Canon Oceania

SUSTAINABILITY REPORT 2021

R E S I L I E N C E

CHANGE AS AN OPPORTUNITY

Photo credit - Cover.
Phil Hart,
Member of our
Canon Community.

Taken on a Canon
5D Mark IV.

Photo credit.
Phil Hart,
Member of our
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Taken on a Canon
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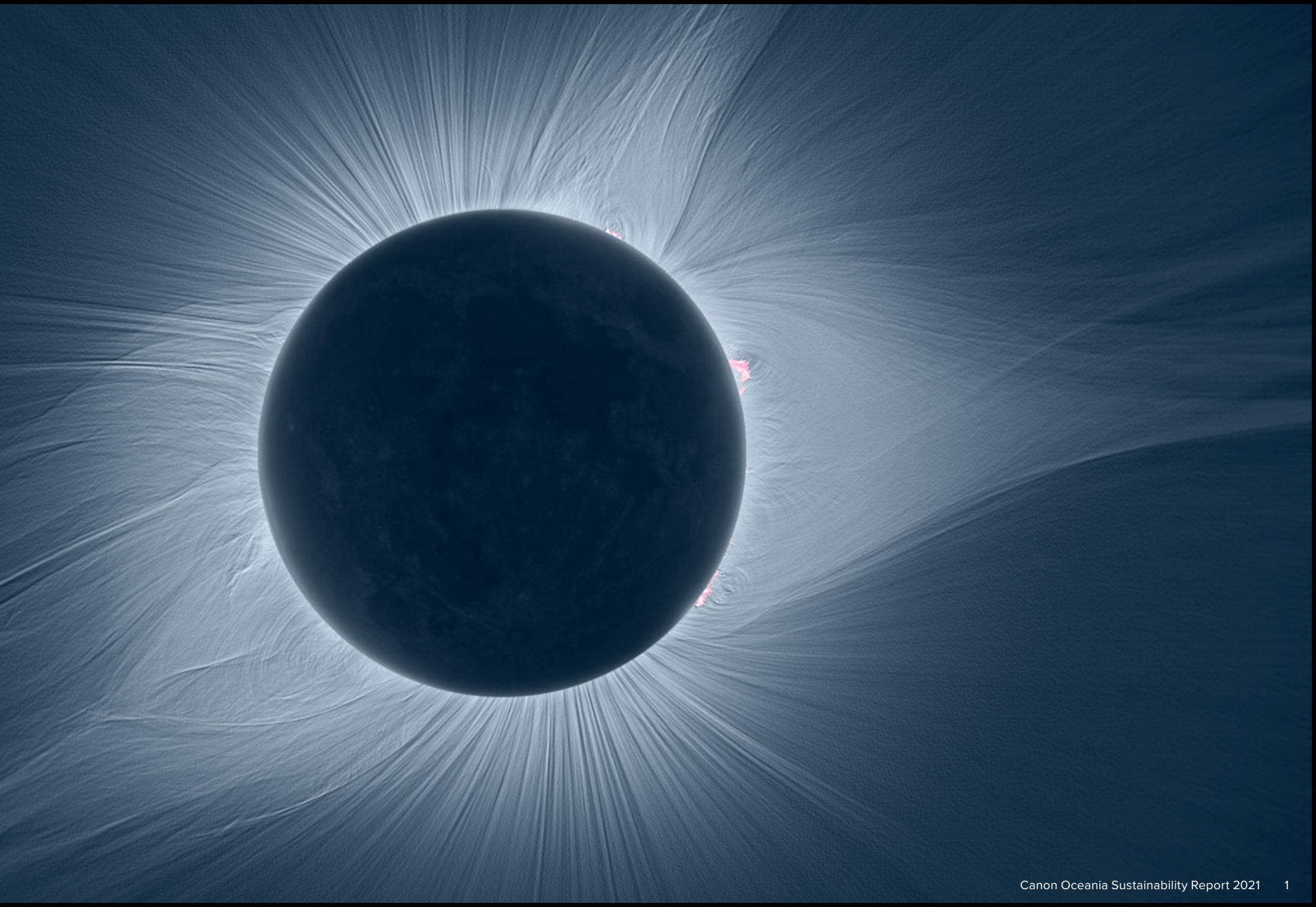

This report is structured and informed by our Canon Oceania material issues for 2020. We have aligned the content of our report where possible with Canon's globally identified sustainability priorities. The report is not independently assured although our carbon data is included in the Canon Global independent verification process, with details available in the Canon Inc. Sustainability Report.

This summary report is supported by the following documents that contain more detailed information:

- Economic and Governance Fact Book
- Environmental Fact Book
- Social Fact Book

Canon welcomes feedback on the report at sustainability@canon.com.au

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Telephone: 13 13 83

Objectives Legend

✓ Objective achieved
– Project commenced but not finished
× Objective was not achieved

Canon Oceania Group Companies

The scope of this report is Canon Oceania Group Companies as shown on page 8. The text in the report relating to each company is colour-coded for ease of navigation.

- Canon Inc.
- Canon Oceania
- Canon Australia
- Canon New Zealand
- Canon Business Services Australia and New Zealand
- Canon Business Service Centre Philippines

Photo credit.
Elizabeth Spindler, Canon Oceania Group Employee.

Taken on a Canon EOS 5D Mark IV.

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A YEAR OF MOMENTUM

Introduction

The principles of "Respect for Humanity", "Emphasis on Technology" and "Enterprising Spirit" have been integral strands of Canon's corporate DNA since our founding. The Canon Oceania Group comprises Canon Australia, Canon New Zealand and Canon Business Services, with operations spanning Australia, New Zealand and the Philippines. For Canon Oceania, 2020 tested our capacity to stay true to these principles. In its scale, speed and severity, the COVID-19 pandemic was unlike any challenge we had faced. It forced us to focus on our business, on our customers and on our employees and partners like never before.

Our business continuity plan gave us the blueprint we needed to respond to a wide range of adverse events. But it did not envisage the scale or speed of the lockdowns covering most of our key operational sites in Australia, New Zealand and the Philippines. Our teams mobilised valiantly to keep services operational and our customers up-to-date. We strengthened many customer relationships by showing that we really care, delivering their services throughout the pandemic and through bushfires, a volcano, earthquakes, typhoons and supply chain disruptions. This achievement was emphasised in significant improvements in our customer advocacy scores.

As well as focusing on our customers' needs, we mobilised to support one another, providing advice and support on how to work safely at home. Canon Oceania's leadership was mindful of the need to provide a safe workplace outside of the normal office environment, as well as mental health support for the unprecedented challenges of employees isolated from loved ones and working for long periods at home, in some cases, alone. Parents were also forced to juggle work responsibilities and home schooling, as work and family life blurred in the long days of lockdown. Our human resources teams provided outstanding support through tailored online wellbeing and educational programs, and our employees banded together to support each other and the business by working flexibly and taking additional leave.

