets specific standards of conduct that all executives and employees of the Canon Group must comply with in the performance of their duties. Based on the Code of Conduct, the Group has formulated a range of policies, covering matters such as human rights, labour, the environment, legal compliance, procurement, and security, to govern its business activities.

The Canon Supplier Code of Conduct, reviewed and updated in 2021, adopts the Code of Conduct of the Responsible Business Alliance (RBA). This document acts as the basis for fulfilling social responsibilities in the supply chain.

For more details: [Canon Supplier Code of Conduct \(global.canon\)](#)

Canon Europe and Canon UK introduced a Supplier Code of Conduct in 2013 that applies to all suppliers. It is embedded in General Purchase Terms and Conditions and procurement contracts. We expect all our suppliers to operate according to this Code and follow the principles contained within the International Bill of Human Rights principles, the Covenants of the ILO, and other relevant international treaties and covenants. This Supplier Code of Conduct requires suppliers to “ensure not to use or facilitate any forced or compulsory labour, including debt bondage, trafficking and other forms of modern slavery.”

Our Procurement Policy

Canon's Procurement Policy establishes our basic approach to procurement. The Canon Group strives to have our suppliers understand our basic stance on procurement activities to ensure our social responsibility is fulfilled, not just within the Group, but also in our supply chains. Canon holds business briefings for suppliers at each Canon Inc. operational site and each Group production site, seeking suppliers understanding of procurement policies. We aim to share information with suppliers, strengthen collaboration, and grow together through such communication.

Our Whistle-blower Policy

Canon Europe and Canon UK have local grievance mechanisms in place for employees (permanent and temporary workers as well as contractors) to raise their concerns on any conduct or compliance issue, including modern slavery. We ensure that there is protection and non-retaliation in place for employees who have made disclosures.

In 2021 our local whistle-blower policy was reviewed, updated and rebranded as the “Speak Up Policy”. In January 2022, the Speak Up Policy and the reporting tool went live. In line with this update, in 2022 we also updated the content of our local refresher modern slavery training. That is so that the training is aligned with our updated grievance mechanism. In 2023, no grievances have been raised via the Speak Up Policy.

Internal reporting systems have been established for almost all Canon Group companies, through which employees can report specific human rights concerns in their own language. Canon also work to raise awareness of the reporting system via the company intranet and training programs. In addition, Canon Inc. has a point of contact located on their website, available for external stakeholders to report specific human rights concerns about Canon's corporate activities.

The portal can be accessed by anyone inside or outside the company via the Canon global website. For more details: [Responsible Business Conduct Hotline | Canon Global](#)

Both internal and external contact points maintain the privacy of informants and allows users to report cases anonymously to ensure that those submitting cases cannot be identified personally.

In 2023, the number of reports received in relation to human rights related issues is 94. This number is not limited to the Canon Global online portal (link above), it is a combined figure from all available routes for raising concerns. Reports ranged from discrimination, harassment, wages and working hours. All reports received have been investigated by Canon Inc, 17 out of 94 cases in question were identified requiring taking appropriate steps to rectify and prevent recurrence. The investigations and corrective actions for these 17 cases were completed by the end of 2023.

In response to risk associated with conflict minerals, Canon established "Procedure for the Submission of Concerns Regarding Minerals Risk" on its website in 2015.

[Procedure for the Submission of Concerns Regarding Minerals Risk | Canon Global](#)

Parties can contact Canon through this page with specific concerns and/or information regarding the 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)

Industry Coalition

Responsible Business Alliance

Canon Inc. in 2019 became a member of the RBA, a coalition of companies that promotes socially responsible global supply chains, founded in 2004. The RBA supports the rights and well-being of workers and communities worldwide affected by the global supply chain. Canon conducts self-inspections using RBA's Self-Assessment Questionnaire (SAQ) at its domestic and overseas production sites to confirm the risk of forced labour or unreasonable restrictions on movement.

In 2023, 59 Canon production sites worldwide in major business areas were assessed. Based on the survey responses, Canon confirmed there is no evidence of child or forced labour or any unreasonable restrictions on workers' movements on the site or while at work. Further 2022 to 2023, 21 production sites in Japan and overseas underwent external audits by RBA.

Canon has implemented corrections and continues to pursue improvements for the items listed below:

- Management of working hours at some overseas production companies.
- Inadequate emergency exits, fire extinguishing equipment or evacuation route maps in factories, cafeterias, and dormitories.
- Maintenance of first aid kits and personal protective equipment.
- Risk assessment relating to pregnancy and childbirth.

Canon is committed to comply with the RBA Code of Conduct by utilizing a range of RBA training and assessment tools to further improve its corporate social responsibility within the supply chain.

Responsible Mineral Initiative

Since April 2015, Canon has supported the Responsible Mineral Initiative (RMI) activities and an international program focused on addressing the issue of conflict minerals.

UN Global Compact

Canon Europe has been a signatory to the UN Global Compact since January 2014, thereby fully supporting the Compact's ten principles, including eliminating all forms of forced and compulsory labour (Principle 4). Canon Europe is committed to ensuring that the principles are consistently followed across our business operations and supply chains.

