

Environmental Management

GRI2-23 GRI2-25 GRI3-2 GRI3-3

Canon works to protect and conserve the environment throughout the product life cycle.

Canon’s Approach to Environmental Assurance

Acting on the foundation of its Approach to Sustainability (→P07), Canon works to protect and conserve the global environment in line with the Canon Group Environmental Charter and the Canon Group Environmental Vision.

Canon Group Environmental Charter

Corporate Philosophy: Kyosei

Achieve corporate growth and development while contributing to the prosperity of the world and the happiness of humankind.

Environmental Assurance Philosophy

In the interest of world prosperity and the happiness of humankind, pursue maximization of resource efficiency, and contribute to the creation of a society that practices sustainable development.

Fundamental Policies for Environmental Assurance

Seek to harmonize environmental and economic interests in all business activities, products, and services (the EQCD concept); offer products with lower environmental burden through innovative improvements in resource efficiency, and eliminate anti-social activities that threaten the health and safety of mankind and the environment.

EQCD Concept

E: Environment (environmental assurance)

Companies are not qualified to manufacture goods if they are incapable of environmental assurance.

Q: Quality

Companies are not qualified to market goods if they are incapable of producing quality goods.

C: Cost

Companies are not qualified to compete if they are incapable of meeting cost and delivery requirements.

D: Delivery

1. Optimize the organizations for prompting the Canon Group's global environmental efforts, and promote environmental assurance activities for the Group as a whole.

2. Assess the environmental impact of entire product lifecycles and explore ways to minimize environmental burden.

3. Promote the research and development of technologies and materials essential for environmental assurance and share the achievements with society.

4. Comply with all applicable laws in each country/region and other requirements the Canon Group agrees upon with stakeholders, and promote energy and resource conservation and elimination of hazardous substances in all corporate activities.

5. In procuring and purchasing necessary resources, give priority to materials, parts, and products with lower environmental burden.

6. Establish an Environmental Management System (EMS) and establish and periodically review environmental objectives and targets to prevent environmental pollution and damage, and steadily reduce environmental burden.

7. Actively disclose to all stakeholders information on environmental burden and keep them updated on the progress of environmental measures.

8. Raise the environmental awareness of employees and educate them to take the initiative in environmental protection.

9. Maintain close relationships with governments, communities, and other interested parties, and actively support and participate in environmental protection activities.

Date of establishment March 1993

Date of revision December 2024

Chairman & CEO

Canon Inc.

Canon Group Environmental Charter

Canon Group Environmental Vision

Through technological innovation and improved management efficiency throughout all of its corporate activities, Canon aims to achieve sustainable corporate growth while also realizing a society that promotes both enriched lifestyles and the environment.

To this end, Canon offers greater value using fewer resources throughout the entire product lifecycle—Produce, Use, Recycle—to achieve highly functional products with minimal environmental burden. Canon continues to expand these activities with its customers and business partners.

Canon will contribute to a future that promotes both enrichment and the environment through technological innovation.

Canon Inc.

Date of establishment August 2008

Date of revision December 2024

Canon Group Environmental Vision

Global Environmental Promotion System

Under the supervision of the CFO of Canon Inc., Canon is conducting environmental activities with the aim of achieving Canon’s environmental targets and realizing Canon Group environmental vision. We use a global framework comprising the Canon products operations and Canon Group companies in Japan and overseas. In implementing these activities, the Group Executive for Sustainability Headquarters regularly reports to the Chairman & CEO, the Vice Chairman & CFO, and the President & COO* to obtain approval.

* As of April 2026.

Global Environmental Promotion System (as of April 1, 2026)

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graph TD; Canon[Canon Inc.  
Chairman & CEO  
Vice Chairman & CFO  
President & COO]; SHQ[Sustainability Headquarters  
Group Executive for Sustainability Headquarters]; VBD[Various business divisions]; GCIJ[Group companies in Japan]; GCOJ[Group companies outside Japan]; Canon -- Reporting --> SHQ; Canon -- Approval --> SHQ; SHQ -- Reporting --> Canon; SHQ -- Implementation --> VBD; SHQ -- Implementation --> GCIJ; SHQ -- Implementation --> GCOJ;
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Moreover, the Sustainability Committee identifies risks and opportunities with regard to sustainability-related matters requiring Canon’s response or engagement, deliberates on response policies and measures, and receives approval from the CEO (→P07).

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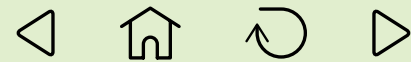
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- Chemical Substances
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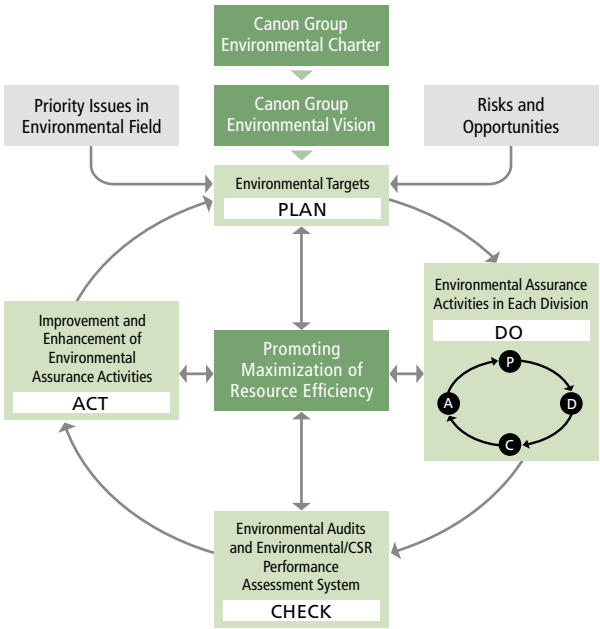
Environmental Management System

Canon has instituted a common environmental management system (EMS) in line with the ISO 14001 standard covering Group operational sites worldwide. To promote environmental assurance activities (Do) that are linked with the activities of each division (products operations, operational sites, and Group companies), the EMS identifies priority issues, risks, and opportunities in the environmental field and sets annual and medium-term environmental targets (Plan) based on these, which are reflected in our business activities. Moreover, we carry out Environmental audits to check the progress of initiatives as well as any issues to be addressed in each division, and Environmental and CSR performance assessments, to assess our environmental performance (Check). We then work to continually improve and enhance our environmental assurance activities (Act). The Sustainability Committee also uses this PDCA cycle to manage risks and opportunities it has evaluated and identified through deliberations. By implementing the PDCA cycle for environmental assurance activities of each division, we achieve continual improvement and reinforcement and advance the environmental assurance activities of the entire Canon Group. The Sustainability Headquarters ensures the smooth management of this system by gathering Canon’s Environmental Management System information on environment-related laws and regulations, establishing environmental policies and rules for the entire Group, and planning and managing evaluation methods for environmental assurance activities. Reflecting the need for independent, third-party evaluation of EMS effectiveness, all Canon Group operating sites with manufacturing or marketing functions are ISO 14001-certified. In 2025, Canon Inc. as

well as Group companies operating in 39 countries and regions (in total, 113 companies/512 operational sites) had gained ISO 14001 certification. The acquisition of consolidated Group certification has supported stronger corporate governance and more efficient environmental management. The progress of activities is one element of the management review used to monitor this area, which includes relevant reporting to and approval of the Chairman & CEO, the Vice Chairman & CFO, and the President & COO* of Canon Inc.

* As of April 2026.
Reference: Certifications Obtained
<https://global.canon/en/sustainability/data/pdf/canon-list-e.pdf?001>

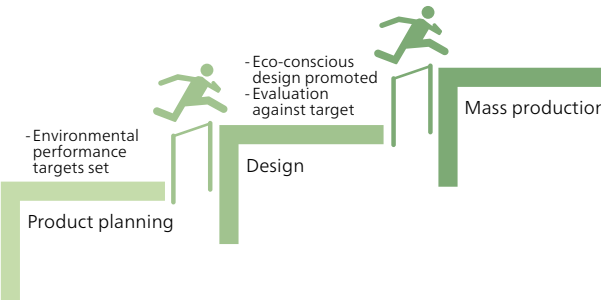
Canon’s Environmental Management System



Product Environmental Assessments

Product environmental assessments are used by Canon in the commercialization process to confirm conclusively whether products comply fully with legal and other requirements relating to the product environment by achieving the required levels of environmental performance. We start the assessment by assigning an environmental performance target to the product at the product planning stage. We evaluate if this target has been met before the product can move from the design stage into the development stage and finally into mass production. Utilizing product environmental assessments as hurdles within the product commercialization process in this way leads to better environmental performance while also supporting compliance.

How Product Environmental Assessments Work



With regard to chemical substances, for instance, for all parts and materials used in our products, we have confirmed there are no issues with the results of compliance assessments using our in-house system, and that our products comply with legal requirements.

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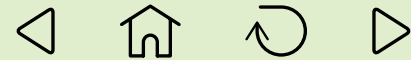
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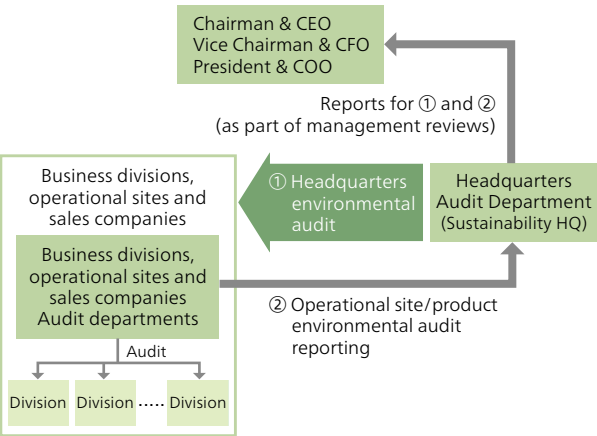


Confirming the Effectiveness of Environmental Management

Canon uses an internal environmental audit to confirm the effectiveness of its environmental management system. This audit is made up of a headquarters environmental audit performed by the Sustainability Headquarters, together with an operational site environmental audit and product environmental audit conducted by the audit departments of business divisions, operational sites and sales companies. Mutual cross-site audits are carried out in certain locations. The results from internal environmental audits are collated by the Sustainability Headquarters and reported to the Chairman & CEO, the Vice Chairman & CFO, and the President & COO* of Canon Inc. via management reviews. In 2025, the audits found no major nonconformity or violations. From the perspective of continual improvement and prevention, we are taking steps to rectify even minor findings relating to operations management, including stricter supervision of the chemical content of Canon products, legal compliance at operating sites, and proper management of chemicals.

* As of April 2026.

Internal Environmental Audit (as of April 1, 2026)



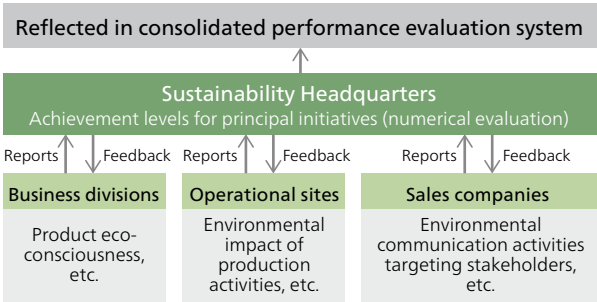
Monitoring of Progress toward Environmental Targets

Operational sites report monthly to Sustainability Headquarters on energy consumption, volume of waste generation, chemical substance emission volumes, and water usage. To monitor progress toward achieving environmental targets, monthly aggregates are reported each month to executives and top executives at major Canon Group companies. Collated results are also used in environmental/CSR performance assessments carried out on an annual and semiannual basis, as well as being used to identify issues in business activities and make improvements.

Environmental/CSR Performance Assessments

As part of our consolidated performance evaluation system, which assesses the overall business performance of the Group, we conduct an Environmental and CSR performance evaluation as one of its key indicators. In this evaluation, in addition to assessing the achievement status of environmental targets at the business sites mentioned above, we also evaluate the environmental and CSR initiatives of each business division and sales company. This evaluation reflects the actual state of activities across the entire product life cycle, including development, manufacturing, and sales (see table below).

Environmental/CSR Performance Assessment Flowchart



Environmental Education

Canon’s environmental education programs provide basic environmental training to all employees, and specialized training for employees engaged in specific types of work. The basic environmental training aims to equip employees with an awareness of the importance of environmental assurance activities and an understanding of related policies and targets, while the aim of the specialized training program is to enable employees involved in environmental assurance activities to acquire knowledge and expertise. The specialized training program consists of product environment, operational site environment and environmental audit sections. Of these, product environment training enables those responsible for product environmental assessments and product surveys to acquire knowledge and expertise. These educational programs are designed to enable employees to receive needed training at a time that suits their schedule, whether by e-learning, group discussion, group work, or other method. We are also focusing efforts on global education initiatives utilizing training materials translated into English and Chinese. In 2025, we carried out training for employees involved in risk management related work (total of approximately 10,200 participants).

List of Environmental Educations

Environmental Education programs		Forms
Basic Environmental Education	Basic Environmental Training	
	Operational Site Environment	
Specialized Environmental Education	Environmental Management Training	E-learning
	Chemical Substance Management Training	
	Product Environment	
	Environmental Audit	
	Product Environmental Assessments Training*	
	Product Survey Training*	
	Internal Environmental Audit Training	Collective training

* Trainings subject to risk management

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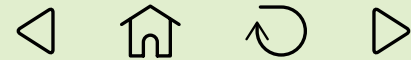
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“Minimum Energy 360,” Canon’s Motto for Energy and Resource Conservation

In Canon, aiming to foster a shared mindset among employees to help speed up our response to the issues of energy saving and resource recycling, Canon in 2023 adopted the motto “Minimum Energy 360.” Emphasizing the need to minimize energy usage in every direction (360°), this motto encapsulates our ongoing commitment to various actions to use the minimum amount of energy at every step across the value chain, from the time that Canon carries out development and production, to the stage of transportation and logistics, to the point at which customers use our products and when they are finally reused.

By adopting this motto, the idea is that staff start to view every kind of corporate activity as an opportunity to minimize energy usage, embedding this outlook as a part of the general culture at Canon.

In 2025, we incorporated elements of Minimum Energy 360 into the criteria for Canon’s internal environmental awards, seeking to instill these priorities in employees (→P18).



Minimizing energy usage at every step

Minimum Energy 360 Practices of the Printing Group

The Printing Group, which handles multifunction printers, strives to minimize environmental impact (decarbonization and resource efficiency) across product lifecycles using Canon’s technology and systems.

Reference: Green Initiative Guide
<https://global.canon/en/sustainability/environment/business/printing/>

Reduce Through Tech

Use various technologies in the product lifecycle to accelerate decarbonization and resource efficiency

Disposal & Recycling
4. Designs that make reuse easy

Use & Maintenance
3. Extended service life, energy-saving design (→P32)

Logistics
• Use packaging with minimal environmental impact (→P35)

Raw Materials
1. Increase the use of recycled material
2. Make materials smaller and lighter

Production
• Use renewable energy (→P26)
• Promote energy saving (→P23, →P25)

Reduce Through Systems

Use efficient systems tailored to the region to accelerate resource efficiency globally

Collection
• Develop collection networks (→P29, →P30)

Recycling
2. Process collected items into recycled materials

Reuse
1. Reuse collected items

Examples of Initiatives

1. Improve the Recycled Material Adoption Rate
We are working to reduce the use of new resources by incorporating recycled plastics into our products, accessories, and consumables and increasing their content ratio.

Recycled plastics
imageFORCE C7165F Pro
Use of more than 30% recycled plastic in products

2. Make Smaller and Lighter
We capitalize on simulations to help reduce the use of resources during development. Also, making products smaller and lighter allows the more efficient loading of containers, thus lowering the environmental burden during transportation.

Heat and airflow simulation

3. Extended Service Life of Consumables
We have significantly extended the service life of consumables by means of technological development, such as the revision of materials and structures. This has reduced the number of parts manufactured and is helping to reduce the use of new resources.