The pandemic had hastened market trends, such as digital, and we took the opportunity to focus on those areas of the business that would deliver the most value in a changing market. In doing so, we made decisions around reforming and reviewing some programs, and consequently let some employees go. These decisions were not taken lightly, and I would like to take this opportunity to thank our former colleagues for their contribution to our business, dedication and service.

At the same time, we brought together our consumer and business sales and marketing teams, further integrated Converga and Harbour IT by bringing teams together under a culture of 'Better, Created Together', succeeded in cross-selling Canon and CBS Services on a number of occasions, particularly in New Zealand, and invested for future growth in IT, operating and governance systems.

While a key part of our strategy is to grow our service business through CBS to establish a balance between services and products, Canon's product line remains wide, strong and stable. We lost sales in some areas as our business customers closed their offices, but we also benefitted from higher demand in home printing, medical and video streaming.

Despite the impact of the pandemic, the Group made a profit in 2020, and face a positive outlook for 2021. This pleasing result can be attributed to a fast and successful pandemic response focused on customer needs, and the difficult but prudent decision we made to restructure the business in the face of a changing operating environment.

Transforming our customers' businesses

One of the trends hastened by the pandemic is the digital transformation of society. COVID-19 has forced a shift to contactless ways of operating. Examples include working from home and shopping online, which in turn, have changed people's work and consumption preferences and behaviours. Digitalisation will only accelerate as deep learning, the Internet of Things (IoT) and 5G become embedded across society.

Canon's aim is to help our customers benefit from these trends. We support them best by optimising their business processes and embedding enabling technologies, which leaves them free to concentrate on their core business. During 2021, CBS launched the RE:IMAGINE campaign, which invites customers to rethink how their business models can adapt and thrive in a post-pandemic world through digital transformation. We also launched a new security practice based on the expected focus of boards on security.

Digital transformation for business is also supported by Canon's digital products and cloud-based software. An example of the versatility we bring to market as a combined company is the state-of-the-art centralised print, mail and courier service offered to tenants in the Commercial Bay precinct in Auckland. It's a great example of a sharing economy innovation, where tenants can outsource printing and courier requirements to reduce costs, inconvenience and environmental impact through a central resource.

Our consumer product division had a strong year. Working from home provided a tailwind for strong sales, particularly in inkjet products, as did the introduction of new product lines such as extensions to our mirrorless cameras range, continuous ink printing systems and the EOS webcam utility, which allows people to connect online with higher quality video communication.

Transforming our own business

During 2020, we also applied our digital expertise to focus on an internal transformation agenda. The objective is to ensure that our business prospers, and continues to provide economic opportunities for those in our value chain, including suppliers, customers, employees and local communities. As part of this agenda, we have utilised some of the business process outsourcing expertise that we generally provide to our clients to improve productivity,

efficiency and governance. This has included applying AI to simplify some of our internal processes and implementing new systems to standardise management of our people, as well as our internal and external communication across all Group companies.

In addition, we have introduced a new investment framework and broadened the scope of our Information Security Management System to meet the growing needs of our customers for assurance on the security of their information. Canon Australia has also achieved ISO 45001 certification – the best practice international standard for health and safety management. We are aiming to have all Group companies certified to the same standard by 2022.

Working closely with our partners

In 2020, we worked closely with our retail and professional photography partners, sharing our direct marketing and digital expertise to help them prosper from the rise of e-commerce. We've also spent time focusing on potential human rights risks in our local supply chain. At the global level, Canon is a member of the Responsible Business Alliance and has processes in place to manage the risks associated with sourcing materials and producing products. At the local level, we undertook our first comprehensive risk assessment of potential human rights risks in our supply chain. The assessment concluded that, in common with most suppliers of ICT equipment, we have a moderate risk of slavery overall, as well as in our regional supply chain. We issued our first modern slavery statement in mid-2021, and have a plan in place to work with suppliers in higher risk categories to ensure that risks are minimised.

Living *kyosei*

Grounded in our philosophy of *kyosei* (living and working together for the common good), Canon actively tries to address societal issues through its corporate activities. This includes a long- term commitment to improving our environmental performance. Since the 1990s, Canon has worked to reduce the CO_2 emissions of its products and at every stage of the lifecycle. For Canon Oceania, this has involved reducing the CO_2 footprint of our local activities. We have achieved significant improvements over the last decade by consolidating our offices, implementing energy efficiency projects, and using more renewable energy, such as solar power at our Sydney headquarters. Recently, Canon New Zealand has led the way, with the company achieving Toitū carbonzero^{CertTM} in 2019. The feat was acknowledged at the 2020 Canon President's Awards, when Canon New Zealand received an Excellence Award for becoming the first Canon company globally to achieve this certification.

Although the pandemic has slowed down some of our community engagement and diversity and inclusion plans, Canon Australia has worked diligently to have its first Reconciliation Action Plan provisionally approved. An enterprising spirit was also on display when the Canon Business Services Team in the Philippines continued its long-term community partnership with child-caring not-for-profit Kanlungan sa Er-Ma Ministry (KSEM), despite the difficulties posed by the pandemic. This included moving from face-to-face activities in support of vulnerable children to online education, as well as supporting KSEM staff through the provision of updated health insurance policies.

2021 – A year of momentum

Although 2020 was a difficult year for our employees and customers, we used the catalyst of COVID-19 to pivot the business to a more sustainable footing. We also learned beyond any doubt that our teams are capable, and our culture is strong. Whatever 2021 throws at us, I am confident we are in good shape and able to rise to the challenges. With *kyosei* to guide us, we will remain committed to contributing to society, and to delivering innovative products and services that ensure Canon remains a company worthy of admiration and respect.

Akira 'Dave' Yoshida
Managing Director

Canon Oceania Group

2020 saw a global pandemic, bushfires, volcanoes, earthquakes, typhoons and supply chain disruptions. Our teams mobilised valiantly to keep services going and our customers up-to-date. The sincere care we have for our customers strengthened our relationships.

Akira 'Dave' Yoshida , Managing Director, Canon Oceania

SUSTAINABILITY

HIGHLIGHTS

CANON NEW ZEALAND

EXCELLENCE AWARD

received in Canon Inc. Global Environmental Awards for Make a Difference program.

CANON AUSTRALIA

RECONCILIATION ACTION PLAN (REFLECT)

conditionally approved in April 2021.

CANON AUSTRALIA

ISO 27001

Converga Information Security Certification extended to include Canon Australia business information and Harbour IT services.

CANON BUSINESS SERVICE CENTRE

100%

compliance with Converga's customer service level agreements achieved within four days of initial COVID-19 lockdowns.

CANON BUSINESS SERVICES

46%

of manual processes automated using Robotic Process Automation (RPA) in Canon Australia's banking operations.

