

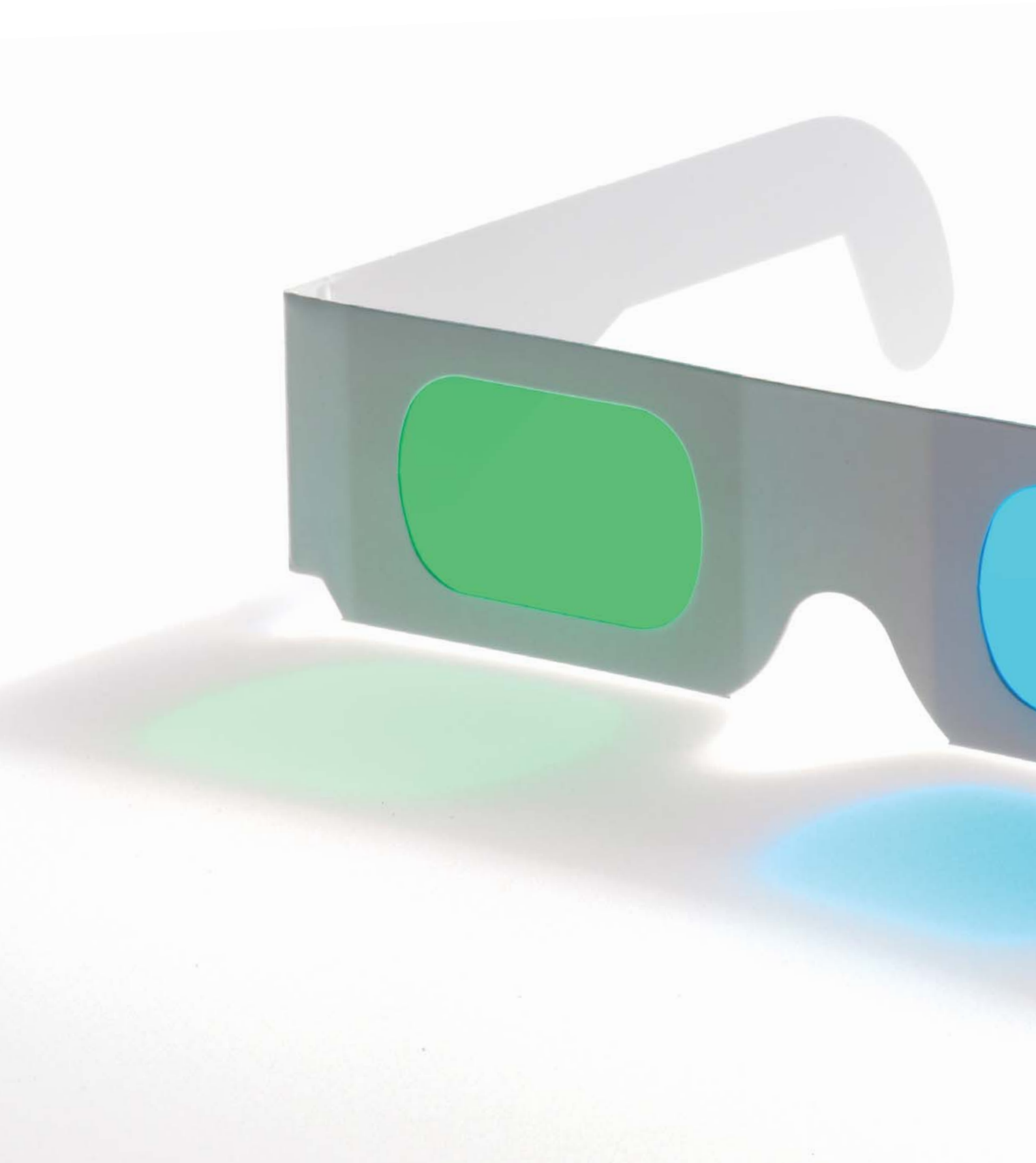
you can
Canon

Corporate Social Responsibility



Green is just a shade of blue.

Two ways of looking at our social responsibilities.