Developer
IR-ADV C5000s (Conventional models) vs IR-ADV DX C5800s
Approximately 180% increase
Extending the service life of developers by reviewing materials and configurations

4. Designs That Make Reuse Easy
We are standardizing product housings and pursuing the modularization of parts and production lines. We reuse parts across different products, reducing the volume of new parts used.

imageRUNNER ADVANCE DX C3900 series vs C4900 series
The modular design of product housings allows for easy reuse across different products

Examples of Initiatives

1. Reuse Collected Items
We are strengthening product recycling and the reuse of consumables and parts through new product-equivalent quality control. We are also streamlining collection and recycling through digital foundation technology.

Fuser film unit, Fuser, Transfer belt unit, Waste toner container
Reused consumables and parts

2. Process Collected Items Into Recycled Materials
We are promoting recycled material use through efficient material extraction and in-house material creation and product use.

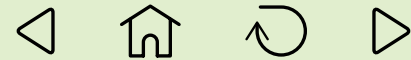
CARS-T automatic toner cartridge recycling system

Comments from the Person in Charge

I’m involved in the business of remanufacturing multifunction printers that have been collected from the market. Our recycled multifunction printers have achieved an industry-leading reuse rate of 95.5%, made possible through the standardization of parts by means of platform development and the use of operational data from the collected devices to streamline the recycling process. As products with high quality, low price, and excellent environmental performance, the devices combine economic rationality with reduced environmental impact.

Toshiyuki Iwata
Digital Printing Business Operations
Canon Inc.

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Environmental Awards and Environment Month

Canon holds an environmental awards ceremony with the aim of increasing staff awareness of the environment and promoting environmental initiatives, as well as enabling management to identify outstanding examples of environmental activities and promote their companywide implementation. In 2025, there were 59 applications from projects across the Group. Of these, one project was selected for the Grand Prize and four for Excellence Prizes, with another three projects receiving a selection committee commendation. An event was held for award winners to share their projects and explain them in more detail. The awards were also widely shared on the intranet and in the in-house newsletter, fostering environmental awareness across the Group and improving environmental performance through the horizontal adoption of best practices.

In addition, during Environment Month in June, to raise awareness of sustainability within the company, we conducted e-learning for all employees, which produced hints on ways of linking work with sustainability. In Canon Inc. the staff canteen also undertook several steps, including an initiative to cut food waste and offering low-CO₂ emission menus featuring meat alternatives, while the Group intranet channel aired sustainability-themed programs.



Examples of Award-Winning Projects

Overview of Award-Winning Projects	Related information
A3 color laser beam printer improving environmental performance from every angle	See column below
Eliminating plastic from toner cartridge packaging	→P35
Addressing Japan's 2024 Logistics Problem through improved logistics	→P27
Reducing packaging materials for ink tanks in industrial printers	→P35
Ink waste reduction activities	→P39
Collaboration activities with suppliers (three projects)	→P24 →P79



The team that won the Grand Prize at the awards ceremony



Session to share details of award-winning projects

Next-Generation A3 Color Laser Beam Printer That Improves Environmental Performance from Every Angle Wins Top Award

The A3 color LBP810 series*, equipped with a new engine, dramatically improves environmental performance in all directions by incorporating the Minimum Energy 360 concept, in addition to conventional energy-saving performance aspects such as TEC value.

Specifically, the weight of the printer was reduced by 33% and the weight of the cartridge by 27% compared to previous models, while still increasing print yield. Using 28% recycled plastic and reducing packaging volume yielded a 16.2 ton annual reduction in CO₂. Furthermore, with a 29% reduction in typical electricity consumption, the printer achieves the best energy-saving performance in its class; it also cuts sleep mode power consumption by 48%.

The use of simulations in the development stage made possible fewer prototypes, substantially conserving resources. We also pursued a user-friendly design, improving operability and cutting maintenance space by 56% through the use of full front-facing operation. The printer is the fruit of efforts to reduce environmental impact across all processes, from product planning to collection.

* Product name in Japan. The product name differs by destination market: for the U.S. market it is imageFORCE C1935P, and for the European market it is i-SENSYS X C1936P.



LBP810 Series printer

Comment from the Award Winners

We set environmental targets in developing this product and insisted on full front-facing operation, and the entire team came together to achieve next-generation performance that is environmentally conscious and user-friendly. The printer is the result of the combined efforts of our Peripheral Products Operations and our Digital Printing Business Operations. We will continue to develop products that contribute to the environment and to the Group's earnings.



Yoshiyuki Komiya
Digital Printing
Business Operations
Canon Inc.

Takateru Okubo
Peripheral Products
Operations
Canon Inc.

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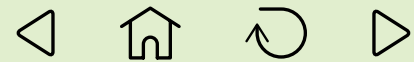
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Environmental Communication

Alongside the publication of this report, we use a range of media and platforms to keep stakeholders informed about Canon’s environmental activities. These include a dedicated environmental website, quarterly presentations and investor dialogues, and various events. We are striving to undertake more and better activities based on suggestions and opinions received from stakeholders. Canon also promotes environmental education and awareness activities for the benefit of people in regional communities, providing environmental outreach classes for elementary school students and environmental programs run in cooperation with regional organizations. Canon began holding environmental outreach classes on toner cartridges in 2011. Extended to Canon Bretagne in 2022, this program has provided more than 330 classes to over 15,000 participants (including 15 classes conducted online for over 590 participants).



Environmental outreach class

Initiatives at Canon Eco Technology Park

The Canon Eco Technology Park, opened in February 2018, is not only a cutting-edge reuse/recycling plant, but also serves as a focal point of the environmental activities of the Canon. In addition to the plant, which is equipped with automated toner and ink cartridge recycling systems, the facility has a showroom highlighting Canon’s wide range of environmental activities. It hosts environmental programs aimed at teaching elementary school students about the importance of resource efficiency using recycling-related science experiments.

We refreshed the showroom exhibits in 2025, revamping the presentation of Group initiatives, including an exhibit on remanufacturing. We are also offering environmental programs online as well as on-site, providing learning opportunities to numerous children in Japan no matter what region they live in.



Canon Eco Technology Park

Details: Canon Eco Technology Park
<https://global.canon/ja/environment/ecotechnopark/>
(Japanese website only)
(For inquiries on educational visits and related matters, please contact us through the website shown above.)



The newly refreshed showroom exhibits



Remanufacturing exhibit

Environmental Regulatory Compliance and Response to Complaints

As a result of implementing an environmental management system coordinated across Canon, Canon came through 2025 without a single legal violation or accident that seriously impacted the environment, including incidents relating to water quality or quantity permits. Although there were some complaints about noise at our operational sites, all issues were resolved satisfactorily via appropriate measures.

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Climate Change

Canon is working to reduce GHG emissions at all stages of the product life cycle.

For 2050

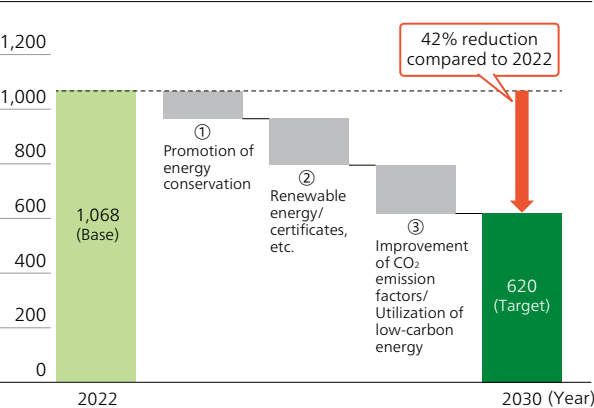
We aim to achieve net-zero GHG emissions for entire product life cycle (Scope 1-3) by 2050.

2030 Targets

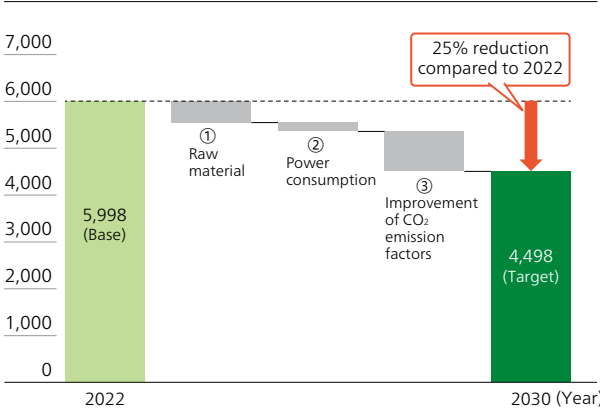
- Reduce Scope 1 & 2 GHG emissions by 42% compared to 2022, reduce Scope 3 (category 1 and 11) GHG emissions by 25% compared to 2022.
- Work toward a 3% average annual improvement in the index of life cycle CO₂ emissions (per product unit), realizing a cumulative improvement of 50% compared to 2008 by continually achieving this target.

GHG Emissions Reduction (Diagram)

Scope 1&2
(1,000 t-CO₂e)



Scope 3 (Categories 1, 11)
(1,000 t-CO₂e)



Scope 1: Direct emissions (city gas, LPG, diesel oil, kerosene, non-energy greenhouse gases, etc.)
Scope 2: Indirect emissions (electricity, steam, etc.)
Scope 3: Emissions in the supply chain (category 1: Purchased goods and services, category 11: Use of products sold)

Canon's GHG Emissions-reduction Initiatives (2030 Targets)

Canon is working to reduce greenhouse gas emissions by assessing the impact of climate change on the entire product life cycle, from the manufacturing of materials and parts at suppliers, transportation to retailers, use by customers, and disposal and recycling.

Canon aims to achieve net zero GHG emissions by 2050, and to reduce its scope 1 and 2 GHG emissions by 42% compared to 2022 and scope 3 (category 1 and 11) GHG emissions by 25% compared to 2022 by 2030. These targets for 2030 have been verified by SBTi*, an international initiative that recommends setting scientifically based GHG emissions reduction targets.

To reach these targets, we are promoting various initiatives, including the development of products using recycled materials, product downsizing and weight reduction, energy-saving activities at production sites, energy saving during product use, product recycling, and efficient logistics.

* Some of the data for 2022 has been recalculated in line with the 2025 calculation method.

Acceptance of TCFD Recommendations

Canon accepts the recommendations of the final report of the Task Force on Climate-related Financial Disclosures (TCFD).

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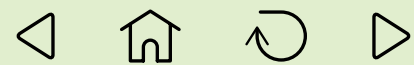
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Framework for Managing Climate Impact (Governance)

The impact of climate change on Canon, response plans and targets were discussed at the Climate Change Working Group (WG) under the Sustainability Committee. The Climate Change Working Group is comprised of senior managers from each business and corporate division. The content of discussions is reported to the Sustainability Committee, and after approval, it is reported to the CEO (→P14).

To achieve these targets, the Sustainability Headquarters plays a central role in promoting activities throughout Canon. The progress of targets is reported to the management every month, and the annual review is reported to the CEO.

Scenario Analysis to Identify Risks and Opportunities, Financial Impact (Strategy)

Canon conducts scenario analysis based on the TCFD framework, which is recommended in non-financial disclosure, to identify climate-related risks and opportunities and analyze their financial impact. For details, please refer to the annual securities report of Canon Inc.

Reference: Annual Securities Report:
<https://global.canon/en/ir/yuuhou/canon2025-e.pdf>

Climate-related Indicators and Targets

Canon aims to reduce its GHG emission throughout the product life cycle to net zero by 2050. To achieve this goal, we have set an overall target to reduce Scope 1 and 2 GHG emissions by 42% in 2030 compared to 2022, and reduce Scope 3 (categories 1 and 11) GHG emissions by 25% compared to 2022. In November 2023, these targets were validated by SBTi.

Since 2008, we have set a target of “an average improvement in life cycle CO₂ emissions per unit of product of 3% per year” (basic unit target) as a comprehensive target of Canon’s environmental targets. By consistently achieving this target, we expect to achieve a 50% improvement in 2030 compared to 2008. In 2025, the annual average was 3.59%, exceeding the target, and an improvement of 45.5% compared to 2008.

During the fiscal year ended March 31, 2018, the actual life cycle CO₂ emissions (the total of Scopes 1, 2 and 3) were 7,774,000 t-CO₂e, with Scope 1 emissions of 184,000 t-CO₂e, Scope 2 emissions of 817,000 t-CO₂e and Scope 3 emissions of 6.773 million t-CO₂e. We will continue to achieve these targets in the next fiscal year and beyond.

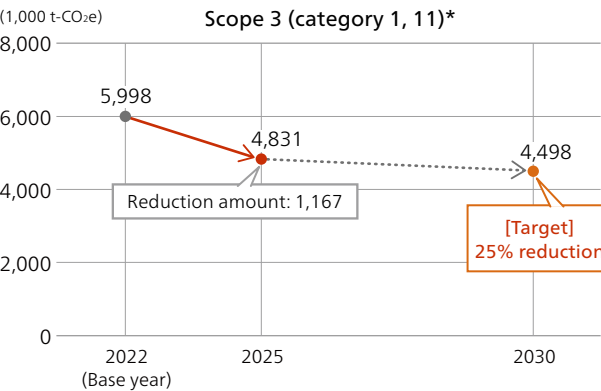
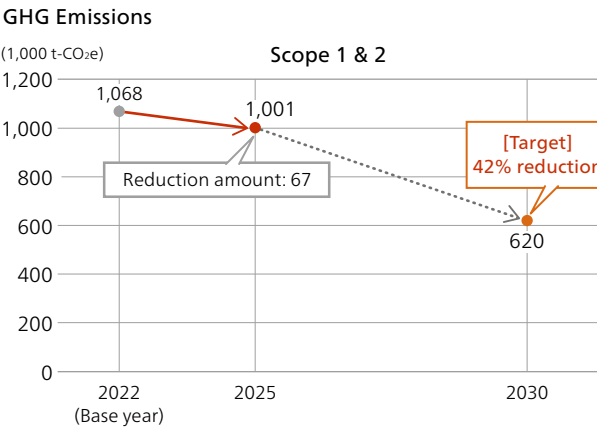
In 2025, in terms of SBTi, through the promotion of various energy-saving measures, the introduction of

Environmental Targets and Achievements

In Canon, environmental targets are set in line with our three-year management plan and reviewed every year to determine whether changes are necessary. Under the overall target of a 3% average annual improvement in the index of life cycle CO₂ emissions per product unit, our product target is a 3% average annual improvement in the index of CO₂ emissions per product unit associated with raw materials and product utilization. The operational site target includes target figures for reductions per basic unit in energy consumption.

	2030 Targets	2025 Achievements*
GHG emissions (compared to 2022)	42% reduction for Scope 1 & 2 25% reduction for Scope 3 (category 1 and 11)	Scope 1 & 2: 6.3% reduction Scope 3: 19.4% reduction

* For scope of data collection: <https://global.canon/en/sustainability/report/pdf/data-2026-e.pdf>



* Some of the data for 2022 and 2030 has been recalculated in line with the 2025 calculation method.

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As for the operational site target, we also set goals for waste emissions, water consumption, and controlled chemical substance emissions, thus making the management of environmental risks and opportunities more comprehensive and conclusive (→P16).

Progress Relative to Overall Target

In 2025, we made progress with ongoing improvement in product life cycle emissions via upgraded site-based energy-efficiency measures; development of better energy-efficient products; reduced use of air freight; and other measures. As a result, against the target of a 3% average annual improvement in the index of life cycle CO₂ emissions per product unit, we realized an average annual improvement of 3.59% between 2008 to 2025 and cumulative improvement of 45.5% from 2008.



Achievement of Product Targets

We continued with initiatives, including efforts to make products more compact, lightweight, and energy efficient, and achieved an average annual improvement of 2.13% (2008–2025) in raw materials and use CO₂ emissions per product, falling short of our target of 3%.