CANON OCEANIA

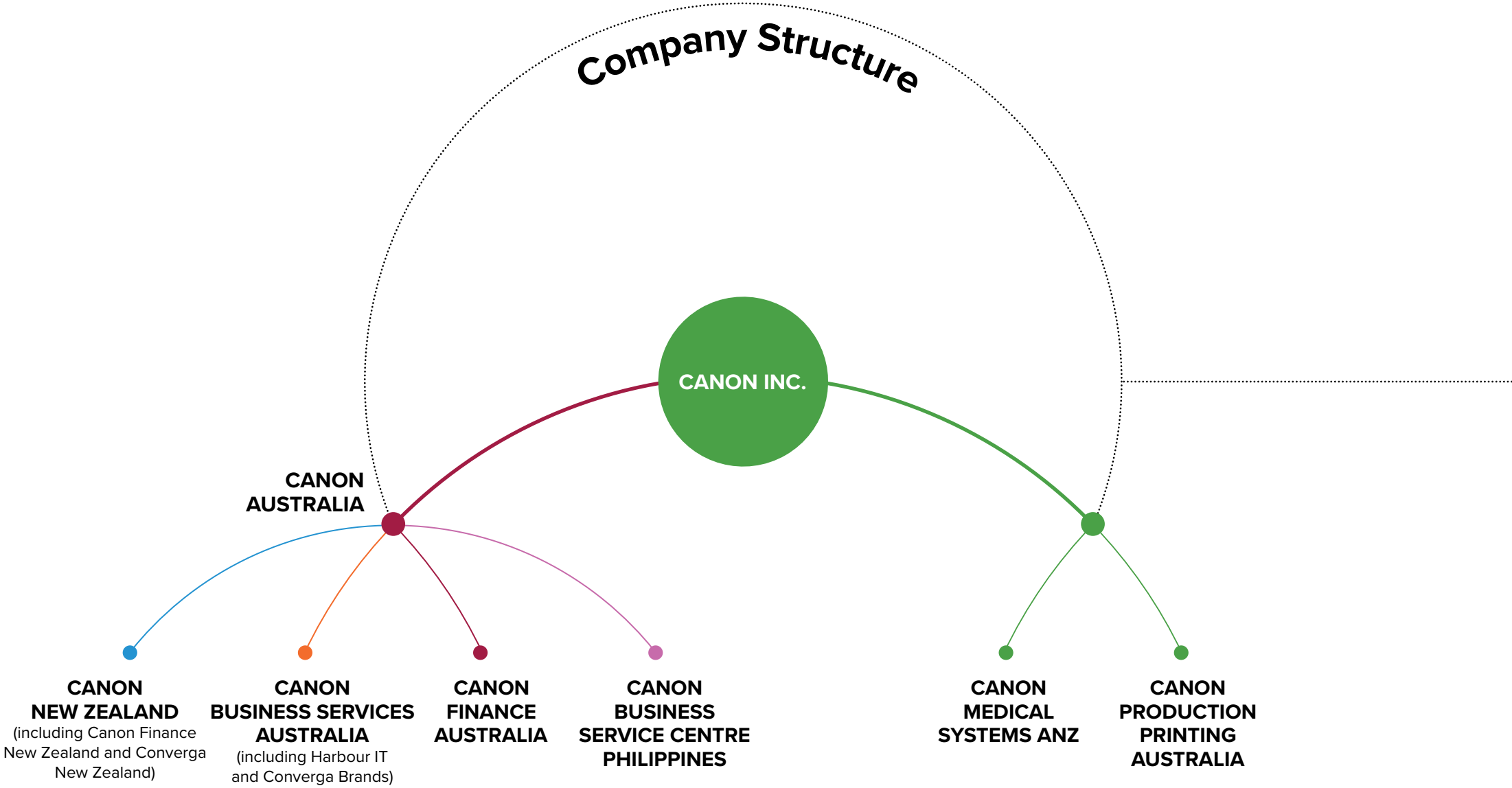
13%

average reduction in scope 1 and 2 emissions per annum since 2009.

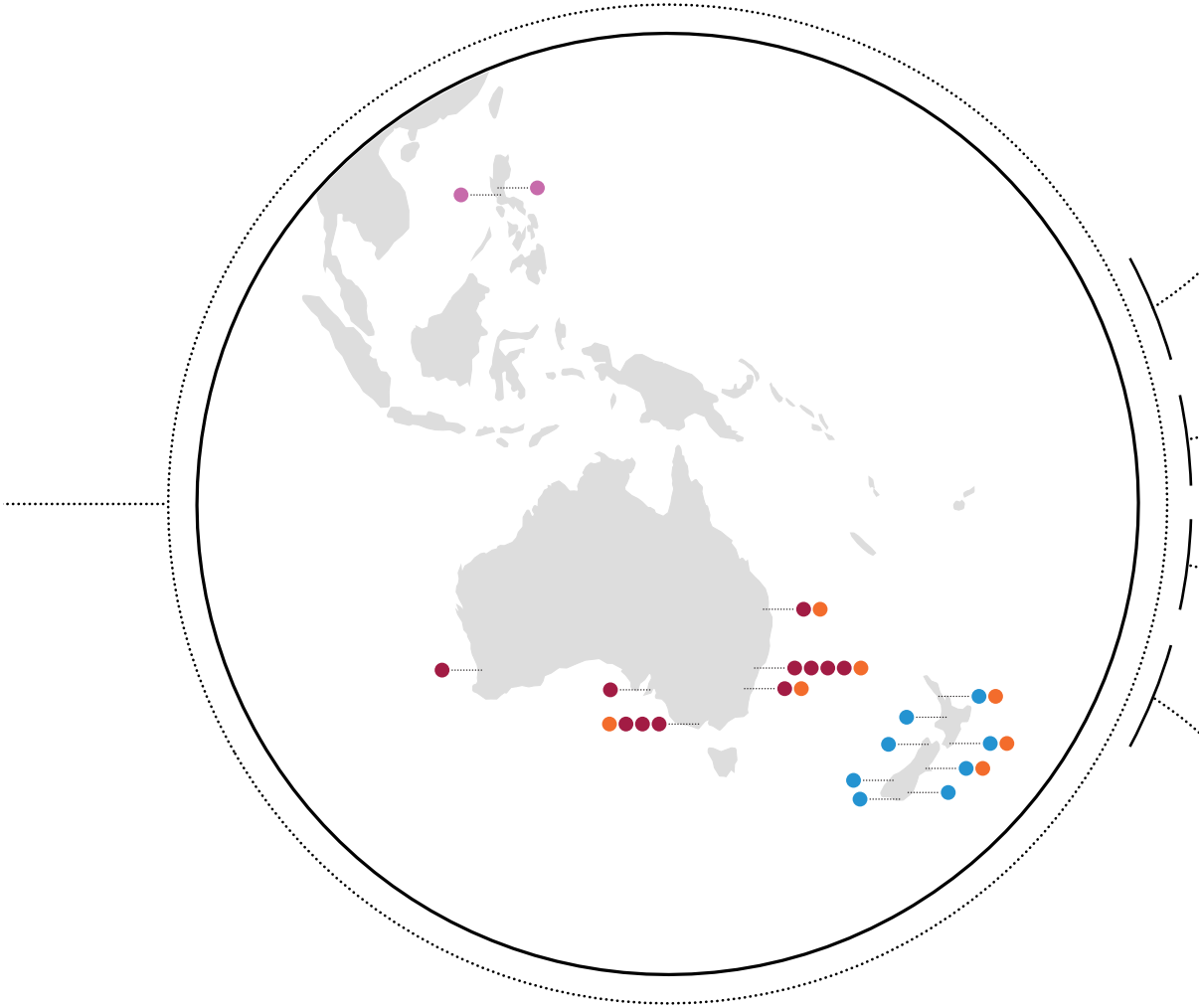
Photo credit.
Anthony Wrigley, Canon Oceania Group Employee