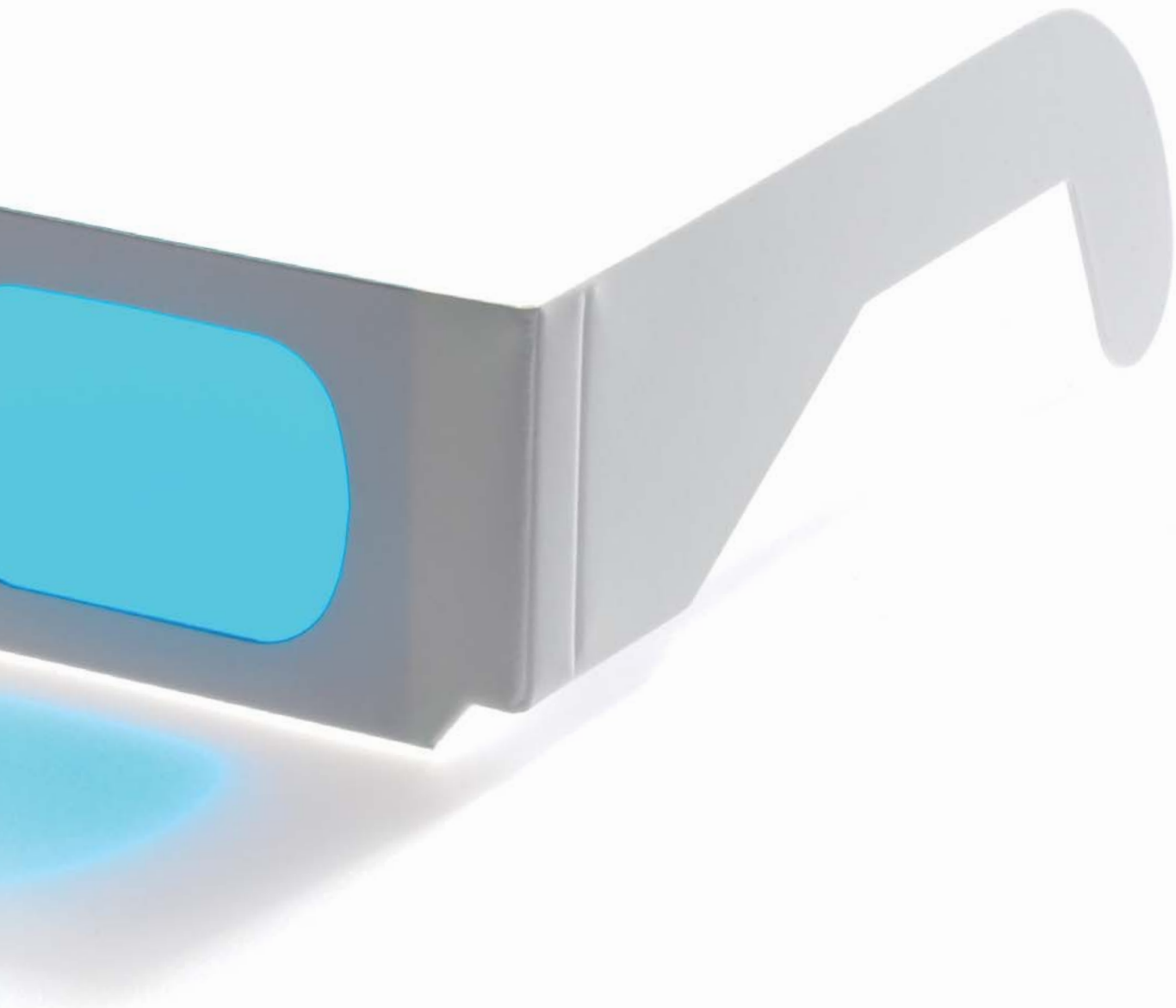
Taking a wider view.