Achievement of Operational Site Targets

■ Improvement in Energy Consumption Per Basic Unit at Operational Sites

Due to more efficient production and other factors, overall energy consumption per basic unit improved by 5.4% in 2025, exceeding the 2.4% improvement target. We aim to meet this target again in 2026 by reducing

energy consumption and further improving production efficiency.

■ Improvement in Total Waste Generation

Owing to ongoing improvement measures at each site, such as reducing packaging materials by using returnable boxes and reducing the use of evaluation sheets, total waste generation per basic unit improved by 1.6% in 2025, exceeding the 1% improvement target. In 2026, we will aim to continuously achieve our targets by advancing collaborative activities with partners, such as reducing packaging for procured materials.

■ Improvement in Water Usage Per Basic Unit in Production

Due to factors including equipment maintenance and greater cooling water usage due to high temperatures, water usage per basic unit improved by 0.9%, missing the 1% improvement target. In 2026, we will move ahead with actions to meet the improvement target, including raising the efficiency of the cleaning process for manufacturing equipment.

■ Improvement in Emissions of Controlled Chemical Substances Per Basic Unit

Due to factors including an increase in parts cleaning, emissions of controlled chemical substances per basic unit improved by 0.9%, but fell short of the 1% improvement target. In 2026, we will move ahead with actions to meet the improvement target, including review of chemical substance use conditions and operating conditions of detoxification equipment.

2026 Targets

We are revising the 2026 waste and chemical substance targets as follows, taking into account societal demands and other factors.

- Waste: Maintain the downward trend* in total waste generation
 - Controlled chemical substances: Maintain the downward trend* in emissions
- All other targets will remain unchanged from 2025.

* The trend is based on a linear approximation of the three-year average values from the base year (2020).

2030 Targets		2025 Achievements*2
Improvement in per-unit Life cycle CO ₂ emissions index (compared to 2008)	50% improvement	45.5% improvement
2025 Targets		2025 Achievements*2
Overall (Life cycle)	3%-per-year average improvement in Life cycle CO ₂ emissions improvement index per product	Average annual 3.59% improvement (2008–2025)
Products	3%-per-year average improvement in raw materials and use CO ₂ emissions improvement index per product	Average annual 2.13% improvement (2008–2025)
2025 Targets*1		2025 Achievements*2
Operational Sites	Energy consumption per basic unit: 2.4% improvement	5.4% improvement

*1 Calculation based on average annual improvement rate of the three most recent years. For energy consumption at Japanese operational sites, however, calculation as stipulated in Act on Rationalizing Energy Use. The basic unit denominator is decided according to the characteristics of each operational site (production volume, effective floor area, workforce, etc.)

*2 For scope of data collection: <https://global.canon/en/sustainability/report/pdf/data-2026-e.pdf>

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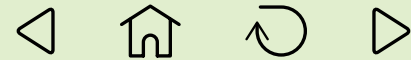
Environment

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- Chemical Substances
- Biodiversity

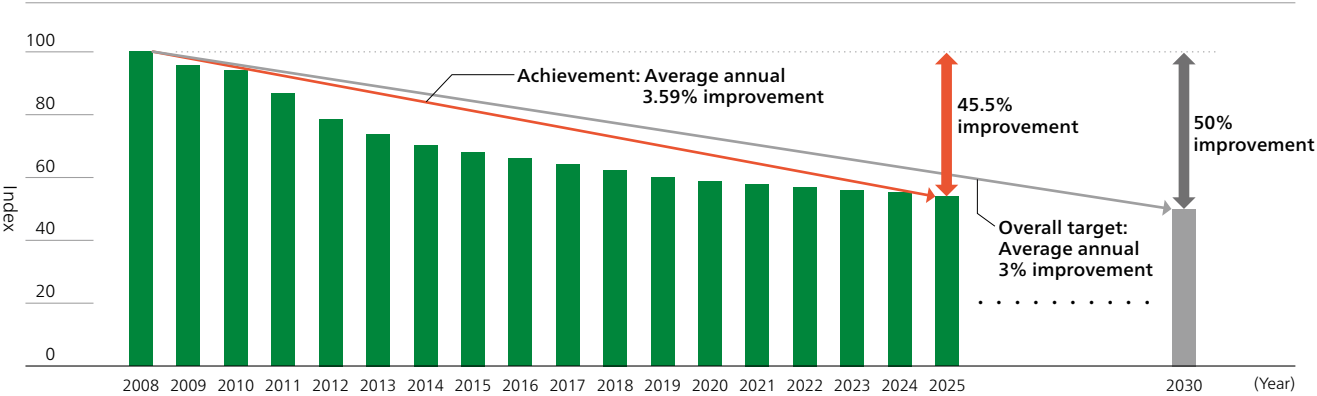
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Index of Life Cycle CO₂ Emissions Per Product Unit



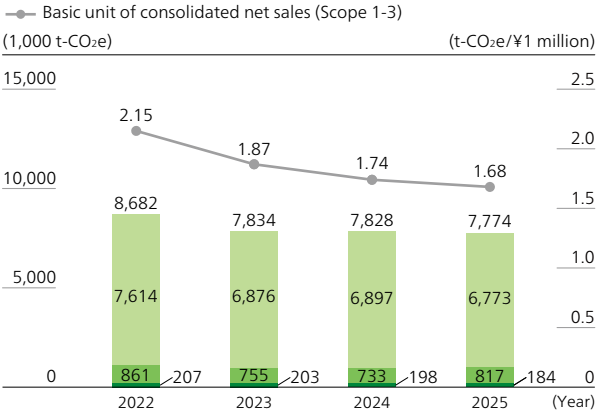
* Assuming 2008 baseline of 100

Overview of Environmental Impacts

GHG emissions for entire product life cycle (Scope 1-3) in 2025 were approximately 7.77 million t-CO₂e. Chiefly as a result of actions to conserve energy, and the switch to electricity with lower CO₂ emissions, we achieved a reduction of approximately 50,000 t-CO₂e over the entire product life cycle. The resources (input) that Canon used in its business activities and emissions (output) to the global environment over the entire product life cycle are as shown in the 2025 Material Balance section of the Data Summary.

Life Cycle CO₂ Emissions

- Scope 1: Direct GHG emissions (combustion of city gas, LPG, light oil, kerosene, non-energy-derived GHG, etc.)
- Scope 2: Indirect GHG emissions (consumption of electricity, steam, etc.)
- Scope 3: Supply chain-related GHG emissions (production of purchased goods and services, upstream transportation and distribution, use of sold products)



* Data for 2025 has been third-party assured. In addition, some of the data from 2022 onward has been recalculated in line with the 2025 calculation method.

Energy-saving Product Design

Environmentally Conscious Designs for Office Equipment

Aiming for even lower power consumption, the imageFORCE C5100F series of office multifunction printers (MFPs) are equipped with multiple energy-saving technologies, including on-demand fusing, low-melting-point toner, and sleep mode power control. These technologies have enabled the printers to meet the Imaging Equipment Specification Version 3 of the International ENERGY STAR® Program. For example, the 40ppm*¹ model (C5100s) achieves a standard power consumption (Typical Electricity Consumption*²) of 0.38 kWh, a reduction of approximately 15% compared to the previous model (C5800s), which had a power consumption of 0.45 kWh.

The series also uses more than 30% recycled plastic (PCR material) for the plastic material of the main housing. Also, the lifespans of the consumables have been extended compared to previous models, by about 108% for the developer*³, by about 24% for the drum units*³, and by approximately 42% for the common materials and fuser units*⁴. This reduces the number of times parts need replacing and helps to lower the use of new resources. In addition, the toner discharge port has been narrowed and a movable shutter installed, resulting in a design that is more amenable to resource efficiency and easier reuse.



imageFORCE C5100F series

Power consumption

Reduced by up to approximately **15%**

*1 Number of printable pages per minute
*2 Products compliant with the International Energy Star Program
*3 For black products and materials
*4 Common black and color materials

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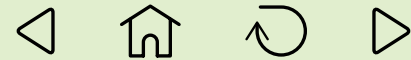
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Nanoimprint Lithography (NIL) Technology Enables Significantly Lower Power Usage

In the field of semiconductor manufacturing equipment, Canon has achieved miniaturization at lower power consumption and lower cost with nanoimprint lithography (NIL), a new technology that is an alternative to conventional lithography technology. By enabling the inexpensive production of chips with circuit resolution of 14nm, NIL is poised to revolutionize the semiconductor industry.

The radical simplification of the chip production process using NIL reduces power consumption by up to 90% compared to existing lithography process for advanced logic chips. Our efforts to address calls from society to achieve carbon neutrality while also realizing both economic efficiency and sustainability have been recognized; NIL received the top Grand Prize at the 33rd Global Environment Awards in 2025.



Nanoimprint lithography equipment

Calculation and Disclosure of Carbon Footprint of Products (CFP)

We utilize the LCA approach to help estimate the life cycle CO₂ emissions of Canon products. Life cycle is divided into five stages (procurement of materials; production; transportation; usage and maintenance; disposal and recycling), and we utilize LCA to calculate GHG emissions for each stage, which are converted into CO₂ equivalents. The CFP is a visualization tool, helping to identify emissions-intensive processes to help us design Canon products that are more energy efficient.



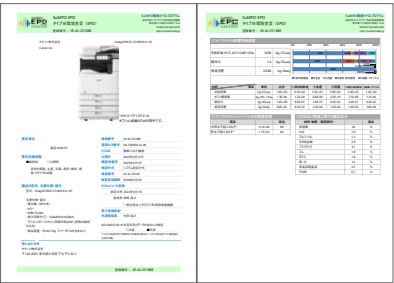
Each life cycle stage in CFP calculation

Additionally, to enable customers to identify product environmental impact categories including CO₂ emissions, we work to disclose relevant information based on the SuMPO EPD framework*1 under the SuMPO environmental labeling program of the Sustainable Management Promotion Organization (SuMPO). In 2024, through collaboration with suppliers who have supported our initiatives, Canon was able to draw on the primary data they provided and incorporate and disclose this data in the SuMPO EPD framework. In 2025, Canon cooperated in registering the products of suppliers in SuMPO EPD, and incorporated the EPD registration as a basic unit in the SuMPO EPD calculation for Canon products, which we then made public.

We have also put in place a system for the carbon offset*2 of CO₂ emissions throughout the product life cycle of our office multifunction printers and some production printer products to address customer demands. Offset CO₂ emissions in response to customer demands totaled 778 tons in 2025. Efforts like this contribute to decarbonizing the entire value chain.

*1 Environmental Product Declaration. The Ecoleaf program was renamed SuMPO EPD in April 2024.
*2 Carbon offset involves initiatives in which a company strives to reduce its own greenhouse gas emissions, while offsetting amounts it cannot reduce by reducing or absorbing emissions elsewhere.

Reference: Products registered for SuMPO Environmental Labeling Program (Japanese website only)
<https://corporate.canon.jp/sustainability/environment/customer/products/cfp>
Reference: Products certified under Carbon Offset Program making use of CFP (Japanese website only)
<https://corporate.canon.jp/sustainability/environment/customer/products/cfp-certified>



EPD for imageFORCE C5160F (for Japan)

Collaboration to Incorporate Primary Supplier Data

Canon is working to reduce the environmental impact of products across their life cycle to help bring about a sustainable society.

In cooperation with Nidec Corporation, Canon calculated primary data on raw material CO₂ emissions for Nidec's fan motors and for the first time incorporated this data into the calculation of life cycle CO₂ emissions for its imageRUNNER ADVANCE DX C5840i office multifunction printer. Canon also used the SuMPO environmental labeling program operated by SuMPO to register and publish the SuMPO EPD for this product.

Steps like this seek to improve the accuracy of EPD calculations and the reliability of environmental labeling through the use of primary data in collaboration with suppliers. Canon will continue working to reduce environmental impact across the supply chain to help bring about a sustainable society.



Canon's office multifunction printer: imageRUNNER ADVANCE DX C5840i



Nidec's fan motors: D06R-24SS1 03B (AX) and others

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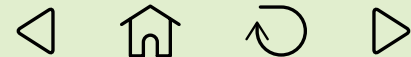
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Greater Energy Efficiency at Production Sites

Reducing Power Consumption in Production Using Factory Green Cost Management (GCM)

At Canon, we use “GCM” to refer to the management framework we have developed that targets parallel reductions in costs and CO₂ emissions, alongside decarbonization efforts based on the development of green technologies. Within this framework, we focus on “factory GCM” initiatives that aim to reduce the power used at the production stage. In factory GCM, a factory’s energy data is automatically collected and plotted in graphs (visualization of electricity) through established systems, which has facilitated not only the instant identification of wasteful operations (analysis of reduction potential), but also the systematic accumulation of data across the entire company, thereby enabling the immediate discovery of appropriate reduction measures (expansion of reduction measures).

The factory GCM system is being gradually rolled out across Canon production sites, with installation completed in 2025 at six major sites in Japan that use large amounts of electricity.

This initiative has yielded more sophisticated energy management at production sites, with the rollout demonstrating concrete results.

For example, we used the system to discover wasteful operations involving certain production equipment, which resulted in a 10% reduction in power

consumption. Canon aims to further improve energy efficiency across the Group by rolling out the system to overseas sites in 2026 as well as in Japan.

Comment from a Production Site with a Newly Introduced System

The rollout of a factory GCM system in our workplace has enabled us to visualize energy consumption and put an analysis method in place, fostering an environment where anyone can easily work on improving the energy consumption of our equipment. As a result of everyone working together on-site to take action to reduce consumption, we are moving forward quickly and effectively with improvements. Furthermore, this initiative has sparked awareness on the manufacturing frontlines about coming up with ideas and putting them in practice to improve not only energy consumption but the environment as a whole.

Through these efforts, we will build a corporate culture of realizing sustainable manufacturing.



Yosuke Endo
Oita Canon Inc.
Business Management Center

Energy Cost Reduction Working Group

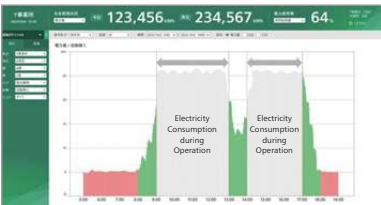
Canon created the Energy Cost Reduction Working Group in 2014 as a horizontally integrated organization

1. Visualization of electricity consumption



Check factory electricity for each workplace and narrow down reduction targets, such as production heat and drive systems.

2. Analysis of electricity consumption



Focus on equipment that uses large amounts of electricity and break down operations and phenomena to identify hidden wastefulness.

3. Rapid rollout to production sites worldwide



Systematize actions aimed at improvement, compile into a database, and rapidly implement them at Canon production sites.

to take Group-wide action on reducing energy consumption. The working group has promoted reduced energy consumption by undertaking a thorough-going analysis of the required operating environment for production equipment in the on-site manufacturing process and using its findings for instance to reduce equipment operating time, cut out excess use of pressurized air and cooling water, and adjust air conditioner settings. Measures that prove effective are adopted for horizontal rollout to Japan and overseas production sites. Moreover, staff members from our corporate headquarters in charge of this initiative perform a diagnosis of energy performance during visits to production sites all over the world. There, they check the operating status and settings of production equipment and then use their observations to make improvements to the operating efficiency of facilities and equipment and provide staff with relevant on-site training.

Since its launch, this initiative has resulted in Canon-wide energy savings of 277,066 kL (crude oil equivalent).