Taken on a Canon EOS M5.

OUR OPERATIONS



CANON OCEANIA GROUP COMPANIES



Locations:

Canon Australia (including Canon Finance Australia and SUNSTUDIOS)

- HQ Macquarie Park, NSW
- Horsley Park, NSW
- Sydney City, NSW
- Alexandria, NSW
- Clayton, VIC
- Port Melbourne, VIC
- South Melbourne, VIC
- Adelaide, SA
- Perth, WA
- Brisbane, QLD
- Tuggeranong, ACT

Canon New Zealand (including Canon Finance New Zealand)

- HQ Auckland
- Wellington
- Hamilton
- Christchurch
- Nelson
- Invercargill
- Queenstown
- Dunedin

Canon Business Services ANZ

- HQ Macquarie Park, NSW
- South Melbourne, VIC
- Tuggeranong, ACT
- Brisbane, QLD
- Auckland, NZ
- Christchurch, NZ
- Wellington, NZ

Canon Business Service Centre Philippines (CBSC)

- HQ Taguig City, Manila
- Angeles City, Pampanga

MATERIALITY: STRONGER THAN EVER

"I'm proud to work in a deeply ethical organisation, where people identify with the products and the brand. It's the kind of place where people wear the t-shirt home."

David Field, Director, People & Finance, Canon Oceania

2020 was a year like no other. As a devastating pandemic roiled the globe, Canon Oceania suffered substantial disruption. The value of our business continuity planning was demonstrated in that we were already planning for community transmission at the end of January. But, as with most organisations and even governments globally, the scale of what hit us was far beyond anything we had contemplated. Colleagues in Australia, New Zealand and the Philippines faced immense personal challenges. Remarkably, we rose to the challenges, overcame obstacles in a way we would not have imagined possible, and emerged stronger than ever.

In hindsight, it was our culture that saw us through. We stared down the worst days of lockdown and recession to support one another and our customers, no matter the difficulties involved. We took comfort in the shared belief that Canon stood for something important; that each of us worked in the pursuit of something bigger than profits alone. And our customers recognised that we would be there when it mattered. That in the hardest of times, we were true partners, dedicated to keeping their businesses moving.

In short, we looked to *kyosei*, our guiding philosophy. There is no exact English equivalent. It is usually translated as 'living and working together for the common good.' The phrase sounds simple. But mull on it for a moment, and it reveals its power.

Kyosei represents the idea that Canon is more than just a place of business. It's an assertion that we are strongest when focused on win-win outcomes for our company, customers, suppliers, community and the planet, delivered in pursuit of the common good. It affirms the idea that our success is interlinked. Our business isn't sustainable unless we invest back into the community in which we operate.

If nothing else, 2020 reminded us of the importance of purpose and resilience in our business. In a year like no other, we were tested many times and came through because we had *kyosei* to guide us, along with a culture capable of adapting to change.

An example of this willingness to evolve and learn was the implementation of a new approach to Learning & Development (L&D) across Canon Oceania. Employees embraced the challenge of learning online, with record attendance in 2020 – 1,251 employees attended 117 facilitated sessions covering 39 training topics.

As you read this report, you will see that we infused these twin themes of purpose and resilience into each chapter, that, in turn, have been structured around the material topics[1] that underpin Canon Oceania's ability to create value over the short, medium and long term.

How did we choose our material topics?

Our most recent materiality assessment was conducted in March 2019. We began with a detailed review of Canon Oceania's strategy, policies and sustainability initiatives, with all business units and geographies contributing content. A shortlist of nine potential topics was compiled based on this review.

These findings were considered in a materiality workshop, where participants from across the Group were asked to prioritise which topics were most important to Canon Oceania's current and future prospects.

For each topic presented, they considered our ability to control the management of the topic, the likelihood that the topic would influence the actions of our stakeholders, and the likely impact of the topic on our markets. Scores were then tallied and consolidated to reach shared agreement on Canon Oceania's material topics for 2019 and beyond.

A second workshop was held in February 2020. The topics identified in the 2019 assessment were validated by participants from across with Group, with some minor revisions to phrasing.

1 A material topic is defined by the Global Reporting Initiative as one that has "a direct or indirect impact on an organisation's ability to create, preserve or erode economic, environmental and social value for itself, its stakeholders and society at large."

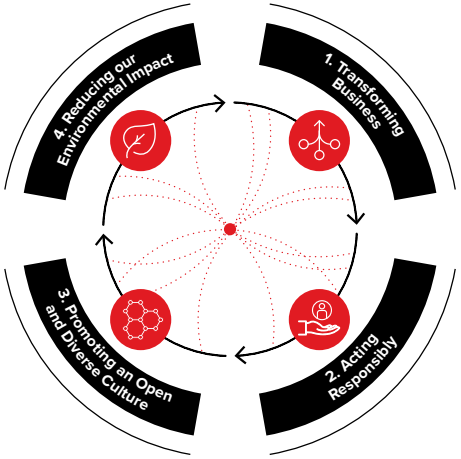
What changed this year?

In February and March 2021, a series of smaller workshops were held to test the validity of the topics identified in 2020. Following discussions with a range of internal stakeholders, there was broad agreement that these topics remained relevant, with one exception. After careful consideration, participants concluded that the material topic 'Driving Innovation' was no longer fit for purpose in the way it had been approached in recent years.