For more details and access to our "Communication on Progress" report, please visit <https://www.unglobalcompact.org/what-is-gc/participants/30671>.

We are committed to complete and submit our CoP during the universal submission period, which takes place from April through end of July 2024.

OUR SUPPLY CHAIN RISKS AND DUE DILIGENCE

Suppliers

Before starting business with a new supplier, Canon conducts an assessment whether the company fulfills all requisite standards in terms of corporate ethics (legal compliance, product safety, management of confidential information, human rights, labour, health and safety, intellectual property rights protection, etc.), environmental conservation, finance, and production structure. Only those suppliers who meet these criteria are accepted onto the approved supplier list. Canon conducts an annual survey of suppliers registered on the list and makes a comprehensive evaluation based on the survey results, performance as a supplier, and other factors. The results are then reflected in the supplier list, enabling us to preferentially deal with suppliers with high evaluations. We conduct on-site audits of suppliers with low evaluations and provide 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, labour, and the environment.

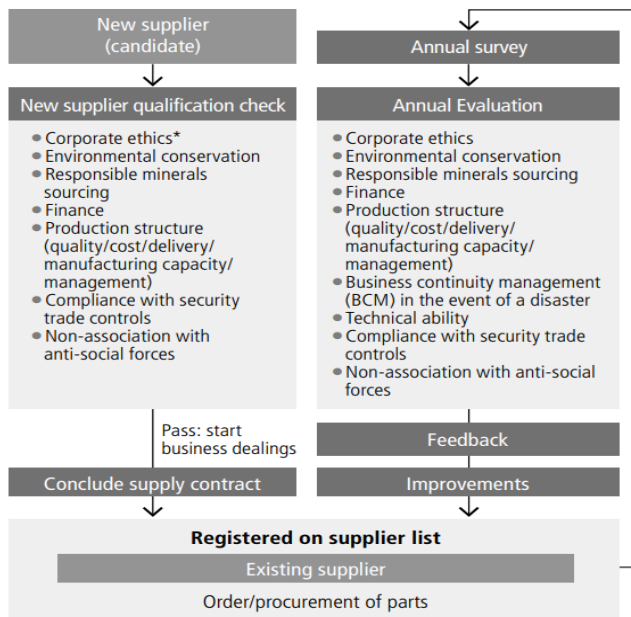


Figure 2: Supplier Evaluation System

Canon also request major suppliers to sign an agreement confirming adherence to the RBA Code of Conduct. In 2022, requests to adhere to RBA code of conduct were made to 340 major suppliers and 328 signed agreements were received (96.5%) and in 2023 agreements were signed with 373 of 385 major suppliers (96.9%)

Canon requests the second-tier suppliers to understand and adhere to Canon Supplier Code of Conduct through the first-tier suppliers.

As a member of RBA, Canon Inc. continues to use the RBA questionnaire to assess major business suppliers. In 2020, 271 suppliers were surveyed, with 249 responses received. In 2021 this number was expanded to 346 major suppliers with 330 responses received. In 2022, 340 suppliers of production material and 331 companies (491 sites) were assessed with RBA’s self-assessment questionnaire (SAQ). Our 2023 survey of 385 companies elicited responses from 378 companies (representing 512 sites). None of the major suppliers were identified as “high risk”, but the results of each category such as health and safety, environment and ethics were fed back to the major suppliers to identify weaknesses and apply them to future improvements.

Since 2022, at our core business production sites, we have also been carrying out risk assessments relating to labour, health and safety, the environment, and ethics, focusing specifically on onsite service providers related to security, cleaning, and cafeteria, labour agencies, and facility or dormitory management companies.

The assessments conducted in 2023 identified risks mainly in the following areas, and we worked toward improvement in collaboration with suppliers.

- Charging for work uniforms
We confirmed a case in which workers required to wear work uniforms and other items purchased these items themselves and received a refund only when they left the company. Canon instructed the supplier not to make workers pay for uniforms and other items, revising the supplier agreement to include these conditions.

- Frequency of evacuation drills
With some suppliers that were not conducting at least an annual evacuation drill, Canon requested that evacuation drills be conducted at least once a year and confirmed the plans implementing these drills.
- Document and Record Management
Some suppliers reported not having up-to-date documentation on legal permits and licenses relating to the environment. Canon requested these suppliers to identify applicable laws, regulations, and licenses and establish a mechanism for maintaining up-to-date records.
- Safety signage and communications
Canon requested suppliers with work involving hazards such as heights or high voltage to conduct risk assessments and use personal protective equipment. Canon also requested suppliers to display hazard information in a language that workers can understand.
- Management of personal information
Some suppliers reported that they did not manage personal information through encryption or other appropriate access controls. Canon requested these suppliers to manage information appropriately such as by setting passwords and locking storage rooms.

More details on Canon's supply chain management can be found on: [Supply Chain Management | Canon Global](#)

Entire Canon Group

At Canon, the sustainability, legal, and human resources divisions of Canon Inc. serve as the promotion secretariats pursuing human rights initiatives.