High-efficiency air conditioners upgraded for clean rooms

Measures widely rolled out in 2025

- Upgrades to high-efficiency air-conditioning units
- Changes to washing water temperature
- Insulation for molding machine cylinders
- Changes to the air temperature of clean room air conditioners
- Reduction of molding machine heating time
- Changes to the drying oven temperature during holidays

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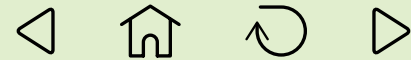
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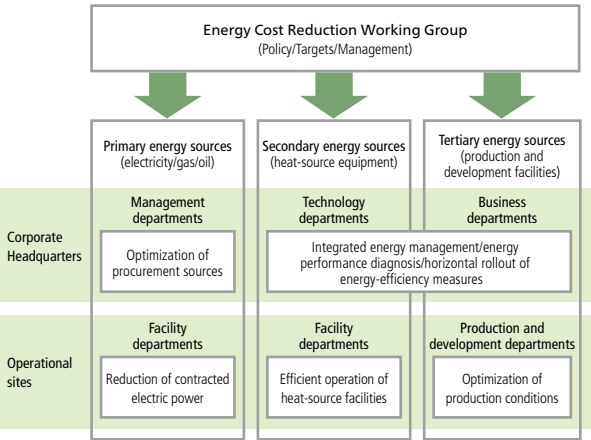
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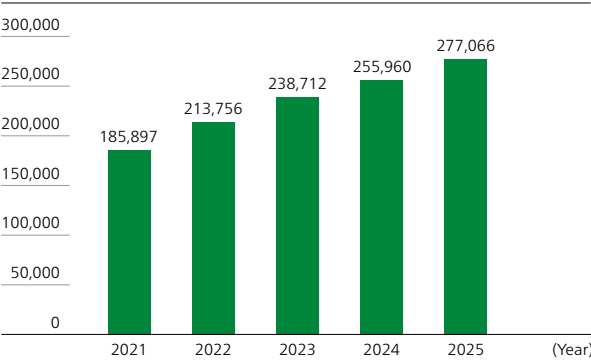
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Organizational Chart of Energy Cost Reduction Working Group



Cumulative Energy Savings Through Working Group Activities (Cumulative)
(kL: crude oil equivalent)



Use of Renewable Energy

Canon is working to expand the use of renewable energy in a variety of ways, taking into account the regional prevalence of renewable energy and the initiatives of various countries. For example, we have installed solar generation panels on the premises of Canon Vietnam’s Thang Long Factory and other sites, using the renewable energy generated. In addition, five factories of four production sites—Canon Suzhou, Canon Vietnam (Thang Long Factory and Tien Son Factory), Canon Hi-Tech Thailand (Ayutthaya Factory), and Canon Prachinburi Thailand—obtained renewable energy certificates for a second year in a row in 2025, which document the environmental value of renewable energy. This means that the sites achieved their target of using 100% renewable energy for the year.

Sales marketing companies such as Canon Deutschland and Canon (China) are also using renewable energy certificates to ensure that 100% of electricity consumption in their offices comes from renewable energy sources. Such use of renewable energy earned Canon Europe and Canon UK an “excellent” evaluation under the BREEAM* environmental assessment standard.

As a result of these initiatives to use renewable energy, total worldwide renewable energy consumption by Canon companies was 291,797 MWh in 2025.

* Abbreviation for Building Research Establishment Environmental Assessment Method. An environmental sustainability assessment method developed by Britain’s Building Research Institute that evaluates buildings under nine categories, including health and wellbeing, energy, and waste.



Solar panels installed at Canon Vietnam’s Thang Long Factory

High-Performance Materials for Realizing a Carbon-Free Future

Perovskite solar cells are drawing attention as the next generation of solar cells. Compared to conventional silicon solar cells, they are lightweight, bendable, and can generate electricity even with indoor light, allowing for greater flexibility over where they can be installed and the potential for lower capital investment costs.

Canon is currently developing a high-performance material to coat the perovskite layer (the photoelectric conversion layer). This material is expected to help improve the durability and mass production stability of the solar cells.



(L) Perovskite solar cell
(R) Structure of perovskite solar cell with newly developed high-performance material

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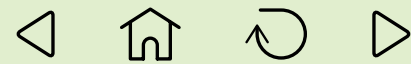
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Greenhouse Gas Emissions at Operational Sites

Through the efforts of the Energy Cost Reduction Working Group, coupled with the rigorous streamlining of production processes and other actions by our operational sites to reduce energy use and adopt renewable energy, GHG emissions at operational sites were kept at 1,001 thousand t-CO₂e. In 2026, we will push ahead with efforts to reduce CO₂ emissions, mainly by saving energy and utilizing renewable energy sources at our business locations.

* Refer to the Data Summary

CO₂ Reductions in Logistics

We are working to reduce our logistics-related CO₂ emissions at every stage, from procurement to sales. To reduce the environmental impact of transportation, we are promoting modal shifts by switching from air to maritime transport for international transport and from road transport to rail transport and coastal shipping (such as ferries) for domestic transport. Canon Vietnam, in particular has actively pursued a Canon-led modal shift from road to barge transport by utilizing river ports located near its factories. We are also implementing a “container round-use” initiative under which import shipping containers are reused for export shipments, contributing to shorter overall transportation distances by reducing container repositioning.

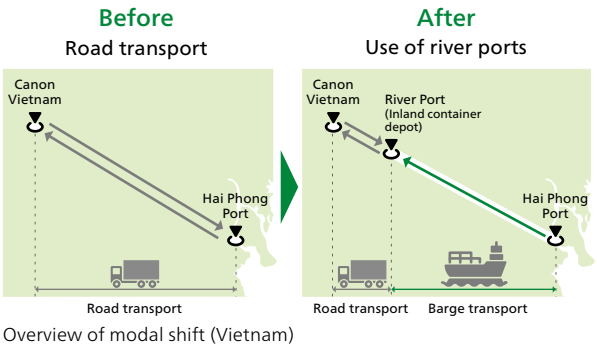
Furthermore, Canon China is advancing the introduction of electric trucks and has begun expanding their deployment to large trucks, in addition to existing small electric trucks.

Canon Marketing Japan is taking advantage of Japan’s “2024 problem” in logistics as an opportunity to improve the logistics of consumer products such as cameras, lenses, and printers. Through repeated discussions with stakeholders, we reviewed transportation loading efficiency, delivery methods, and product return

operations, which contributed to the improvement of the working environment not only for our own company, but also for logistics companies. In 2024, we streamlined the fleet of vehicles used for transport and delivery between our warehouses and those of our business partners by about 400 vehicles, and further cut this number by 50 in 2025, thereby also reducing CO₂ emissions associated with logistics. Going forward, we will continue to make further improvements to logistics operations with the aim of rolling out these improvements to other Group companies.

In addition, in the area of transport packaging, we are promoting initiatives such as improving loading efficiency through package downsizing, reducing the use of plastics in packaging materials, and reusing used cardboard as cushioning material.

At our warehouses, we are working to reduce environmental impact by cutting electricity consumption through the adoption of LED lighting and by utilizing renewable energy via installation of solar panels.



Deployment of large electric trucks (China)

Reducing Impact in Product Use

Thanks to energy-saving technologies used in office equipment, Canon products achieved cumulative energy savings of 7,262GWh between 2013 and 2025. This is expected to result in 3,245,000 t-CO₂e reduction.

* Refer to the Data Summary

Reducing Environmental Impact in Social Infrastructure Maintenance

Canon combines advanced optical technology with AI analysis to offer new methods of maintaining and managing social infrastructure.

In a bridge inspection conducted in collaboration with Tokyo’s Ota-ku and Tokyo University of Science, digital images and AI-based analysis were used to significantly reduce traffic restrictions and the burden of nighttime inspection work while maintaining the same level of accuracy as close-up visual inspections. We confirmed that this approach can minimize the impact on local residents and dramatically improve work efficiency. This AI-based analysis technology is being deployed under the name “Inspection EYE for Infrastructure,” enabling the automatic detection of cracks and corrosion, with further functional enhancements also under consideration. In addition to contributing to longer lifespans and greater safety for infrastructure, these initiatives also reduce the environmental impact and social costs associated with inspection work.

Canon continues to capitalize on technological capabilities to work toward creating safe, secure cities and bringing about a sustainable society.

Environment



Photographing a pedestrian bridge

Furthermore, with the recent advancements in IoT and the anticipated explosive increase in data processing due to AI utilization, there are calls for greater energy efficiency in data centers that consume enormous amounts of electricity. The Canon IT Solutions Group is promoting environmental activities in data centers with the aim of reducing CO₂ emissions and protecting the environment through the data center business. More specifically, it is making improvements to daily operations in collaboration with customers, such as optimizing air conditioning efficiency and cooling water temperature, as well as coming up with better equipment layouts.

The Nishi-Tokyo Data Center has gained “top-level” facility accreditation for its outstanding global warming countermeasure efforts, as well as “S” class status under Japan’s Act on Rationalizing Energy Use. Also, the Okinawa Data Center became the first in Okinawa Prefecture to run on essentially 100% renewable energy.

We have also donated CO₂ reduction credits generated from our CO₂ reduction activities.

Okinawa Data Center	Operates on essentially 100% renewable energy
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Resource Efficiency

Canon promotes recycling through the 3Rs: reduce, reuse, and recycle.

Canon’s Resource Efficiency Initiatives

Canon seeks to recycle used products to allow the continued reuse of resources and maximize the value brought about by resource efficiency. In addition to contributing to resource efficiency, we believe these efforts will help bring about a carbon-free future.

We are working to reduce the amount of materials used at the product design stage by making products smaller and lighter, extend product lifespans to enable less frequent replacement of products and parts, and pursue designs that make reuse and recycling easy.

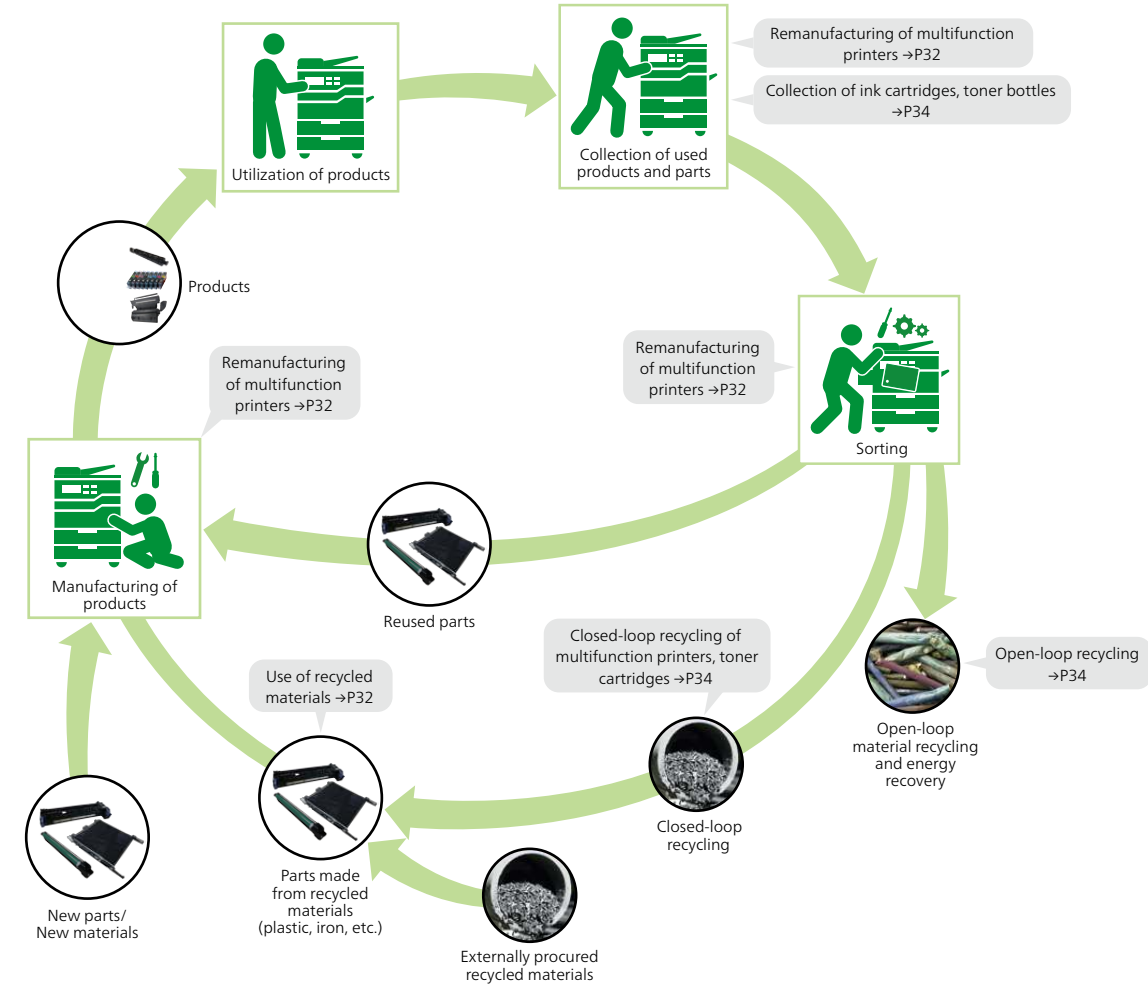
Even after products are no longer in use on the market, we continue to engage in the remanufacturing of collected office multifunction printers, giving them new life as products with good-as-new quality, and in the recycling of toner cartridges. Specifically, we have established a framework in which used products and parts are collected from the market and sent to Canon recycling sites, primarily in Japan, Germany, France, the United States, and China. Depending on their condition, we sort the products and parts for the most appropriate recycling process, including reuse as products or parts or material recycling (open- and closed-loop recycling), and repurpose them as new products and parts, thus recycling resources and avoiding waste as much as possible.

In this way, Canon is pursuing an array of initiatives throughout the product lifecycles, contributing to resource efficiency and helping to bring about a carbon-free future.

	2025 Targets*1	2025 Achievements*2
Operational Sites	Total waste generation per basic unit: 1% improvement	1.6% improvement

*1 Calculation based on average annual improvement rate of the three most recent years. The basic unit denominator is decided according to the characteristics of each operational site (production volume, effective floor area, workforce, etc.)
*2 For scope of data collection: <https://global.canon/en/sustainability/report/pdf/data-2026-e.pdf>

Flowchart of Resource Efficiency



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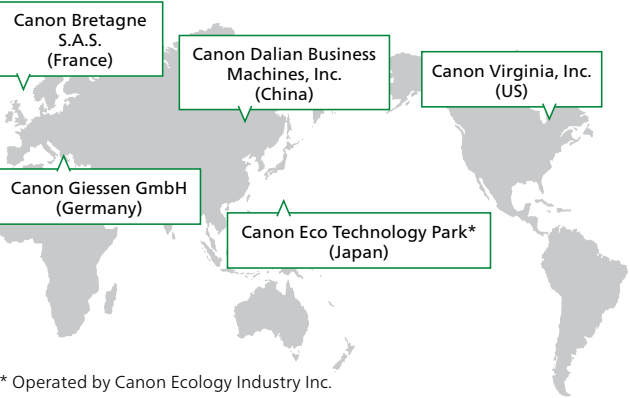
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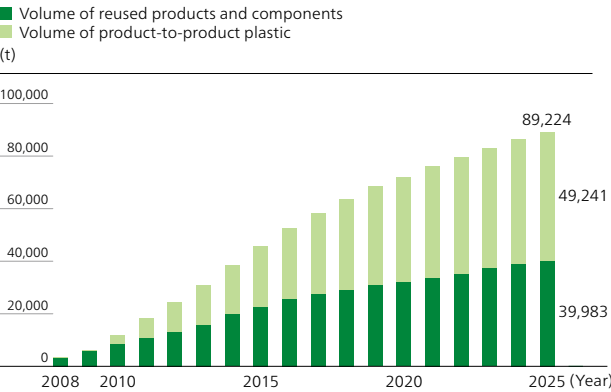
Canon Recycling Sites Worldwide



Product-to-Product Recycling Volume

Since 2008, Canon’s recycling sites have reused 39,983 tons of products and parts directly and extracted 49,241 tons of plastic from used products for use as raw materials in new products.

Product-to-Product Recycling Volume (Cumulative)



* Product recycling initiatives have been ongoing since before 2007. Data are based on 2008 as the baseline year.