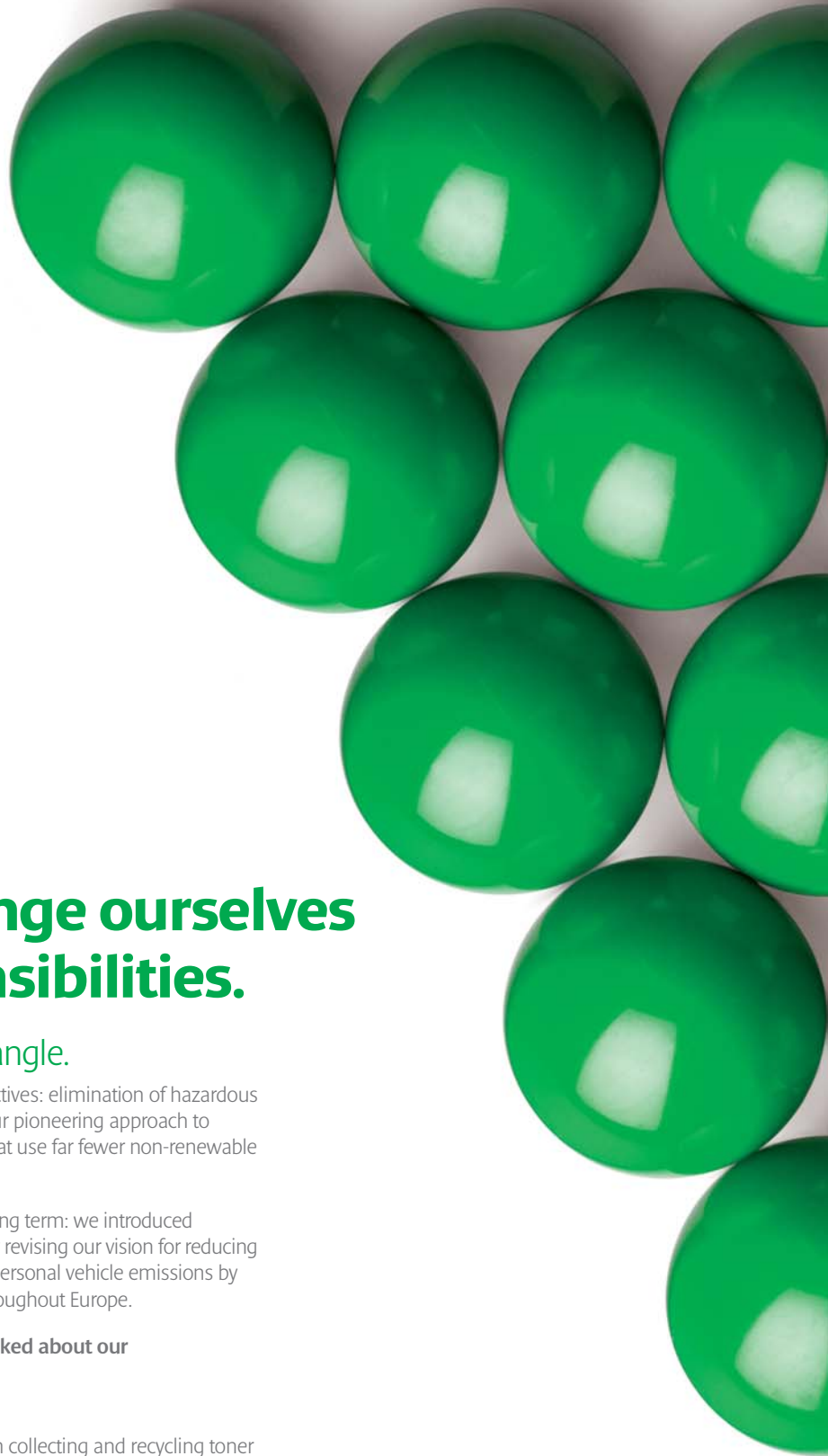
Successful global businesses have the power to make a real difference. Economic performance and social responsibility *can* go hand in hand, when there is a genuine consideration of our impact on the environment and communities in which we live and work.

While being green is a valid part of this philosophy, it's just a tiny part of the bigger, bluer, picture. At Canon, we view Corporate Social Responsibility (CSR) as a truly holistic challenge that embraces not just green issues, but ethics, attitudes and a response to genuine social needs.

This belief in positive behaviour – be it humanitarian aid and disaster relief, arts, culture, education, science or social welfare – has been embedded in the way we work for decades. Our corporate philosophy of Kyosei: *“Living and working together for the common good,”* was introduced in 1988. Since then, we have brought Kyosei to life in all aspects of our business.

Canon's Global Code of Conduct incorporates our guiding Three Selves principles: Self Awareness, Self Management, and Self Motivation. We're proud of our record as a responsible company and hope this brochure helps our customers make informed choices about the products they buy – and the company they buy them from.





Everyday, we challenge ourselves on our green responsibilities.

Exploring every possibility, from every angle.

Our defined environmental strategy focuses on three core objectives: elimination of hazardous substances; resource conservation and energy conservation. Our pioneering approach to miniaturisation, for example, enables us to produce products that use far fewer non-renewable natural resources than their full size counterparts.

Our passion for minimising our impact on the environment is long term: we introduced environmental accounting way back in 1983 and are continually revising our vision for reducing carbon dioxide (CO₂) emissions. For example, we have cut our personal vehicle emissions by setting a ceiling for CO₂ output on all our fleet and lease cars throughout Europe.