Historically, the focus for the 'Driving Innovation' material topic has been on the contribution of Canon Information Systems Research Australia (CiSRA) to product innovation for Canon globally. After the wind-up of CiSRA in August 2019, the role Canon Oceania plays in Canon global product innovation became limited. However, innovation is in our DNA and remains critical to our ongoing success, so the emphasis of Canon Oceania Group's innovation has shifted. We still rely on the world-class innovation of Canon globally to produce high-quality, cutting edge products for the Oceania market. Locally, our focus on innovation is our ongoing investment is in development of new technology services to meet and exceed our customers' needs, allowing them to focus on their core business. Equally, we're finding new ways to approach the local market in our marketing, sales and distribution activities for Canon products. In this way, ongoing innovation of our services as part of our product offering remains fundamental and embedded in the fabric of our culture and day-to-day operations.

The material topics most relevant to Canon Oceania in 2021 are:

1. Transforming Business
2. Acting Responsibly
3. Promoting an Open and Diverse Culture
4. Reducing our Environmental Impact



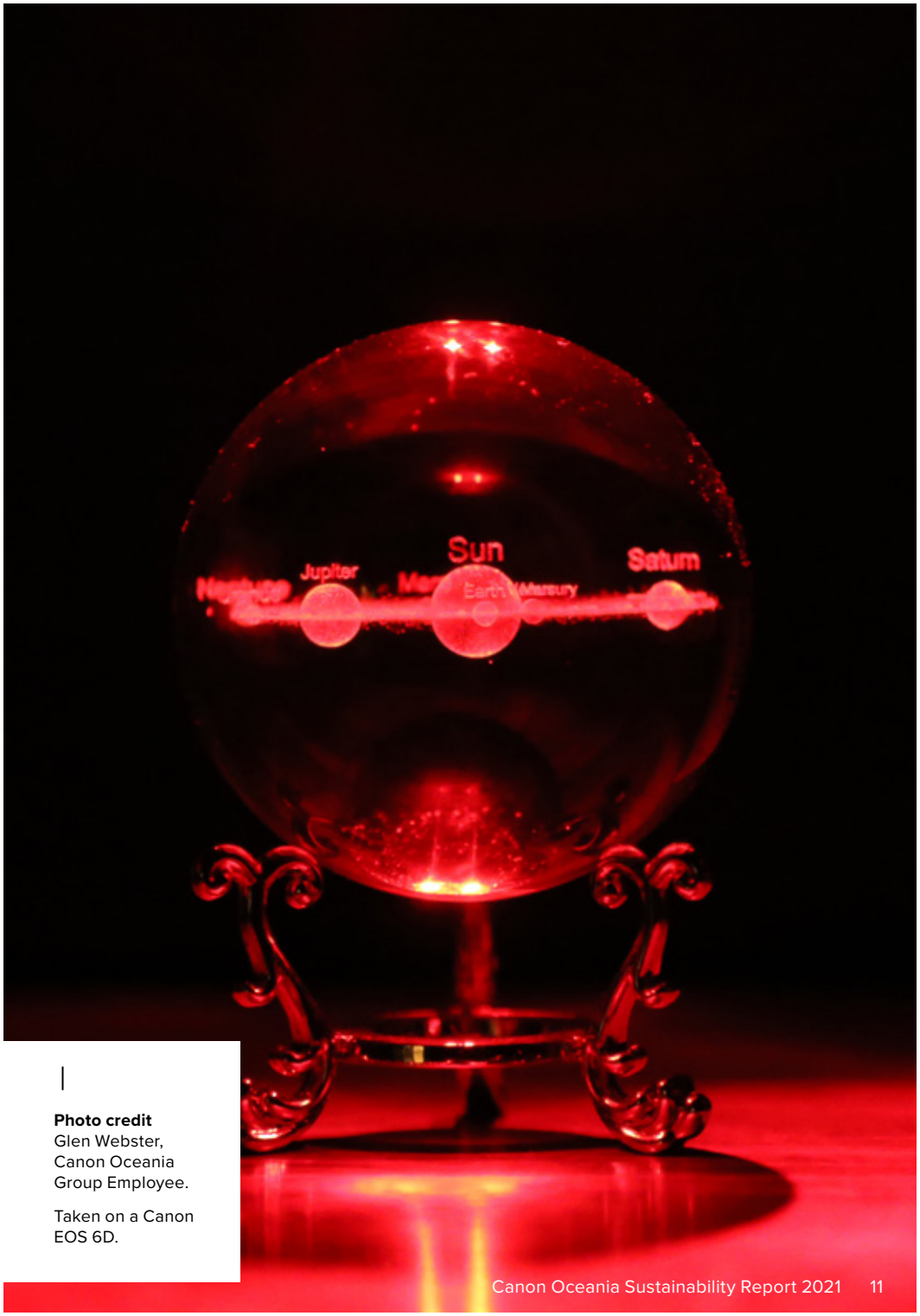
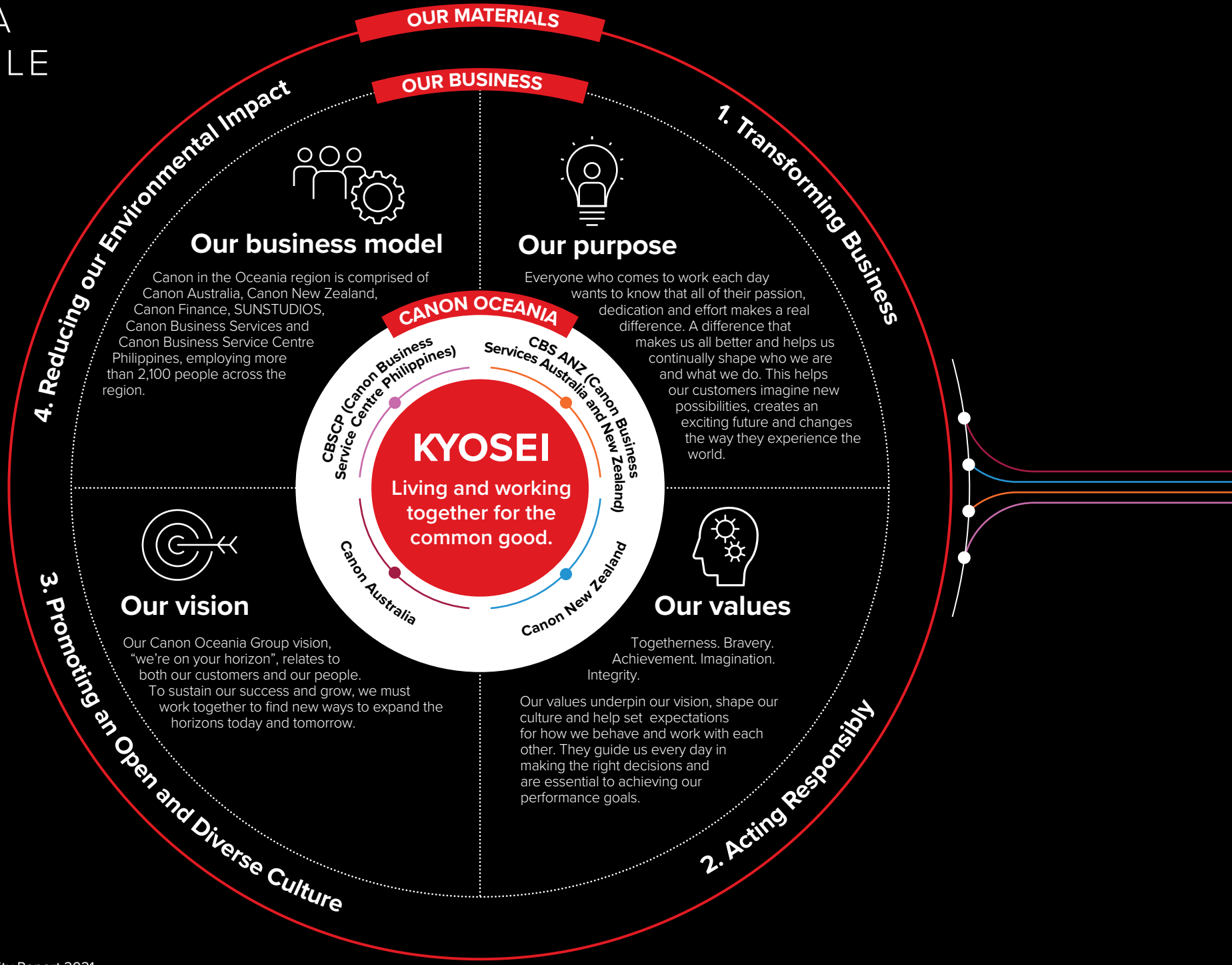