Resource Efficiency Initiatives and Targets by Industry-Oriented Business Group

Canon handles a broad array of products, ranging from consumer products to industrial products and from small to large products. We believe it is vital to pursue resource efficiency initiatives appropriate for each product group, taking into account product characteristics and market conditions. Canon’s four industry-oriented business groups—Printing, Medical, Imaging, and Industrial (→P05)—have established resource efficiency initiatives and targets tailored to their particular context.

Improving the Resource Recycling Rate for the Printing Business

The resource recycling rate is an indicator that represents the proportion of recycled materials and recycled products in the total sales weight of the Printing Business, and a target of 50% has been set for 2030. To improve the resource recycling rate, Canon is implementing the initiatives shown in the table to the right.

In 2025, as a result of activities to enhance reuse and recycling, the resource recycling rate reached

approximately 16.7%, representing an improvement from approximately 16.0% in 2024*.

Looking ahead, toward the target of 50% by 2030, we will further promote resource efficiency initiatives through measures such as expanding the use of recycled materials and increasing the production, sales, and collection of recycled products.

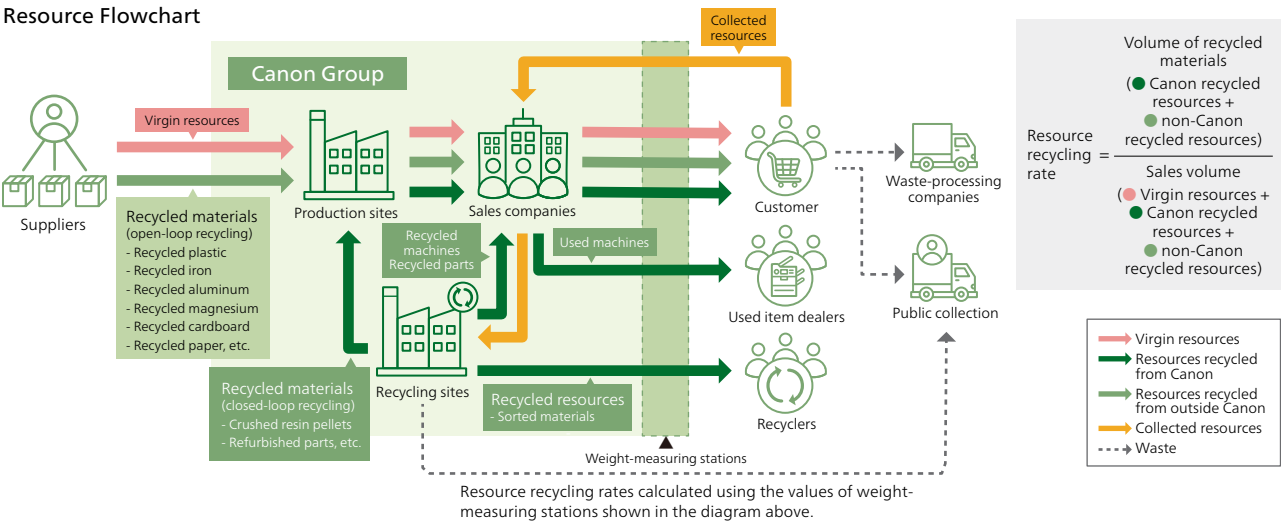
Resource recycling rate in the Printing Business	2025 result: 16.7 %
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Initiatives to Improve the Resource Recycling Rate

Initiatives for new machines	• Incorporating recycled materials (recycled plastic and iron) (→P32) • Introducing and expanding easily recyclable platform type designs
Initiatives at recycling sites	• Developing technology geared towards improving the reuse rate of recycled machines and parts (→P32/P33) • Improving the sorting accuracy for recycled resources such as iron, nonferrous metals, and plastics (→P34) • Increasing the types and production volume of closed-loop recycled materials (→P34)

* In 2025, the calculation methodology was revised to more accurately reflect actual conditions, and the 2024 results were also recalculated.

Resource Flowchart



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Reducing Environmental Impact in the Medical Business and Improving Total Waste Generation

At the Nasu Plant of the Medical Business, steps to reduce environmental impact include more rigorously separating discarded products as well as reusing parts and selling valuables. Guided by an annual target of improving the total waste generation per basic unit by 1% or more, the plant brought pallets used in deliveries back for reuse in 2025, achieving a 4.2% improvement over 2024, above the target.



Product packaging initiatives involve replacing plastic cushioning materials and fixing materials with paper variants and eliminating cushioning materials altogether where possible

Improve total waste generation per basic unit in the Medical Business

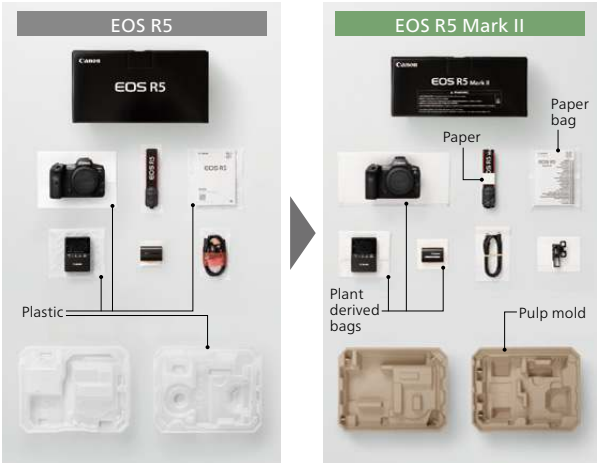
2025
4.2% improvement

Reducing Single-Use Plastics in the Imaging Business

In the Imaging Business, we aim to boost the proportion of products that do not use single-use plastics* in their packaging to 100% by 2030 for all of the interchangeable-lens digital cameras, interchangeable lenses, and compact digital cameras announced in a given year.

Starting with the PowerShot V10 released in 2023, we had eliminated the use of single-use plastic packaging in 33 models as of the end of 2025, including the EOSR50 V, RF75-300mm F4-5.6, and related accessories.

* This refers to petroleum-derived plastics, and excludes the raw materials used for labels, coatings, and adhesives



EOS R5 Mark II adopted plant-based non-woven fabric and paper bags, reducing the plastic used in packaging

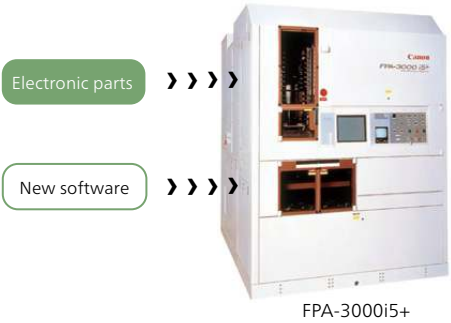
Percentage of newly released interchangeable-lens digital cameras, interchangeable lenses, and compact digital cameras announced in 2025 that do not use single-use plastic packaging

33 models

Extending Product Lifespans in the Industrial Business

We are working to extend the lifespans of products in the Industrial Business, with a goal of ensuring that 95% or more of the i-line and KrF lithography equipment shipped in 2001 or later is still operational in 2030. Initiatives include providing parts and software that extend product lifespans and product lifecycles and reduce waste, as well as developing products that encourage recycling.

In 2025, we launched services to overhaul the electronic components of legacy products of the FPA-3000 series i-line lithography systems and switch out existing servers with the latest models, using virtualization technology to avoid the need to rewrite existing software. This will enable us to further extend the lifespan of products that have been up and running for many years at our customers' production sites. We will further increase the proportion of i-line and KrF lithography equipment shipped in 2001 or later that is still in operation—currently at 92.6%—by 2030.



Extend product lifecycles by providing parts and software

Maintain operational availability of i-line and KrF lithography systems shipped since 2001

2025 performance
92.6%

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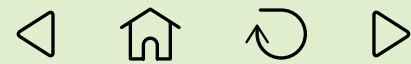
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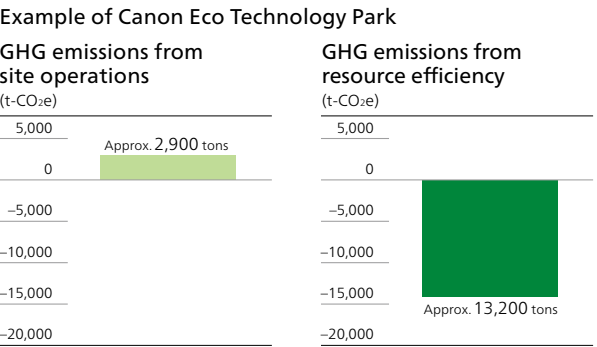
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GHG Reduction Effects Through Resource Efficiency

We see initiatives at Canon’s recycling sites as not only contributing to resource efficiency but also contributing to a carbon-free future. The reuse of parts through remanufacturing and the recycling of plastics through closed-loop recycling allow us to reduce the amount of CO₂ emissions generated compared with procuring new raw materials. Canon Eco Technology Park (operated by Canon Ecology Industry Inc.) emitted approximately 2,900 tons of Scope 1 and 2 GHG through site operations. These efforts have resulted in a reduction of approximately 13,200 tons of GHG emissions.



Environmentally Conscious Design

To make effective use of our limited resources, it is imperative that resource efficiency is at front of mind in product design. Starting from the design and development stage, Canon gives careful consideration to the whole process through to collection and recycling of end-of-life products. Our Environmentally Conscious Design Guidance summarizes the various considerations that contribute to resource efficiency, such as miniaturization, weight reduction, adoption of environmentally friendly materials, extending product lifespan, improving maintainability, and facilitating disassembly and separation for reuse and recycling. All of these items are incorporated into the design process.

Incorporating Recycled Materials (Recycled Plastic and Iron)

Starting with new products released in 2025, Canon has been pursuing the use of recycled steel for some of the steel materials used in its multifunction printers and printer parts.

In the new imagePROGRAF TC-21/TC-21M large-format inkjet printers, released in April 2025, we achieved the use of around 5% of recycled iron by mass for the iron used in the main unit.



Furthermore, we adopted about 40% recycled plastic by mass for the plastic material used in the main unit.

We also used recycled iron in the new imageFORCE 8100 series of A3 monochrome multifunction printers, released in September 2025, and in the new imageFORCE C431 series of A4 color multifunction printers, released in October.

As recycled plastic is made from waste plastic and recycled iron is made from iron scrap, the introduction of these recycled materials reduces the amount of virgin resources used and helps increase the resources recycling rate.

With regard to recycled steel in particular, Canon dismantles its own end-of-life multifunction printers and printers and reintegrates the resulting steel scrap into its products through collaboration with steel recycling manufacturers. Through these efforts, Canon promotes the circulation and effective use of limited resources.

Remanufacturing of Multifunction Printers

Since 1992, Canon has undertaken remanufacturing of used multifunction printers. This process involves a system that automatically determines which parts should be reused, based on operating data about the equipment, such as the number of years in use, its history of breakdowns, and the number of pages printed.

Then, following strict reuse standards, we replace any parts that show wear or deterioration. The production line and inspection processes used are on a par with those for devices made only with new parts. When a remanufactured device is shipped, it is guaranteed to offer the same level of quality as a new product. We market remanufactured devices from the imageRUNNER ADVANCE series under the Refreshed series brand in Japan and under the ES series brand in Europe.

Examples of Initiatives in Europe (Canon Giessen)

At Canon Giessen, a recycling site in Germany, data on parts is collected for each unit to determine reusability. We also run a system that records data from collected parts and reflects them into remanufactured devices to improve efficiency of production of remanufactured products.

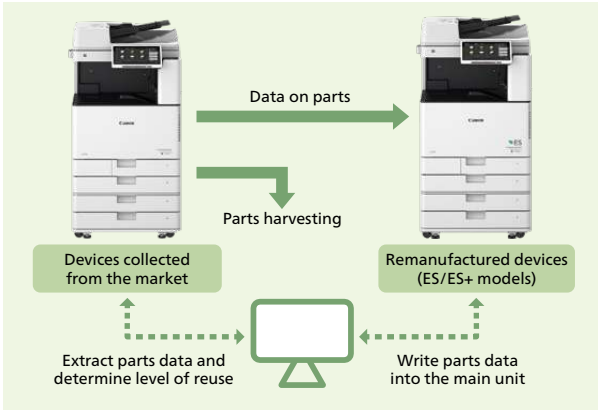
Reuse rate for product parts

Europe (Canon Giessen)
Target products: imageRUNNER ADVANCE DX ES Series

About **90%** or more



The remanufacturing process at Canon Giessen



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Comment from a European Marketing Representative for the ES Series

Customers increasingly seek solutions that comply with corporate sustainability policies and reduce hardware costs without compromising quality. They also require essential features for security and GDPR* compliance.

The ES series addresses these needs by providing competitive pricing compared to new models, significantly lowering carbon footprint through reduced CO₂ emissions in manufacturing and transport, and minimizing raw material use, thanks to remanufacturing in the CE region. These devices maintain high reliability and performance equivalent to new units, while incorporating robust data and network protection features.

Customer feedback has been very positive: organizations such as La Paz Hospital and Ilunion Hotels highlight ES devices as key to achieving sustainability goals without sacrificing quality or usability. Long-term users like Ibersalut, a public healthcare service organization, confirm consistent performance and cost savings, reinforcing ES as a trusted, environmentally responsible choice.



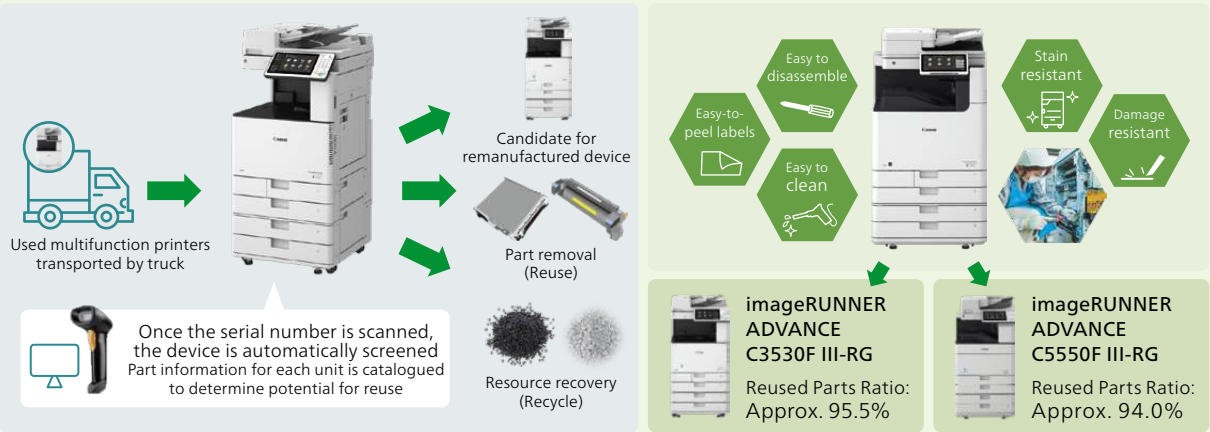
Andrés Sánchez Moreno
Sales and Marketing Department
Canon Spain

* GDPR : GDPR is an EU regulation that protects personal data.

Examples of Initiatives in Japan (Canon Ecology Industry)

In the Refreshed series, we have achieved a reused parts ratio of over 90% in all color multifunction printers. Especially in the imageRUNNER ADVANCE C3530F III-RG, we achieved an industry-leading reused parts ratio of about 95.5% by removing the smallest imperfections with the use of sandblast polishing.* To further promote the recycling of resources, we use approximately 83% recycled plastic in all of the plastic used in the packaging materials. In addition, Canon is creating product platforms to standardize parts and designing products that are easy to reuse and recycle through disassembly and cleaning.