Below are answers to some questions we are frequently asked about our environmental strategy:

What is your position on recycling and waste reduction?

In 1990, Canon became the first company in the world to begin collecting and recycling toner cartridges and we operate our own European cartridge recycling scheme. In 1992, Canon also introduced copying machine re-manufacturing.

Do you regularly review your environmental management standards?

Yes, in 2003 we established the Group Audit Management Division, which oversees Canon's internal environmental audits. In 2006 we set out an environmental auditing policy for the entire group and we have an Environmental Charter that applies to all Canon activities.



What is your approach to the WEEE EU Directive?

Canon participates in the recovery of Waste Electrical and Electronic Equipment (WEEE) in each EU country. We also strive to make products 75% recyclable by mass (for reuse and material recycling) and 85% recoverable by mass (including thermal recycling).

What about ISO 14001?

We are one of the few companies with Global Certification for ISO 14001, with more than 700 of our sites certified worldwide. As part of this certification, both internal and external audits are conducted on a yearly basis.

On-demand fixing technology helps reduce power consumption by 78% – and in many cases by much more.

What's your record on RoHS compliance?

While compliance with the RoHS directive is now legally required throughout the EU, we were proud to be the first company in the industry to release products complying with this directive – including the iR6800CN series of MFPs and the EOS range of digital cameras.

Pinpointing environmental issues.

Our work with WWF.

In 1998, Canon Europe was the first company to become a WWF Conservation Partner. Since then, we have supported the organisation in Europe, the Middle East and Africa in a number of practical ways – such as the provision of equipment and supplies. We also supported WWF with implementing a new image database in 2008, making it even easier for WWF's local organisations to share images among themselves and the general public. In a world where powerful images can be used to create awareness of critical environmental issues, a picture really can speak a thousand words.





Out and about in Europe's protected wilderness areas.

Since 2004 Canon Europe has worked in cooperation with the Protected Area Network (PAN) Parks scheme set up by WWF and Dutch leisure company Molecaten. This helps protect and sustain Europe's natural beauty, while also creating an awareness of the environmental issues on our doorstep. As part of this programme, employees from across Europe volunteer in the PAN Parks, for example helping to build footbridges and clearing boundary areas at Fulufjället National Park in Sweden.

Keeping track of Arctic Polar Bears.

In cooperation with WWF we enhanced and now actively support the WWF Polar Bear Tracker, making children aware of the negative effects of climate change in general and in particular the effect on Polar bears and their habitat. We do this by building interest in the lives of two polar bears via an interactive educational micro site www.panda.org/polarbears

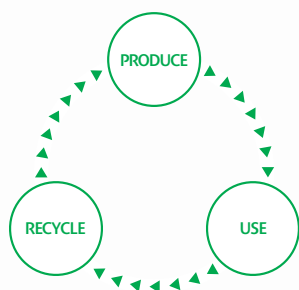
Preserving the Loire ecosystem.

In France as part of our recycling and refurbishing programmes, Canon supports WWF in a programme known as "Pour une Loire vivante" ("For a living Loire"). This is focused on preserving the ecosystem along the Loire River.

Our continual approach to recycling.

Reducing our impact all round.

Canon aims to reduce the environmental burden in all stages of a product's lifecycle, from production, to use and onto disposal via recycling. In 1997 we issued our Canon Green Procurement Standards, promoting the purchase of components and materials with lower environmental impact. Our systems are set up to be able to specify the paper trail and sustainability of supply for any Canon-branded media. By adhering to our own strict environmental standards, we can help our customers achieve their own green goals.



We continually assess how we can reduce the amount of packaging, hazardous and non-renewable materials used in our products. For example:

IXUS

In 2003, we introduced the world's smallest digital camera (in the 4 million pixel class) with smaller batteries, mercury-free backlight, lead-free solder and lower standby energy consumption.

i-SENSYS

This laser printer uses 75% less energy than earlier models, with zero ozone emissions.

Recycled calculators

The calculator housing is manufactured exclusively using recycled Canon copier material, with recycled paper for the packaging and the instruction manual.

Our workgroup print solutions combine a fax, scanner, printer and copier in a single device. So while they deliver the same great performance as separate devices, they use fewer resources, require less energy and are much more cost-efficient. Plus:

- On-demand fixing technology reduces energy consumption, by slashing warm-up times.
- Software such as uniFLOW Output Manager prolongs the lifecycle of equipment by making sure each printer is used for the most appropriate jobs, reducing unnecessary wear and tear.