Photo credit
Glen Webster, Canon Oceania Group Employee.

Taken on a Canon EOS 6D.

BUILDING A SUSTAINABLE BUSINESS



Stakeholders

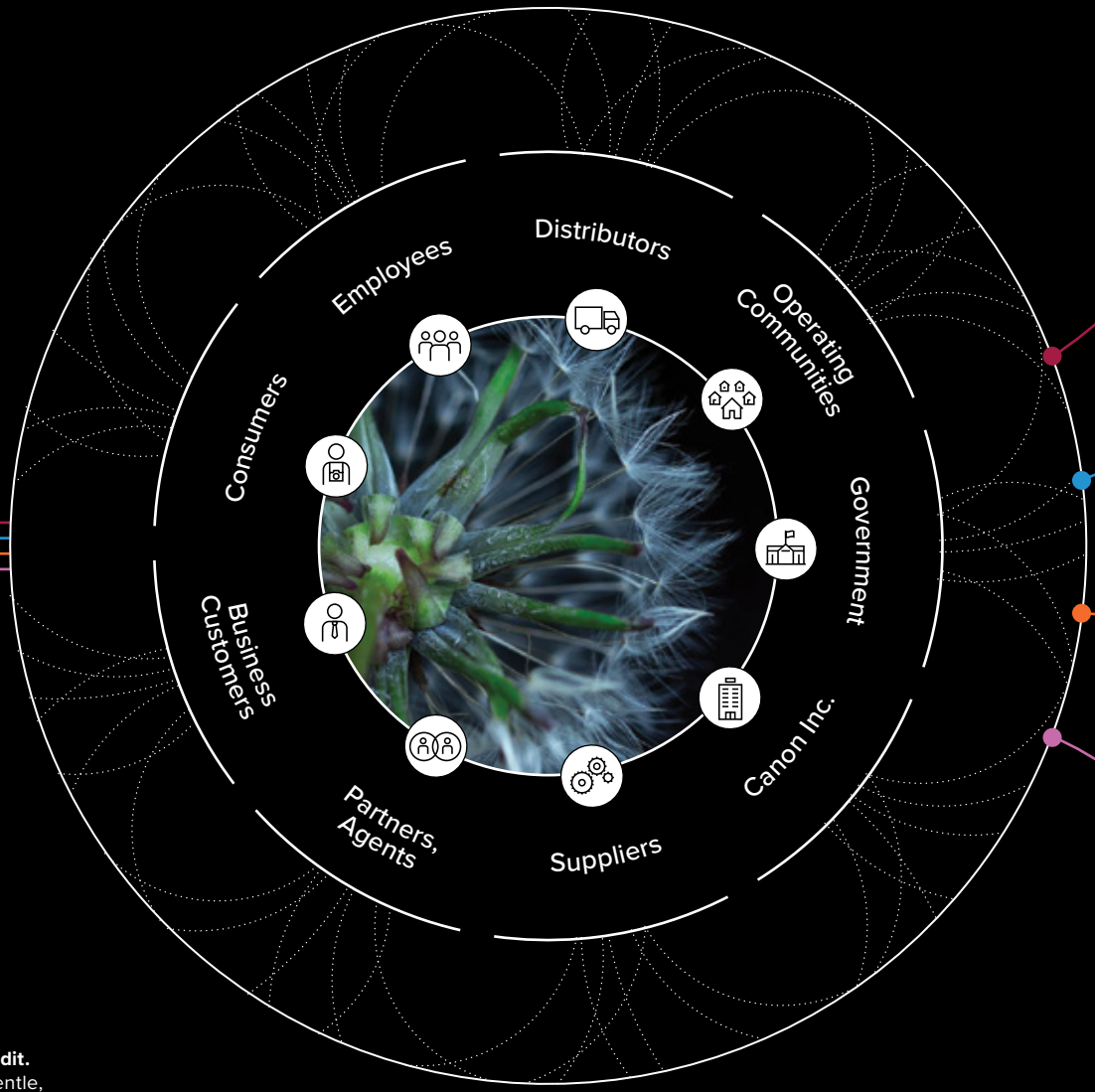


Photo credit.
Darren Gentle, Member of our Canon Community.

Taken on a Canon 800D.

Group Companies Highlights

CANON AUSTRALIA

467 employees

2
top honours at the Buyers Lab (BLI) 2021 Pick and Outstanding Achievement Awards

ISO 45001
upgraded health and safety certification to the international benchmark

Reconciliation Action Plan (Reflect)
conditionally approved April 2021

CANON NEW ZEALAND

190 employees

52%
reduction in overall emissions since becoming Toitū carbonzero certified in 2019

National Consumer E-Waste Pilot
Noel Leeming stores joined the TechCollect NZ e-waste pilot program funded by Canon and other OEMs

Commercial Bay Precinct
integrated print, mail and courier hub provided as a service for office, retail and hospitality tenants (jointly with CBS)

CANON BUSINESS SERVICES

417 employees (Australia) 205 employees (New Zealand)

46%
of manual processes automated using Robotic Process Automation (RPA) in Canon Australia's banking operations

200
CIOs and technology vendors consulted as part of our RE:IMAGINE pandemic recovery campaign

600
PPE care packages supplied by the team to Australian customers to help them return to work safely

CANON BUSINESS SERVICE CENTRE PHILIPPINES

866 employees

Project Inclusion
continued partnership with Project Inclusion to improve access to work opportunities for people with disability

35
staff health insurance policies for the KSEM children's centre sponsored for past two years

100%
compliance with Converga's customer service level agreements achieved within four days of initial COVID-19 lockdowns.