* A technique for polishing resin surfaces by blasting with microparticles



Utilizing operational data to improve the efficiency of collection and remanufacturing

Remanufactured MFPs with a high rate of part reuse

Product Recycling Japan
[Canon Ecology Industry]



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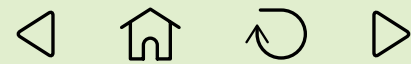
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Reuse of Parts

Canon collects parts from used products for maintenance purposes. Parts extracted from used products and collected parts undergo disassembly, washing, cleaning, and reassembly before being reintroduced to the market as components of remanufactured products or as maintenance parts.

Canon Giessen in Germany, Canon Virginia in the U.S., and Canon Eco Technology Park in Japan are engaged in the reuse of parts. The latter in particular is meeting maintenance demand after ceasing the production of MFP main units by operating production lines for new and reused parts in parallel. By reusing some of the collected parts in the production of new parts, we can reduce the use of virgin resources.

Development and Use of Recycled Plastic

Canon Eco Technology Park operates a closed-loop recycling system in which plastic parts extracted from collected machines are separated, washed and crushed to form pellets. The recycled plastic pellets are shipped to Canon production sites, creating a loop with a PCR rate* of 70-100%. The cumulative volume of pellets shipped as of the end of 2025 was 101 tons.

* PCR rate = the proportion of post-consumer recycled (PCR) materials in recycled materials

Plastic Sorting Systems and Analytical Instruments that Revolutionize Recycling Through Proprietary Technologies

In recent years, promoting and expanding plastic recycling has become an important theme in realizing a circular society.

Canon has developed plastic sorting systems utilizing tracking Raman spectroscopy technology, enabling the sorting of black plastics, which have traditionally been difficult to separate. In addition, Canon has newly commercialized the Raman Plastic Analyzer, applying this

technology to contribute to more advanced material analysis and quality control in the recycling process.

Through improving productivity with recycling technologies and maximizing plastic recycling, Canon will continue to contribute to the realization of a circular society.



(Left) Raman Plastic Analyzer TR-A100
(Right) Canon's high-precision galvanometer scanner sequentially irradiates multiple plastic pieces arranged on a tray with a laser, and the material is identified by spectroscopically analyzing the material-specific Raman scattered light generated in the process.

Initiatives Regarding Consumables

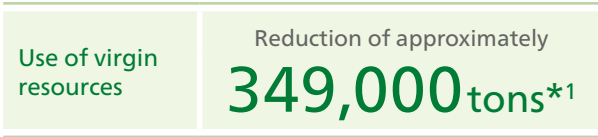
Toner Cartridge Recycling

Canon has been operating a Toner Cartridge Recycling Program since 1990, the first such program in the industry. Returned used toner cartridges are brought to Canon recycling sites and sorted by model. Reusable parts undergo the necessary washing and maintenance and are then reused in new products. Meanwhile, parts and materials that cannot be reused are crushed and separated by material using physical characteristics such as electrostatic properties and specific gravity. The primary material of toner cartridges is high-impact polystyrene (HIPS), used for the housing. HIPS can be used repeatedly to make new toner cartridges through closed-loop recycling.

Furthermore, we have been promoting the use of recycled materials procured from outside sources in new Canon products, thereby expanding the scope of resource efficiency.

Through such efforts, we have collected toner

cartridges in 24 countries and regions as of the end of 2025, with a cumulative collection volume of about 482,000 tons*¹, recycling the cartridges at four sites*² worldwide. As of 2025, we had also achieved a cumulative reduction in the use of virgin resources of approximately 349,000 tons*¹.



*¹ Figures include OEM products. The use of closed-loop recycled materials and recycled materials procured from external sources is also included.
*² Japan: Canon Eco Technology Park, United States: Canon Virginia, France: Canon Bretagne, China: Canon Dalian Business Machines

Collection and Recycling of Ink Cartridges

Canon has been collecting and recycling used ink cartridges since 1996. As of the end of 2025, the total volume of collected cartridges was 3,085 tons. In Japan, in conjunction with other printer manufacturers, Canon operates the Ink Cartridge Satogaeri (Homecoming) Project, a program that utilizes collection boxes for used ink cartridges in post offices, libraries, and other locations. Schools also collect cartridges through activities related to the Bellmark Campaign. Outside Japan, cartridge collection boxes are placed in large retail stores, companies, schools, and other locations. In Japan, collected cartridges are primarily closed-loop recycled as cartridge parts.



Collection box for the Ink Cartridge Satogaeri (Homecoming) Project

Collection/Recycling of Used Toner Bottles

At the Canon Eco Technology Park in Japan, since 1998 we have been collecting used toner bottles and reusing them simply as containers and for the purpose of recycling the plastic materials.

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Since 2022, Canon Bretagne in France has built a system for replenishing recovered toner bottles and supplying them to the regional market. This has not only further reduced the volume of plastic used, but also realizes energy savings at the point of toner bottle fabrication.

State-of-the-Art Automated Recycling Plant at Canon Eco Technology Park

In February 2018, we opened the Canon Eco Technology Park. Based on a “clean and silent” design concept, which overturns the traditional image of recycling operations, the facility has implemented advanced systems to further boost recycling efficiency. The Canon Automated Recycling System for Printer Toner Cartridges (CARS-T) is a process in which, after separation using a camera-based process, used toner cartridges are crushed and materials automatically separated for recycling of the main component, high-impact polystyrene (HIPS). The sorting purity of the recycled plastic reaches 99% or greater* with the intensive use of various separation technologies at the different stages of the process. With the recycling system for ink cartridges (Canon Automated Recycling System for Ink Cartridges: CARS-I), a camera-based automatic sorting process is applied to used ink cartridges. The automated process line covers disassembly, pulverization and washing. Separated materials are reused for ink cartridge components and packaging. Resources that cannot be recycled in product-to-product recycling are diverted to material recycling or thermal recovery processes to help maximize resource efficiency. Additionally, we have a showroom to highlight the remanufacturing of office products (→P32) and Canon’s environmental initiatives (→P19).

* 99% or greater based on Canon’s in-house sorting method



The Canon Automated Recycling System for Toner Cartridges (CARS-T)

Action to Reduce Single-Use Plastics

Canon is actively working to eliminate plastic packaging materials to help bring about a sustainable future. For the CRG070 toner cartridge series, we replaced the recycled plastic cushioning material previously used with recycled paper cushioning.



Plastic cushioning materials



Paper cushioning materials

Replacing cushioning materials in the CRG070 series

Preventing paper fibers from adhering to products was an issue when adopting paper cushioning materials. Previously, products had to be protected from such fibers with plastic bags, but applying an additive to the surface of the cushioning materials rendered plastic bags unnecessary.

This step enabled us to achieve zero plastic use*¹ in product packaging materials (outer boxes, cushioning materials, and protective bags) as well as the use of 100% renewable materials, thus reducing both the

amount of materials used and the environmental impact. Moreover, we reduced CO₂ emissions associated with the raw materials and manufacturing of the cushioning materials for the series by approximately 65%.



* 1 Excluding materials used for labels, coatings, and adhesives
* 2 Comparison of before and after replacement of cushioning materials for CRG070 series toner cartridges

Canon is also driving innovation in the packaging of ink tanks for industrial printers to reduce environmental impact.

At Canon Production Printing, ink is traditionally packed in plastic ink tanks that cannot be recycled due to the presence of ink residue after use, yielding a lot of plastic waste. To reduce plastic waste, we have adopted a new “Bag-in-Box” system. By filling ink into a flexible plastic bag supported by a sturdy cardboard box, the company has achieved a 60–80% reduction in plastic usage, a 75% reduction in storage space for empty containers, and a 40–70% decrease in its carbon footprint.

In addition, connecting the ink to the printer is clean and simple, preventing foaming and ink loss during filling while improving work efficiency. This solution successfully combines environmental responsibility with convenience, delivering a sustainable approach.



varioPrint IX



Mechanism of the Bag-in-box System

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The issue with corrugated cardboard packaging for office multifunction printers is their increased weight, as more material is usually needed to achieve the same functionality as expanded polystyrene. To reduce packaging volumes while maintaining functionality, we are adopting packaging designs based on the use of prefabricated corrugated board, which reduces the weight and helps to lower CO₂ emissions in the transportation process.

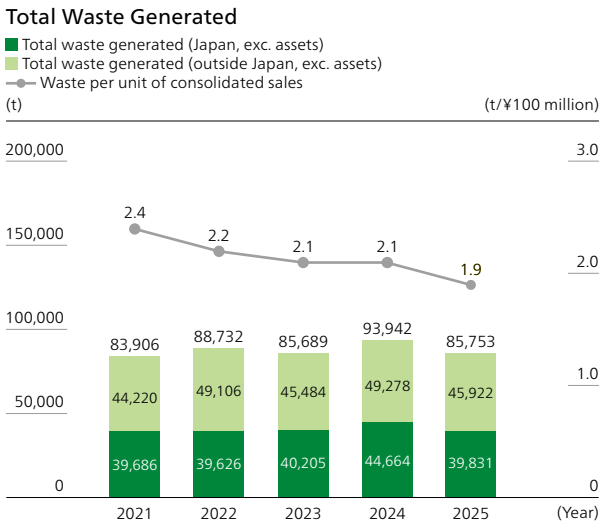


Prefabricated corrugated board packaging

Initiatives to Reduce Waste at Operational Sites

Canon is working hard to reduce the amount of waste it generates. Efforts include increasing recycling through sorting and collection and minimizing initial waste generation. In particular, we have sought to determine which factors most significantly affect waste generation at production sites for each division and each production process. In addition to recycling plastic scraps generated during production, for parts that meet required characteristics, Canon Prachinburi (Thailand) uses parts made from 100% recycled materials, promoting circular manufacturing. Canon Dalian Business Machines is working on the filtration and recycling of grinding fluids. In addition, Fukushima Canon and the Toride Plant have introduced an automatic collection and aggregation system for waste data at the time of disposal, making it easier to calculate waste by workplace and facilitating efficient reduction activities.

Total waste generated in 2025 was 85,753 tons, a decrease of 8.7% compared to 2024.



* Excludes disposal of products collected after use.
* The scope of aggregation mainly includes companies that have acquired ISO 14001 consolidated certification.

Initiatives Related to In-house Waste Recycling and Outside Resource Recovery

Canon actively works to reduce the amount of waste originating from its operations and to reuse or recycle waste where possible, appropriately disposing of any waste that can be neither reused nor recycled in accordance with the law. Our various operational sites employ a range of in-house recycling schemes, including reusing stretch film, plastic bags, and other component packaging materials to make artificial wooden benches other in-house furnishings. In Japan, even in the case of waste that must be sent outside the company, we outsource the recycling of each resource to ensure that it does not enter landfills*. In 2025, contracted companies processed 84,382 tons of waste from Canon back into materials.

* Except for some general waste generated by business activities that is disposed of under government oversight.



Artificial wooden benches

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Chemical Substances

Canon thoroughly manages chemical substances in products and those used in manufacturing processes.

Approach to Managing Chemical Substances

As a company that operates globally, Canon cannot ignore the various risks we face, such as that stricter regulations will increase the costs of chemical substance management and cause the suspension of production or disruption to the parts supply chain among suppliers. From this perspective, we are committed to supplying safe products through environmentally conscious manufacturing and maintaining competitiveness through more advanced chemical substance management, contributing to management efficiency across the supply chain and to international standardization.

From this perspective, Canon strictly manages chemical substances in products as well as those used in manufacturing processes. Our basic approach to management involves confirming products do not contain regulated chemical substances that exceed the prescribed standard and production sites do not discharge regulated chemical substances that exceed the prescribed standard.

Management of Chemical Substances in Products

Canon has built a Canon-wide environmental assurance system for managing chemical substances in products. Taking the laws and major environmental-labeling requirements around the world into consideration, we established in-house standards in line with the most stringent regulations in the world, and are working to develop products that comply with these standards. Specifically, we classify and rigorously manage chemical substances as shown in the table below.

2025 Targets*1		2025 Achievements*2
Operational Sites	Emissions of controlled chemical substances per basic unit: 1%	0.9% improvement

*1 Calculation based on average annual improvement rate of the three most recent years. The basic unit denominator is decided according to the characteristics of each operational site (production volume, effective floor area, workforce, etc.)

*2 For scope of data collection: <https://global.canon/en/sustainability/report/pdf/data-2026-e.pdf>

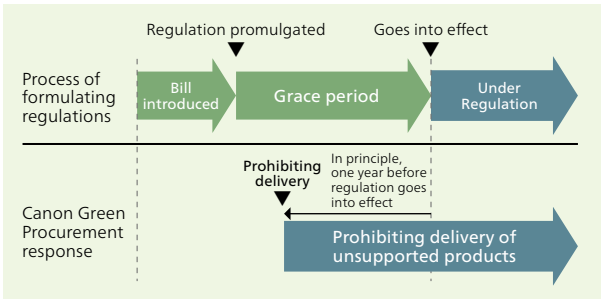
Classification and Management Method for Chemical Substances Contained in Products

Classification	Management Method
Prohibited substances	Chemical substances which cannot be used in products
Use-restricted substances	Substances for which substitution or phase-out is pursued, and whose use is prohibited after a specified deadline
Controlled substances	Chemical substances for which the amount should be monitored

To ensure rigorous management and compliance with laws and regulations, the Canon Green Procurement Standards prohibit, in principle, the delivery of parts and materials containing regulated substances starting a year before new laws and regulations come into effect. The standards also make even stronger demands of suppliers and clarify the need to provide reliable chemical substance information.

Reference: Green Procurement
<https://global.canon/en/procurement/green.html>

Process of Establishing Chemical Substance Regulations and Canon's Response



Canon also uses a product assessment framework to thoroughly prevent prohibited substances from being included in our products. This involves confirming before mass production of each product begins that chemical substances are being managed according to the classifications in the table on the left, and that all parts and materials used in the product comply with the required criteria.

Furthermore, as regulations on chemical substances have rapidly become more stringent in recent years, companies have to accurately gauge regulatory trends and respond swiftly and flexibly. Canon also obtains information in advance on chemical substances that are expected to be regulated, at the same time working with suppliers to ensure that our products comply with laws, including by interviewing suppliers about their plans for and the status of substituting parts containing regulated substances.

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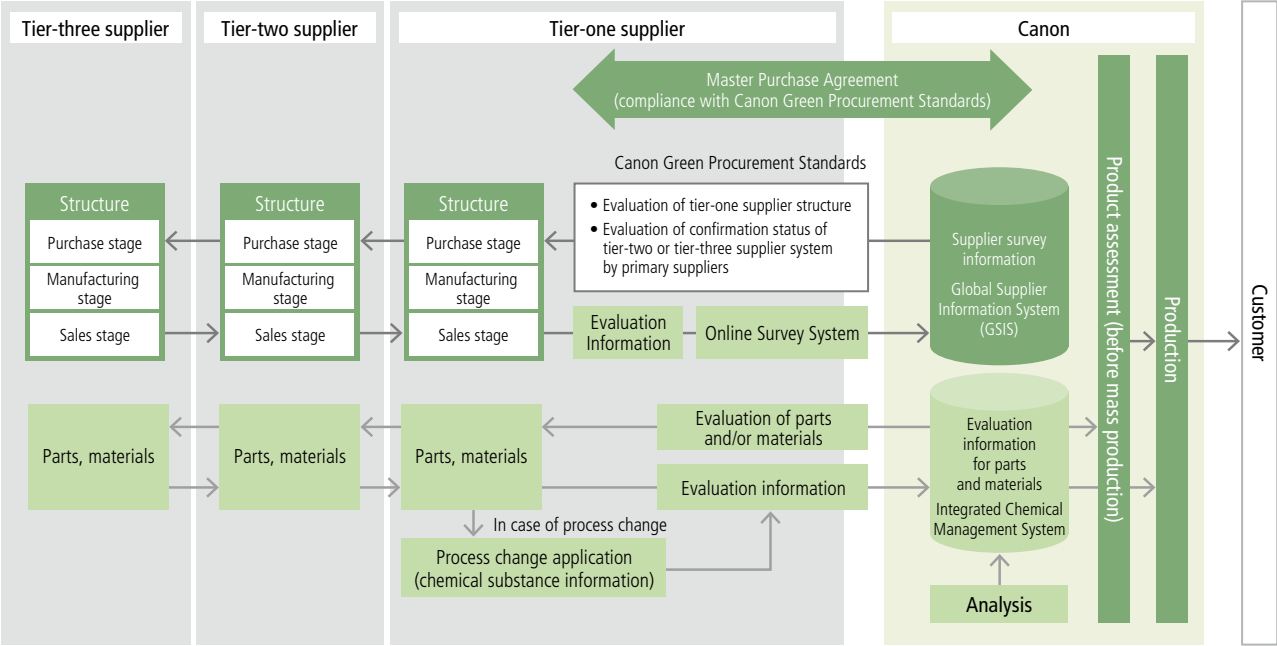
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Hazardous Chemical Substances Management System



Utilization and Development of the chemSHERPA System for Information Sharing on Chemical Substances

To manage chemical substances appropriately, it is important to share information on the chemical substances contained in materials, parts, and products accurately and efficiently along the supply chain from upstream to downstream, and to ensure compliance with all applicable regulations. After adopting the IEC62474* international standard data scheme, Canon in 2017 began utilizing the chemSHERPA data scheme for information sharing, standardized under the initiative of Japan's Ministry of Economy, Trade and Industry. As of

2025, more than 99% of survey replies from suppliers have been made through chemSHERPA. This has led to increased workplace efficiency while helping alleviate the administrative burden on suppliers. Meanwhile, for suppliers who have difficulty with the reply process, we have prepared guide manuals in Japanese, English, and Chinese to promote the progressive global adoption of chemSHERPA.