Since 2000, we have been using the sandwich molding production technique in which recycled plastic is sandwiched between layers of virgin plastic in our copiers. This allows 30% of a printer's housing to be made out of recycled plastic.

By making sure that our products meet the strict stipulations of the International ENERGY STAR® Program, our customers can be sure that each device meets stringent energy efficiency standards. It's also easy to view the environmental attributes of each product, by logging onto www.canon-europe.com/ECODeclarations and choosing the device you're interested in.

We have country-specific Energy Strategies throughout Europe to achieve energy savings and the purchase of green energy. Since 2007, for example, 7 countries have had up to 60% of their total power purchases coming from greener sources and we're now expanding this across other markets.

The standby energy consumption of Canon's new printer devices is just 3W compared to 690W for older devices – and is even lower in some devices such as the iR3045N.



IXUS camera



i-SENSYS laser printer



Multifunction printer

We can't prevent. But we can mend.

Humanitarian aid and disaster relief.

Our partnership with the Red Cross enables us to come quickly to the aid of those in desperate need, following humanitarian crises and disasters. For example, Canon Europe donated €80,000 to the British Red Cross following the Asian tsunami in 2004 – just a part of a far larger donation pledged by the Canon Group. Throughout 2007, Canon also made significant donations to help in the aftermath of natural disasters in Peru, Bangladesh, China and Japan.

Using technology to make a difference.

Following the 7/11 London terrorist bombings in 2005, we lent our highly effective DRagon mobile Digital Radiography system to help the Association of Forensic Radiographers (AFR) swiftly identify victims. The portability and flexibility of the equipment also allows medical practitioners to carry out swift diagnosis in previously inaccessible regions – this same technology was selected to provide rapid, on-site mobile X-ray examinations in the remote and challenging region of western Sudan.

Local community projects across Europe.

While best known for its disaster relief and humanitarian aid activities, Canon also supports the Red Cross' involvement in communities right on our own doorsteps. For example, in 2006 Canon Europe commenced a partnership agreement to support youth-oriented projects run by the Red Cross in 13 countries. These include vacations for children in poverty in Belgium, emergency youth shelters in Finland, a teenage pregnancy programme in Austria, a project helping victims of domestic violence in Denmark, an international humanitarian law education programme in France and a World AIDS Day Campaign in Spain.





“With Canon’s support, we are able to continue our vital work to help those most in need – across the world and around the corner.”

Sir Nicholas Young, CEO, British Red Cross.

Supporting our employees’ charity activities.

We encourage and support our employees in their own charitable activities. For example with the UK’s CARE programme, we match any monies employees raise in charitable fundraising events. In the Netherlands, Canon employees carry out volunteer work with chosen charities, such as a day spent with children suffering long-term illnesses. While Canon France supports Telethon, a French organisation that assists and raises money for children with genetic diseases.

Encouraging the pursuit of learning.

In the Valley of the Kings.

As well as providing funds for local cultural and educational projects, we have participated in some fascinating projects. For example, as part of a Discovery Channel expedition, the Canon CXDI-31 – the world's first portable digital radiography system – was used to provide instant digital images of the mummified body of Queen Nefertiti, giving the Egyptologists a powerful new insight into their mysterious subject.

Sponsorship of the arts.

Canon has agreed a five-year sponsorship programme with the CoBrA modern art museum in Amstelveen in The Netherlands. The museum features art works from the world-renowned CoBrA movement and other modern art exhibitions, and recently won an award for the best museum in The Netherlands*. We are also the official sponsors of the Barbican Great Performers series in London, which brings together the best of the world's singers, conductors and musicians in an eclectic feast of great music.

*Awarded by the national newspaper Algemeen Dagblad.





Helping young people achieve their potential.

Fostering the development of fertile minds is an important element of Canon's approach to corporate citizenship. In Denmark we support Study Café with the Red Cross, where young volunteers help other disadvantaged young people with their schoolwork. Earlier this year Canon Sweden, with WWF and the Swedish School of National History, organised a polar bear weekend giving families a chance to learn more about polar bears and global warming.

Promoting understanding between Europe and Japan.

The Canon Foundation was founded by Canon Europe in 1987 as an independent, philanthropic institution which exists to promote international and scientific relations between Europe and Japan. By giving grants to highly qualified scholars and researchers, we can create a network of people dedicated to creating mutual understanding between the two cultures. The Foundation has sponsored over 250 Visiting Research Fellows to date.

Together, we can work it out.

Planning a more responsible future.