Sustainable Development Goals (SDGs)
9: Industry, Innovation and Infrastructure

01

TRANSFORMING BUSINESS

In a world of unprecedented technological disruption, businesses today must unlock new opportunities, drive new growth and deliver new efficiencies. At Canon Oceania, we are doing just that. By combining all of our business lines under one Group with a unified strategy, we are further building our 'Better, Created Together' culture. In 2020 we continued to pursue our own transformation and advance the Group's product and service offerings to support our customers on transformation journeys of their own.

CANON AUSTRALIA

FOCUS ON LOCAL RETAILERS

to drive competition in the local market and offer customers the best value

STRATEGIC REORIENTATION

to focus on core competencies

CANON NEW ZEALAND

COMMERCIAL BAY PRECINCT

integrated print, mail and courier hub provided as a service for office, retail and hospitality tenants - joint CNZ/CBS innovation

AUCKLAND OFFICE CONSOLIDATED

onto one floor and sub-leased out the remaining space to leverage hybrid working. 100% of the equipment (around 4.62t of CO_2) was repurposed so nothing went to landfill.

CANON OCEANIA

COVID-19 RESPONSE

We quickly resumed customer services by transforming the way we work

REMOTE WORK

enabled our wider Canon workforce across the regions to work remotely by delivering equipment and enabling technology

CANON BUSINESS SERVICES

200

CIOs and technology vendors consulted as part of our RE:IMAGINE campaign

46%

of manual processes automated using Robotic Process Automation (RPA) in Canon Australia's banking operations

Photo credit.
Kenny Tran,
Canon Oceania
Group Employee.

Taken on a Canon EOS 80D. Kenny took this photograph using equipment that is loaned to employees through our Canon Advocacy program.

01 TRANSFORMING BUSINESS

2020 objectives	2020 performance
1. Continue to enhance operation productivity through process efficiencies.	✓ New platforms, HRConnect and Phoenix, rolled out across the Group to enhance productivity.
2. Capitalise further on the Canon Experience Stores.	– Our experience stores continued to run through most of 2020 but there was no further development due to COVID-19 restrictions.
3. A new business model to provide certainty around running costs for Business Information Solutions customers.	× The proposed model was not adopted due to changes in strategy and operations.
4. Cross-sell BPO and accelerate RPA and Azure practice.	✓ RPA and Azure practices grew strongly and cross-selling exemplified by projects like Commercial Bay in Auckland.

2021 objectives

1. Continue our service innovation strategy by enhancing and growing Azure, hybrid cloud and security practices.
2. Launch vulnerability management as a service.
3. Use our marketing expertise and owned digital channels to drive competitive advantage for our retailers.
4. Introduce Canon technology to new markets. For example, offering remote camera solutions to our B2B market.

CANON INC.

Out of this world innovation

It would be hard to come up with a better summary for Canon's journey in 2020 – unexpected adversity led to a triumph of ingenuity that will open new opportunities in the years and decades ahead. And we're not talking about the pandemic.

On 29 October at 10:21am NZ local time, NASA reported the launch of the fifteenth flight of an Electron rocket from Rocket Lab's private launch facility on the Māhia Peninsula in New Zealand.

The biggest spacecraft of the ten to launch that morning was the CE-SAT-2B – an earth observation satellite. The successful launch of the 35.5-kilogram microsatellite was particularly sweet for the Canon Electronics team responsible, as the previous effort in July 2020 met with disappointment when Rocket Lab's Electron rocket failed to reach orbit.

The CE-SAT-2B is a second-generation technical demonstration satellite developed to test Canon's imaging equipment in space. As NASA reports, it is equipped with several imaging devices, including a middle-size telescope attached to a 200-millimetre 'super high sensitivity camera' designed for night photography of earth, an EOS M100 mirrorless camera and a wide-angle PowerShot G9X Mark II camera.

Most of its key components, including the sun-sensor, star-tracker, inertial measurement unit (IMU), reaction wheel, and the on-board computer were developed and manufactured in-house by Canon.

"With the newly developed super-high sensitivity camera, CE-SAT-2B is capable of observing Earth during night time," the company said in a press release. "The satellite is equipped with three types of cameras including Canon's mirrorless camera and compact digital camera. CE-SAT-2B will go through a two-year demonstration experiment for forthcoming production of Cassegrain reflectors mirrors used in optical telescopes."

Canon is now working on a third version of an even smaller micro-satellite. To see some of the mind-bending images taken so far, visit Canon's space webpage: https://en.canon-elec.co.jp/space/

Navigating through change with a purpose-driven culture

As the pandemic reduced global economic activity to a crawl in March 2020, Luke Clark, CEO of Canon Business Services (CBS), knew that a rapid recovery for the organisation and it's customers would hinge on the strong foundation provided by CBS' purpose-driven culture.

The dramatic pace of change and knock-on effects of COVID-19 lockdowns and restrictions would disrupt customer delivery and impact CBS teams dispersed across Australia, New Zealand, and the Philippines. However, Luke believes that a clear sense of purpose - communicated effectively - proved to be the key element of CBS's ability to mobilise an effective crisis response and then quickly plot a path toward long-term recovery.

"Our vision and purpose centre on enabling customers to focus on what's important to their business, and this is what we based our COVID response on. Long before the pandemic brought the entire world to a halt, we built a purpose-driven culture into our strategy because we know that to achieve our vision, we need the team to connect and believe in our purpose," he says. "These concepts are embedded into our strategic framework and connected to individual goals so that everyone is clear on their contribution to our success. The team understand the impact of their contributions and are proud to do what we do."

Immediate crisis response required CBS to recover services onshore in the early stages of the Philippines lockdown, support the remote working efforts that got offshore teams back up and running, meet the challenges of New Zealand's move to lockdown, and then deal with escalating restrictions in Australia. Luke said that connecting with purpose made it easier for CBS teams to rise above this turmoil: "I am extremely proud of my team and the dedication they showed to keeping our customers top-of-mind. CBS came together and managed some impressive feats to mitigate disruptions and recover delivery within days, despite the ripple effect of lockdowns and restrictions around the globe."

Pivoting seamlessly from response mode, CBS then turned its attention to the arguably greater challenge of plotting a path towards longer term recovery. Solution experts developed pandemic planning IT checklist to help customers get ahead of issues and become more proactive than reactive; for customers flooded with IT support requests due to remote workforce increases, a rapid-scaling IT service desk package was created to ease the pressure and let them get back to business-critical functions; and as the 'new normal' emerged, CBS launched RE:IMAGINE, a research-driven digital transformation roadmap to accelerating IT-inspired business recovery.