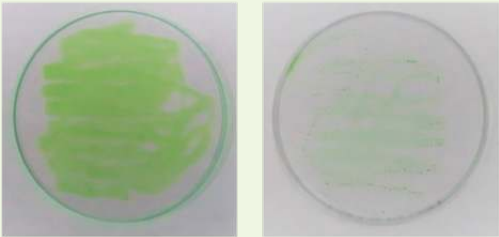
* Material Declaration for Products of and for the Electrotechnical Industry. International standards issued by the IEC (International Electrotechnical Commission) in March 2012 aiming to streamline the material declarations on chemical substances and compositions contained in the products of the electrotechnical industry in the global supply chain.

Participation in Study of Next-Generation Information Sharing Scheme

Discussions are underway across industries on the Chemical and Circular Management Platform (CMP), a next-generation information sharing scheme that seeks to address issues that face current information sharing methods, such as lowering the burden of chemical substance surveys throughout the supply chain and the need to readminister surveys when regulations change. Taking part in the CMP discussions as a key member, Canon will continue to address issues in the sharing of information about chemical substances and reduce the burden across the supply chain.

Fluorine-free Water Repellent Coating Material

PFAS are known as "eternal chemicals" because they persist in the environment for long periods of time. Since they can contaminate tap water and soil and cause damage to health, there are growing calls for their reduction. To address social demands for the reduction of PFAS, Canon Optron has developed OR-510, a fluorine-free coating material. Offering water repellent and antifouling properties and a low refractive index, the coating makes it easier to wipe off fingerprints on smartphones and tablets and reduces the adhesion of water droplets without interfering with the optical properties of glasses, sunglasses, and camera lenses.



OR-510 Uncoated

OR-510 Coated

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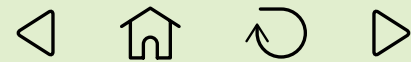
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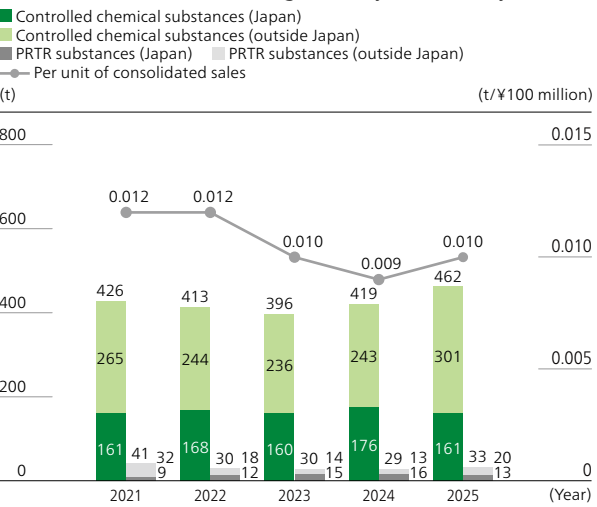
Managing Chemical Substances Used in Manufacturing Processes

The chemical substances handled during manufacturing at Canon include “controlled chemical substances” regulated in terms of safety such as negative impact on human health, the environment, and flammable risk. Canon categorizes these substances and has put effective measures in place for each category.

Reducing the Usage and Emission of Controlled Chemical Substances in Production Processes

Canon production sites engage in various initiatives to reduce and control emissions of controlled chemical substances shown in the table on the right, including reducing the volume of substances used by improving production processes and reusing the substances.

Emissions of Controlled Chemical Substances and Amount of Chemical Substances Designated by the PRTR System*



* PRTR System: Pollutant Release and Transfer Register System, a notification system for the transfer and release of chemical substances.
* Controlled chemical substances exclude regulated substances.
* The scope of aggregation mainly includes companies that have acquired ISO 14001 consolidated certification.

Classification and Measures for Controlled Chemical Substances in Production Processes

Classification	Explanation	Response Measures
A	Substances specified by the Chemical Weapons Convention, the Stockholm Convention, the Montreal Protocol and the Convention concerning Safety in the Use of Asbestos, as well as specified greenhouse gases (PFCs/HFCs/SF ₆), other soil and groundwater pollutants, and substances that significantly impact people’s health	Prohibit use in principle. Only use as an exception when there are no alternatives and the substance is not prohibited by law after applying for and receiving permission, and control the amount used.
B	Greenhouse gases other than PFCs/HFCs/SF ₆ , greenhouse gases whose global warming potential (GWP) has been determined by the IPCC, volatile organic compounds (VOCs), and other substances designated by Canon	Aim to reduce use and emissions through substitutions, sealing, recovery, etc.
C	Chemical substances with defined compliance requirements, including compliance with reference values and the ascertainment of usage and storage quantities	Manage the amount of use and usage history in accordance with laws.

For example, Canon Dalian Business Machines took steps to reuse and recycle solvents, as did Canon Inc., Taiwan, amid other efforts to replace controlled chemical substances with other substances.

Reducing Emissions into the Atmosphere and Waterways and Preventing Pollution

Canon alleviates the environmental impact of its operational sites by reducing emissions of NOx*¹ and SOx*², which are major causes of air pollution and acid rain; reducing discharge of phosphates and nitrogen compounds, which cause the eutrophication of water environments; and, reducing BOD*³ and SS*⁴, which indicate an environmental impact in water areas.

Canon Components sought to completely eliminate industrial effluent by reducing ink waste and processing it in-house. The company formerly relied on outside contractors to process some of the effluent generated in the ink production process, but by improving cleaning efficiency, it has reduced residual ink by 85% and effluent by 50%. Moreover, we have realized the in-house processing of new ink waste using proprietary coagulation and separation technologies. By successfully improving in-house processing capabilities, the company has also completely eliminating industrial effluent by

processing all effluent in-house, significantly reducing the energy required for transport and processing. We will continue to process all ink waste in-house and maintain a sustainable production framework.
To prevent air pollution, when installing or updating equipment that uses fuel, Canon opt for fuels that minimize generation of air pollutants (such as sulfur oxide, nitrogen oxide and soot), and have banned the use of heavy oil in principle. Furthermore, we have designated ozone-depleting substances and persistent organic pollutants cited in the Stockholm Convention on Persistent Organic Pollutants as banned substances. With regard to wastewater, each operational site sets standard values based on local laws and regulations. Also, control values are set at 80% of the standard values as management standards at each site. We regularly check the status of compliance.

*1 Nitrogen oxides (NOx) A major cause of air pollution, acid rain and photochemical smog, NOx is generated when the nitrogen in fuels is oxidized or when nitrogen in the atmosphere is oxidized during high temperature combustion.
*2 Sulfur oxides (SOx) A major cause of air pollution and acid rain, SOx is generated when fossil fuels, such as oil and coal, are burned.
*3 Biochemical oxygen demand (BOD) BOD is the amount of oxygen consumed when microorganisms degrade organic matter in water. Larger figure indicates worse water quality.
*4 Suspended solids (SS) A collective term used for substances of less than 2 mm in diameter that float in the air and do not dissolve.

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Soil and Groundwater Management Status

Placing high priority on soil and groundwater protection, Canon has established an internal Basic Policy on Soil and Groundwater Pollution to guide us as we seek to implement comprehensive response measures. In the unlikely event that soil or groundwater pollution is found at one of our operational sites, cleanup and remedial actions are carried out in close accordance with all relevant laws (see table below). Canon has also adopted, in principle, an internal standard for acquiring new land, conducting a preliminary soil examination and carrying out any other necessary procedures, such as soil remediation, before making the purchase. We also monitor the chemical substances used at each site and, considering applicable national and regional standards, develop risk countermeasures according to the local situation.

PCB Waste Management

In accordance with Japan’s PCB Special Measures Act, at Canon’s domestic production sites, polychlorinated biphenyl (PCB), which may have adverse effects on human health and the environment, is strictly managed. As of December 2025, no operational sites stored highly concentrated PCB waste.

Soil and Groundwater Contamination Management Examples

Operational Site	Substances	Measures
Shimomaruko	1,2-dichloroethylene	Injection of treatment agents, water quality measurement
Utsunomiya parking lot 1	Fluorine and its compounds, etc.	Pumping, water quality measurement
Toride	Trichloroethylene, etc. Hexavalent chromium and its compounds	Covering, pumping, water quality measurement
Canon Ecology Industry	Trichloroethylene, 1,1-dichloroethylene	Covering, pumping, water quality measurement
Canon Components	Mercury and its compounds	Covering, water quality measurement

* Reports are made to the authorities concerning sites where remediation is in progress.

Biodiversity

Under our Biodiversity Policy, we have formulated the slogan “Nature Positive” and are pursuing activities rooted in local communities worldwide.

Managing Risks and Opportunities

The reduction in the supply of printing paper due to the decrease in forest resources, unstable water supply caused by abnormal weather, and the disruption of local ecosystem balance pose risks that constrain business activities. At the same time, regional water stress brought about by business activities also warrants attention. From this perspective, we ensure that we conduct business in harmony with the local community by capitalizing on our own products and technologies in conserving ecosystems, contributing to the local community, and devising actions to minimize our impact on the environment.

Biodiversity Policy

Canon recognizes biodiversity as essential for a sustainable society. We carry out various activities to conserve and protect biodiversity under the Canon Group Biodiversity Policy.

Reference: Canon Group Biodiversity Policy
<https://global.canon/en/sustainability/environment/biodiversity/policy/>

Response to TNFD

Canon believes that actions to conserve biodiversity will prevent the loss of economic activity, create jobs and business, and lead to Canon’s sustainable development. For this reason, we are currently assessing issues related to the natural environment, including our dependence on natural capital and our impact on such capital, and are steadily increasing our disclosure on these issues in accordance with the framework of the Task Force on Nature-related Financial Disclosures (TNFD).

2025 Targets*1		2025 Achievements*2
Operational Sites	Water usage per basic unit: 1% improvement	0.9% improvement

*1 Calculation based on average annual improvement rate of the three most recent years. The basic unit denominator is decided according to the characteristics of each operational site (production volume, effective floor area, workforce, etc.)
*2 For scope of data collection: <https://global.canon/en/sustainability/report/pdf/data-2026-e.pdf>

Initiatives in 2025

Canon took part in the TNFD Forum in 2025 to gather information on the Taskforce’s initiatives. Also, in line with the LEAP (Locate, Evaluate, Assess, Prepare) approach, we initiated the Locate phase of analyzing our main operational sites and marketing and production sites (80 locations in Japan and overseas), targeting direct operations.

Analysis of Interface with Nature (Locate)

We used the ENCORE* tool to assess the dependencies and impacts on nature in each of Canon’s business sectors. By creating and scoring a heat map, we found that several businesses have relatively high dependencies and impacts on nature.

We also assessed ecologically sensitive locations based on the location information of the sites. Under the definition of sensitive locations (see table at right), we used the analytical tools below to score five items. This allowed us to understand the ecological dependency and impact of the various sites.

* Exploring Natural Capital Opportunities, Risks and Exposure (ENCORE):
A nature-related risk management tool that can assess dependencies and impacts on nature for each type of economic activity.

Definition of Sensitive Locations
• Areas of biodiversity importance • Areas with high ecosystem integrity • Areas where ecosystem integrity is declining rapidly • Areas with high water physical risks • Areas where ecosystem services provided are important, including benefits to indigenous communities, local communities and stakeholders

Analytical tools for sensitive locations

- IBAT*1
- WWF Risk Filter Suite (BRF/WRF)*2
- Global Forest Watch*3

*1 Integrated Biodiversity Assessment Tool (IBAT): A biodiversity assessment tool that integrates global databases such as the IUCN Red List of Threatened Species, the World Database on Protected Areas (WDPA), and the World Database of Key Biodiversity Areas (WDKBA).
*2 WWF Risk Filter Suite (BRF/WRF): A set of tools for assessing nature-related risks. It consists of two tools: the Biodiversity Risk Filter (BRF), which assesses biodiversity risks, and the Water Risk Filter (WRF), which assesses water risks.
*3 Global Forest Watch: An online platform that provides data and tools for forest monitoring.

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Based on the results obtained and the fact that Canon’s manufacturing processes require substantial water resources, we narrowed down priority areas from the 80 sites. As a result, 12 sites were provisionally selected as candidates for priority areas.

However, the assessments provided by the tools are limited to general applications and may not reflect actual conditions in regions where each site is located. Accordingly, we will continue to conduct detailed surveys, evaluating impacts on business and the environment to identify priority locations, while also identifying dependencies, impacts, risks, and opportunities in accordance with the analysis from the Evaluate phase onwards.

Initiatives to Support Continuous Use of Sustainable Forestry Resources

To help support biodiversity, Canon promotes the use of sustainable forestry resources as the raw materials for the paper used in its products. Having established procurement policies favoring the purchase of paper products derived from sustainably sourced wood pulp in 2015, we sell office paper made under forest certification schemes or using environmentally conscious raw materials.

Reference: Basic Policy on the Procurement of Timber Products
<https://global.canon/en/sustainability/environment/biodiversity/policy/>

Canon Bird Branch Project

Biodiversity refers to the way living things interact as they coexist on earth. Within this sphere, birds occupy the top position in a local ecosystem pyramid of plants, insects, and small animals, symbolizing the cycle of life. Emblematic of our activities based on the Canon Group Biodiversity Policy is the Bird Branch Project, an initiative Canon launched in 2015 that encompasses a range of bird-centered activities. Marking its 10th anniversary, the project has been taken on board by various operational sites in Japan and overseas. For example, Canon’s Shimomaruko headquarters complex in Tokyo includes a greenspace with a wide variety of trees that we call the Shimomaruko Woodland. Under the supervision of the Wild Bird Society of Japan, a monthly census of the migration of wild birds is carried out. The number of observed species has grown from 23 in 2014 to 45 as of the end of 2025, indicating the success of our efforts to promote species diversity.

At Canon Ecology Industry, with the support of experts from the Wild Bird Society of Japan, we have been actively working to attract kingfishers to the retention pond at the site since 2020. This has included releasing small fish species such as gudgeon and ginbuna that are common prey for kingfishers, which has resulted in an adult kingfisher being observed at the site.