Canon's commitment to responsible corporate citizenship is central to our core Kyosei philosophy of "*Living and working together for the common good*". We acknowledge that we have a huge responsibility for any impact we have, and that we must address issues in those areas where we can make the greatest difference.

It is possible to adhere to good corporate social responsibility practice in the pursuit of commercial success. Being a responsible company supports a strong brand and a healthy, well-balanced company. For example, effective and sustained CSR reflects wider good business practices, such as compliance with Sarbanes Oxley. To this end we encourage our employees to draw attention to any non-compliance of our Global Code of Conduct without recrimination.

"Canon's environmental commitment is rooted in our philosophy of Kyosei or "*Living and working together for the common good*". This philosophy was established in 1988 and is now firmly imbedded as a core value of our company. Guided by Kyosei we strive to balance environmental concerns with economic development."

Ryoichi Bamba, President & CEO, Canon Europe, Middle East & Africa.





For more detailed information about our global activities, please visit our sustainability website:
<http://www.canon.com/environment/eco2007e/index.html>

Canon's environmental commitment to date has been recognised by a number of influential bodies:

- FTSE4Good Global Index
- Dow Jones Sustainability World Index
- Ethibel Sustainability Index Global (Belgium)

However we know that responsible corporate behaviour and attitudes are for the future too. We will continually look for ways to improve our performance in conservation and the environment, and to address social issues as a way of fulfilling our responsibility as a good corporate citizen.

The Canon timeline

1933	Canon's predecessor, Precision Optical Instruments Laboratory, is founded in Japan.
1935	The company files for registration of the Canon trademark.
1978	Blue Angel system of environmental labelling introduced in Germany and the first Canon products are awarded Blue Angel status.
1983	Canon Inc. introduces environmental accounting.
1987	The Canon Foundation is established to provide assistance for research into mutual understanding between Japan and Europe.
1988	Canon announces its corporate philosophy of Kyosei.
1990	A world first with the launch of a toner cartridge collection and recycling scheme.
1990	Canon forms the Environment Assurance Promotion Committee.
1991	Canon wins the first Chairman's Award from the National Geographic Society for commencing the collection and recycling of toner cartridges.
1992	Canon Giessen GmbH begins supporting the AIESEC exchange student programme at Giessen University.
1992	Copier re-manufacturing begins.
1994	The world's first automatic-duplexing colour laser copying machine, the CLC 800, is introduced.
1995	Another first for a Japanese company when Canon earns certification under the BS7750 international environmental standard for its Ami and Ueno plants.
1995	The SURE SHOT DEL SOL (or PRIMA SOL), the world's first fully solar-powered camera, is introduced.
1996	The Excellent Global Corporation Plan is initiated with the objective of Canon becoming admired and respected worldwide.
1996	Canon starts introducing closed wastewater recycling systems at key sites.
1997	Canon Green Procurement Standards, promoting the purchase of environmentally-friendly components and materials, are established.
1998	Canon Europe becomes WWF's first Conservation Partner.
2001	The Canon Environmental Charter is revised, strengthening the Group's environmental commitment.
2001	The imageRUNNER 3300 (or iR3300) featuring environmentally conscious technologies is introduced.
2002	Canon established the Environmental Logistics Working Group with the goal of reducing CO ₂ emissions per unit of sales in logistics processes by 20% by 2006, compared with 2000 levels.
2003	To reduce global CO ₂ emissions from global logistics processes, aggregate calculations of emissions from international transportation begins.
2004	Sponsors of Euro 2004™ Canon Europe supports the Canon "Fan Foto" photo gallery.
2004	Canon becomes the first company in the industry to release products complying with the RoHS Directive.
2005	The Compliance Card is distributed to 110,000 Canon Group employees, carrying details of the Three Selves principles.
2005	Canon procures 22% fewer grades of plastic than in 2003.
2005	46 Canon operational sites in Japan and Europe receive ISO14001 certification.
2005	Canon starts using AIR SHELL packaging and cushioning for toner cartridges, reducing the size of product packaging by 30%.
2005	EU's WEEE Directive targets are exceeded for main business machines undergoing assessment.
2007	Canon celebrates 10 years of its annual Charity Book Fair that provides assistance to young people in Asia.
2007	The 3R design standards covering aspects such as product recoverability at the time of design are revised, helping in the design of easy-to-recycle products.
2008	Canon's recycled calculator is introduced with housing made entirely from recycled copier doors.

For additional information on Canon's environmental and social activities visit:
www.canon.com/environment

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