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

Within the human rights risks that may arise in Canon's business activities, 11 of those were identified as salient human rights risks, which include discrimination based on such factors as race, gender, or religion, harassment, child labour, forced labour, unpaid wages/low wages, excessive overtime work, occupational health and safety, and protection of privacy. Various measures are taken to prevent and mitigate these risks. Canon also assesses human rights risks for new businesses. For example, when conducting mergers and acquisitions, we review the status of compliance with laws and regulations related to labour standards and health and safety as part of our due diligence, to ensure that there are no serious human rights risks in the company newly joining the Group.

In 2021, based on the UN Guiding Principles on Business and Human Rights and the OECD Due Diligence Guidance for Responsible Business Conduct, Canon implemented human rights risk

assessments throughout the entire Group. RBA's human rights country/region risk index has been used as the basis of the risk assessment program.

In 2022 Canon Inc. held dialogues with the Canon Workers' Union, which represents employees in Japan. The participants have exchanged views on a wide range of issues in relation to human right risks including recognition of discrimination on basis of race, gender and religion. Changes in work styles due to the widespread use of telework and the content of parental leave for men have been point of discussions. These conversations have been reflected in identifying salient human rights risks for Canon.

In 2023, each Canon division and Group company continued to work within the framework set by the Risk Management Committee to identify and evaluate the potential negative human rights impacts in their respective business activities, including the supply chain.

In 2023, besides participating in human rights training sponsored by the United Nations Development Programme (UNDP), Canon sought individual guidance from the UNDP and experts worldwide to advise on future activities, based on an explanation of Canon's current initiatives and related issues, and current trends in the area. This advice will help to improve future activities.

Responsible Minerals Sourcing

Canon investigates the countries of origin of minerals and exercises due diligence, following the 5-step framework recommended by the Organisation 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). Canon undergoes audits by independent private sector experts to gain assurance on whether the Group's initiatives on conflict minerals investigation conform to international standards in the form of the OECD Guidance. An independent assurance report is attached to the Conflict Minerals Report.

Canon Europe & Canon UK

Canon Europe and Canon UK have also assessed modern slavery and human trafficking risks within their regional supply chains since 2016. In general, industries with a higher risk of modern slavery incidences include warehousing, distribution, facility management services, manufacturing, and forestry. Canon UK is a member of Tech UK; through industry association it has been brought to our attention that the waste sector has more Modern Slavery related prosecutions than any other sector in the UK. On this basis we are adding "waste contractors" to our list of high-risk contractors.

Adhering to Canon's policies and complying with our Code of Conduct has been fully embedded in Canon UK's procurement process.

Following the due diligence revision program that started in 2020, Canon Europe and Canon UK's supply chain assessment platform went under further improvement throughout 2021, 2022 and 2023. We continue to work on a robust assessment process in enabling us to drastically increase traceability, documentation management, mapping, and reporting accuracy.

In addition to local improvements, in 2022, Canon Europe and Canon UK took part in the Canon Group Risk Assessment program. This program has been running consistently starting from 2021.

Please refer to our latest official Sustainability Report via our website for further details on the Canon Group Risk Assessment program and its results. Our 2023 Sustainability report will be published in May 2024.

TRAINING AND CAPACITY BUILDING

To ensure Canon UK's new recruits have an adequate level of understanding of "Modern Slavery" as well as the possible risks in our operations, a bespoke and mandatory Modern Slavery training programme is assigned to new starters.

In 2020, Canon UK and Canon Europe developed and launched an interactive refresher training accessible to all employees. In 2022 we updated the refresher course with latest information available to Canon UK & Canon Europe, as result of this update the refresher course has been relaunched and re-introduced to colleagues. The course aims to refresh employees' understanding of this important subject and encourage and educate them on raising concerns or suspicions about modern slavery issues in any parts of our business or supply chain via our Speak Up portal.

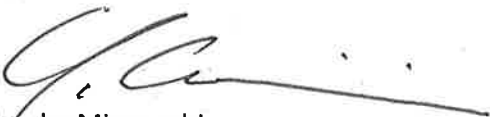
At Canon Inc., in conjunction with the establishment of the Canon Group Human Rights Policy in 2021, an e-learning program was launched. The aim has been to instil basic knowledge about business and human rights and raise awareness of Canon's human rights initiatives. A total of 23,313 Canon Inc. employees completed the training in 2021 (92.5% participation rate). In 2022, this program was rolled out further to group companies in Japan, 33100 employees completed the program (98.2% participation rate). In 2023 the training was extended to 33,761 employees at overseas Group companies (99.4% participation rate).

SIGNATURE

This statement is made pursuant to Section 54 of the Modern Slavery Act (2015) in respect of the financial year ended on the 31st of December 2023. The Boards of Directors of Canon Europa NV/Canon Europe Ltd/ Canon (UK) Ltd have reviewed and approved it on the 1st of June 2024.



Yuichi Ishizuka
CEO & President Canon Europa NV and Canon Europe Ltd



Yusuke Mizoguchi
Managing Director Canon UK Ltd