Oita Canon Materials is pursuing greening activities that pay special attention to harmony with the surrounding environment and Japan’s four seasons. The subsidiary has also installed nesting boxes to create a bird habitat and actively takes part in volunteer activities to clean up the environment around its premises.

Canon Fuji-Susono Research Park properly maintained and managed the green space that covers 88% of the site, as well as planting trees and installing nesting boxes to create an environment hospitable to incoming wild birds. In addition, we conducted local cleanup activities, including areas surrounding the park office, and held

on-site environmental classes and career education for elementary and junior high school students.

Canon China held a Bird Branch Photo Exhibition in which employees of Group companies in China were asked to submit photos with a wild bird theme. The photos were displayed in showrooms in Beijing, Shanghai, Guangzhou and Chengdu. Canon China also actively disseminates information about its activities and bird-watching columns on its website and social media.

At other sites as well, we have created biotopes, with bird baths and nesting boxes installed and kept clean and measures taken to protect against bird strikes, creating on-site environments conducive to bird life. By sharing successful nesting inside nesting boxes and other activities, it gives employees an opportunity to study aspects of the lives of wild birds even in familiar surroundings. Meanwhile, 12 of our operational sites, including Oita Canon Materials, participate in the seasonal wildlife monitoring scheme proposed by the National Institute for Environmental Studies. Participants report the species of bird, plant, reptile, and insect observed at the site as well as the date on which the first birdsong of each species is heard, the date on which it is first seen, and the date on which each tree or plant begins to flower. These data also make a useful contribution to academic studies.



The common kingfisher that flew into the site

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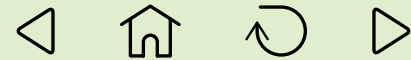
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Contributing to “30by30 Global” Target

In 2023, a green area on Canon’s headquarters grounds, where nearly 1,000 trees of approximately 80 different species have been planted, was certified by Japan’s Ministry of the Environment as a Natural Coexistence Site under the name “Shimomaruko no Mori.”

This certification program recognizes areas where biodiversity conservation is promoted through private-sector initiatives and other efforts, supporting the global target known as “30by30,” which aims to effectively conserve more than 30% of land and sea areas as healthy ecosystems by 2030. Shimomaruko no Mori was recognized not only for its contribution to local biodiversity conservation but also for its

initiatives under the Bird Branch Project.

In addition, Shimomaruko no Mori was registered in an international database as an OECM* in 2024.

Furthermore, the Oita Plant of Oita Canon Inc. and the headquarters of Canon Medical Systems Corporation were certified as Natural Coexistence Sites in 2024, followed by Canon Ecology Industry in 2025.



“Nature Symbiosis Site” certificate

* Other effective area-based conservation measures
Areas outside protected areas that support biodiversity conservation

“Nature Positive” Initiatives at Canon

In recent years, in addition to biodiversity conservation, “Nature Positive” initiatives, aimed at halting and reversing biodiversity loss, have been gaining increasing attention. Canon has adopted Canon-wide slogan “Nature Positive” to guide our collaboration with stakeholders at marketing and production sites worldwide in developing activities in line with local needs.

Bosque Canon (Canon Forest) Reforestation Project

With the help of our partner Bosquia, we successfully concluded a project to reforest Bosque Canon (Canon Forest.) We planted trees, including pine trees and white birches, in Forcarei, a village in northwest Spain. Over the course of their expected lifetime of 30 years, these trees will offset 1,200 tons of carbon dioxide emitted by our business activities. In recognition of these activities, Canon Spain has become the first manufacturer in the Spanish printing industry to receive the COMPENSO seal from the Spanish Ministry of Environment.



Tree planting at Bosque Canon

Worldwide rollout of locally focused activities

- Forest clean-up activities
- Reforestation activities
- Sand dam construction
- Placing of bird nesting boxes
- Tree-planting activities
- River clean-up activities
- Provision of greenspace
- Beach cleanup
- Environmental outreach classes
- Wastewater recycling systems
- Environmental protection activities
- Elimination of invasive species
- Restoration of coral reefs
- Protection of marine mammals and sea turtles

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Supporting Conservation Reserves Through Local Carbon Credits

Canon New Zealand is committed to “Nature Positive” through the purchase of local carbon credits. In 2025, the company supported Owenga Station on the Chatham Islands, where 1,000 hectares of permanent forest managed by Moriori descendants help protect rare species and sequester carbon. Canon purchased 344 credits, contributing to the 2,384 t-CO₂ emissions the project removes from the atmosphere annually. Additionally, the company supported the Tempello Biodiversity Project in Marlborough, which restores 1,600 hectares of indigenous dryland forest, home to diverse native fauna. Canon purchased 350 credits, supporting the removal of about 2,189 t-CO₂ per year.



Tempello Biodiversity Project working to restore Marlborough’s indigenous dryland forest

Canon Receives Encouragement Award at 13th Green Social Contribution Award Ceremony

Canon Optron has created its own biotope, Optron Forest, which serves as a habitat for wild birds and other creatures, and has made the site available to local kindergartens and other community residents. In addition, the company is pursuing a wide range of initiatives for “Nature Positive”, such as using goats to remove weeds.

The Organization for Landscape and Urban Green Infrastructure recognizes green spaces that have achieved outstanding results in terms of environmental activities, such as good management, contributions to the local community making the spaces available to the public, and biodiversity conservation. At the 13th Green Social Contribution Award ceremony hosted by the organization, the Canon Group received an Encouragement Award for the first time.



Weeding with goats

Protection of Marine Mammals and Sea Turtles and Support at Ocean Release Events

Canon U.S.A., Inc. supports the New York Marine Rescue Center (NYMRC) Marine Mammal rescue release program. It has been an annual summer tradition for Canon U.S.A., employees, their families, and friends to watch the moment when a cold stunned sea turtle that was rescued by the NYMRC and nursed back to good health is released back into the ocean. Through Canon’s sponsorship, the turtle was satellite tagged, so the NYMRC can continuously track its journey after it returned back to the ocean.



Employees, along with their families and friends, watching the moment a rescued sea turtle is released back into the ocean

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Utilizing Imaging Technology in Coral Reef Restoration

Canon U.S.A. has been collaborating with the University of Miami since 2019 on a Canon Reef Restoration Project to regenerate coral reefs that have been devastated by years of climate change and ocean pollution. Coral reefs play a crucial role in maintaining the balance of marine ecosystems. The Rescue a Reef program at the University of Miami conducts research, works to restore coral reefs, and raises public awareness through education and experiential activities. Each year, “Canon Coral Conservation Fellows” help capture beautiful images in videos and photographs utilizing cameras provided by Canon U.S.A to highlight this work.



Coral conservation efforts © University of Miami/ Amy Tune

Comment from University of Miami

Coral reefs are incredibly important ecosystems that support livelihoods, protect coastlines, and provide habitat. However, they have experienced significant declines due to local and global stressors. To address this, we must take meaningful action to better conserve and restore coral reefs. While we are a leader in coral research and restoration, we lacked the skills and resources needed to communicate these problems with the public. Canon’s support transformed our efforts through the creation of the fellowship program, which trains and empowers students with visual storytelling skills to capture and communicate our work—from underwater restoration to laboratory breakthroughs. This expanded capacity both increases public awareness and inspires the next generation of storytellers. Looking ahead, this partnership continues to amplify both our research impact and our ability to engage global audiences.



Amy Tune
Rescue A Reef
University of Miami

Protecting Insects

Canon Giessen is working to protect insects by installing dead hedges and insect hotels* for insects to live in. They also scatter flower seeds to create and improve a habitat and food source for insects, and also provide a water source lined with moss and stones to prevent the insects from drowning. Insect populations in Europe have been shrinking for more than 10 years, with the loss of habitat, the use of agricultural insecticides, the lack of nesting areas, and climate change all contributing to the decline. Preventing insect decline through these efforts also helps protect the birds that feed on the insects.



The installed insect hotel

* Insect hotel: A habitat for insects made from natural materials like bamboo and other wood types

Disaster Recovery and Ecosystem Conservation Activities

Fukushima Canon launched the “Rice Terrace Restoration Project” in 2020 in collaboration with Fukushima City Kobori-no-Mori, a nature observation and wild bird conservation facility in Fukushima City, with the aim of restoring rice terraces damaged by Typhoon No. 19 in 2019. Restoration activities were completed by 2023, and the project has since entered a maintenance phase.

Currently, twice a year, employees and their children participate in conservation activities to maintain environments suitable for aquatic organisms, including securing open water surfaces by removing sediment and fallen leaves. As a result of these efforts, a wide variety of wildlife has been observed, including the Japanese brown frog (*Rana japonica*), which is designated as a prefecture-level Near Threatened species.



Volunteers taking part in the rice terrace ecosystem restoration project

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Water Resources Policy

At Canon, we rely on numerous water resources in its production processes. We have therefore formulated a Canon Group Water Resources Policy, and we work both to promote the effective use of water and to prevent water pollution. We also recognize that water is closely linked to climate change and other environmental issues, and we understand impact on the environment.

With regard to Canon’s initiatives on water resources, we will continue to enhance our disclosures in line with the TNFD framework (→P41).

Reference: Canon Group Water Resources Policy
<https://global.canon/en/sustainability/environment/water/policy/>

Initiatives for Sustainable Use of Water Resources

Reducing Water Usage

Canon collects water data by intake source (public water system, industrial water system, or groundwater) and manages water resources carefully so as not to exceed intake limits for the different regions in which it operates. We also set and manage targets for the volume of water used in production, and constantly strive to further reduce water usage by improving production processes, raising water-usage efficiency and enhancing the quality of our water management.

Helping to Significantly Reduce Water Usage in Semiconductor and Electronic Devices Manufacturing

Semiconductors are an indispensable part of our everyday lives. Amid mounting demand for semiconductors in recent years, semiconductor plants are being built across regions both in Japan and overseas. From the perspective of both the environment and costs, there are strong calls for semiconductor plants to reduce their environmental impact.

The semiconductor manufacturing process involves the use of a large volume of water resources for cleaning materials and cooling manufacturing equipment. Taking the needs of the environment and customers into account, Canon ANELVA has developed a new product family, Adastra, with the aim of conserving energy and resources, including cooling water. The company significantly revised the cooling water system of Adastra products, reducing cooling water usage by up to 55% compared to previous models and reducing energy-related CO₂ emissions by up to 24%. Modules can also be combined flexibly and the equipment can be used in the fields of semiconductors and other electronic devices, making it suitable for an array of development and mass production scenarios.

As Adastra products gain use in a broad range of fields and in a variety of situations, they will contribute to a better future for people and the natural environment.



Adastra series of semiconductor and electronic part manufacturing equipment

Water Recycling at Production Sites

Canon promotes the recycling of water resources. For example, taking into consideration its impact on the marine ecosystem of nearby Beppu Bay, which abounds with precious natural resources and habitats, the Kitsuki Plant of Oita Canon employs a fully closed wastewater system that discharges only rainwater. At Canon Ecology Industry, wastewater from equipment used in air conditioning and other infrastructure is treated and recycled for reuse in the production process of toner and ink cartridges. Canon Inc., Taiwan’s production site re-uses the wastewater from the cleaning equipment in

the polishing process. We are also working to keep water consumption at our marketing sites to an appropriate level by measuring and monitoring the amount of water used at main sites. Canon Marketing Japan is reducing water consumption at its head office building by using recycled water supplied by the Tokyo Sewerage Bureau for flush toilets and other purposes. Although there was a larger volume of cooling water used for facility maintenance and due to high prevailing temperatures, total water consumption was down by 3.3% in 2025 from the previous year to 8,405,000 m³, as various Canon sites are making ongoing efforts to reduce water usage.

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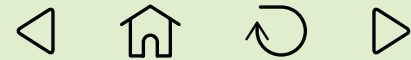
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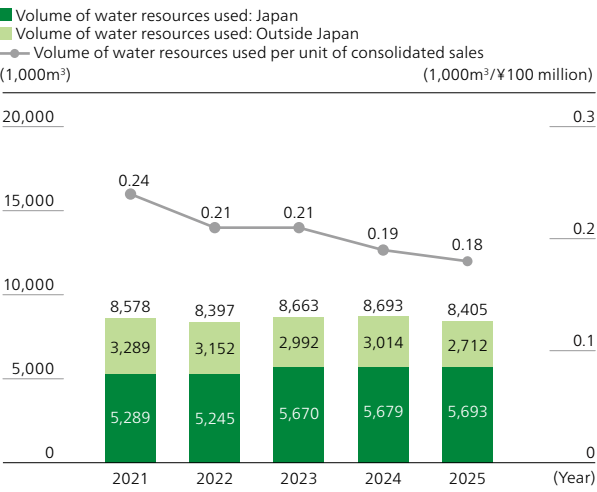
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Use of Water Resources



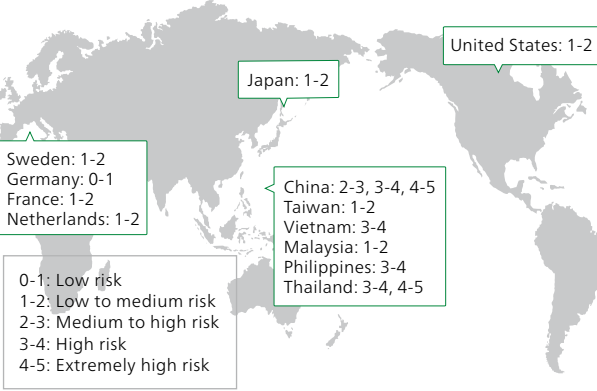
* Third-party assurance obtained for water consumption figures from 2018.
* The scope of aggregation mainly includes companies that have acquired ISO 14001 consolidated certification.

Water Risk in Regions Where Production Sites Are Located

Canon assesses locations to confirm available water intake volume before establishing operational sites and facilities. We use the AQUEDUCT water-risk mapping tool provided by the World Resources Institute* for quantitative evaluation and reconfirmation of water risk in regions where production sites are located, and work to reduce water consumption in response to local conditions. Furthermore, among our production sites and plants in Japan and overseas, although four locations were found to be at medium-high risk of flooding near rivers or along coastal areas, we have already implemented necessary measures according to the situation at each location, including installing flood barriers, upgrading rainwater pipes, and raising the height of blocks used in perimeter fences. We will continue to consider various measures to mitigate the impact of damage and losses caused by natural disasters.

* World Resources Institute: WRI is an independent institute based in the United States that conducts policy research and provides technical assistance concerning environmental and development issues around the world.

Water Risk (Quantitative) in Countries and Regions with Major Production Sites



* Result of “physical risk quantity” assessment of production sites (as of end of 2020) using AQUEDUCT water-risk mapping tool (Version 4) (as of March 2026)

Water Resource Conservation Initiatives

Mangrove Restoration and Coastal Cleanup Activities in Thailand

Canon has been collaborating with the Department of Marine and Coastal Resources (DMCR) since 2019 to address critical marine and coastal issues in Thailand through its Canon Marine Rangers program. The program has targeted more than 10 areas across the country to date, encouraging participation in the local community and raising awareness of marine ecosystem conservation.

The 13th such activity took place at the Economic Aquatic Animal Hatchery Innovation Center in the Khao Samphao Khwam Community in Chanthaburi Province. A total of 58 volunteers actively worked to restore the ecosystem by planting 200 mangrove trees and cleaning up over 1,000 kilograms of garbage.



Volunteers taking part in activities to conserve the marine and coastal ecosystem

Fry Release Activities

Canon (Suzhou) continues to participate in the fry (young fish) release activities held by governments and organizations in regions where it’s located. This has included activities at Lake Tai (one of China’s largest freshwater lakes) held by the Huqiu District Environmental Protection Industrial Association in Suzhou New District. Having participated in such activities 11 consecutive times, Canon Suzhou was awarded a certificate of honor and a shield by the Ecological Environment Bureau of Suzhou for improving the quality of the lake and contributing to ecological diversity and sustainability.



Volunteers taking part in the fry release activity