Luke adds: "One of our biggest customers said how 'phenomenal it has been to have a partner that stands up and does whatever it takes when necessary; even when they are also facing similar challenges within their own company'. Change is inevitable, both in life and business. But a clear sense of purpose - communicated effectively – allowed CBS to adapt quickly, wrap our arms around our customers, and show them the true value of partnership."

Photo credit.
Kenny Tran,
Canon Oceania
Group Employee.

Taken on a Canon EOS 80D. Kenny took this photograph using equipment that is loaned to employees through our Canon Advocacy program.

"Following the pandemic, employees worked quickly to resume customer services by recruiting staff onshore and putting the technology and processes in place, so these new recruits would quickly have an impact in delivering for our CBS customers. We also enabled our wider Canon workforce across the regions to work remotely by delivering equipment and enabling technology."

Doug Grgas, Director Technology and Operations, Canon Oceania

CANON BUSINESS SERVICES

RE:IMAGINE business IT continuity

Responding to the new realities of operating in a pandemic, Canon Business Services (CBS) launched RE:IMAGINE, a research-driven roadmap designed to help IT leaders define and execute strategies for navigating the way ahead.

The new work environment and the related changes have brought focus on IT as an enabler, and on technology leaders as strategic saviours of the business. Luke Clark, CEO of Canon Business Services (CBS) said the opportunity for IT leaders to reimagine business continuity has never been greater.

"We've seen a long overdue rise in trust and appreciation for the value the Chief Information Officer (CIO) brings, as they navigate organisations through crisis," he says. "But after a rush to ensure business continuity, it's time to redefine success. It's never been clearer that digital transformation is what will set companies and organisations apart in the coming months and years."

While there's an enormous amount of information out there about different solutions, CBS saw a need to support CIOs with a more holistic view. RE:IMAGINE delves into how IT leaders can overcome common pain points as they helm change during the pandemic and beyond, shaped by research with more than 200 Australian IT leaders.

CBS focussed on addressing the three most important pillars of digital transformation today: the new workplace, efficiency and optimisation, and performance and scalability. The RE:IMAGINE content series then used practical events, insights, and partnerships to guide IT leaders on where to invest for maximum impact across these priority areas.

The strategy included immersion sessions featuring CBS customers across banking, healthcare, manufacturing and more who've undertaken successful digital transformation. Tech vendors such as Microsoft, Cisco, Pure Storage, Palo Alto and NetApp also unpacked the latest research on challenges and priorities facing IT during this business recovery phase. Finally, one-on-one IT-led workshops offered participants the opportunity to share business challenges and benefit from tailored advice.

There's no doubt that CIOs have been successful in steering their teams and delivering on the technology promise at a time that was most crucial for businesses. With RE:IMAGINE, CBS shown them how to leverage this newfound trust with an IT-inspired business model that supports long-terms success.

CANON OCEANIA

Focusing on our core businesses

Canon Oceania adapted to overcome most of the challenges posed by COVID-19. But some initiatives were set aside to ensure the Group pursued a more focused post-pandemic strategy. This bold and sometimes painful strategic reorientation to focus on core competencies proved beneficial, with the business returning its biggest profit in at least six years.

The return to growth places the Group in a strong position in 2021 and beyond. We are beginning to see the benefits of multiple year investments in our fast-growing services businesses, as well as the advantages associated with maintaining a disciplined approach to delivering our mature products to market, which are being managed for sustainable yield and a profitable growth in market share.

The changes necessitated by the pandemic involved some difficult choices. This included the closure of our online direct-to-consumer marketplace, the Canon eStore, effective from 30 September 2020. The Canon Store was launched in 2011 as an e-commerce platform to serve our customers. In 2020, we re-examined the best way to help consumers access our products, services and support. As a result, the decision was made to direct our efforts to partner more closely with our retailers. Canon focused its support on local retailers to drive competition in the local market and offer customers the best value product offers, promotions, services, and experiences possible.

The decision to wind-up the Canon Collective – a popular workshop and educational program for Australian photographers – was also a difficult one. Lockdowns and social distancing made running events close to impossible, which in turn impacted the viability of the program. Collective events were discontinued from 31 October 2020.

Canon Australia and Canon New Zealand will continue to work closely with local retailers. Nina Spannari, General Manager – Marketing and Consumer Experience, Canon Australia, says her new Retail Marketing team is fostering a closer working relationship with retailers to drive the conversion of Canon product and services. This involves the creation of an integrated and cohesive customer experience, no matter the touchpoint (online or offline), through which a customer buys our products.

The strategy, which Nina calls 'choose, buy, stay', is focused on providing the customer with a seamless purchasing experience. She explains that the Canon website is one of the top three digital channels for people conducting research when considering a product purchase, and therefore represents a promising touchpoint for directing traffic to retailers. The retailers, in turn, are returning value to Canon, such as a pilot program that offers retailers qualified leads if they give Canon exposure through their owned digital channels. The program delivered on its quarterly KPIs in just two weeks. Building on these insights, Nina and her newly restructured team are continuing to refine their data-based approach to deliver for Canon, our customers, and our retail partners.

Photo credit.
Joshua Brookes, Canon Oceania Group Employee.

Taken on a Canon EOS 70D.

The strategy – which Nina calls 'choose, buy, stay' – is focused on providing the customer with a seamless purchasing experience. She explains that the Canon website is one of the top three channels for people conducting research when considering a product purchase, and therefore represents a promising touchpoint for directing traffic to retailers. The retailers, in turn, are returning value to Canon – a pilot program offers retailers qualified leads if they give Canon exposure through their owned digital channels.

How Robotic Process Automation is transforming our banking operations

Canon Business Services (CBS) is a leader in the design, implementation, and management of business process automation. In 2020, this expertise was used to transform Canon Australia's banking operations.

This involved the automation of 12 of 26 manual processes using Robotic Process Automation (RPA). Each automation reduces tasks that took 15-20 minutes down to 5-7 minutes. Other benefits include:

- increasing the speed and accuracy of keystrokes to reduce human error,
- automating processes outside office hours with results available at the start of the working day, and
- reducing manual tasks to give employees more time to focus on customer service.

Nicholas Bell, Canon Australia's Finance Operations Lead, says CBS' RPA solution has led to Canon Australia "hitting 98 percent of processes without manual intervention."

Gail Wardley, Manager of Banking Operations, explains how this was achieved. "Initially we had ten different procedures and we ran through the step-by-step processes to see if replication by a robot was viable. CBS identified the 'big impact' items first, such as EFT processes and BPAYs which are our biggest volumes. Then they developed robotic processes to replace the manual ones."

Nicholas says the removal of repetitive tasks has been transformative: "Manual processes are now done by the RPA bots both inside and outside office hours. It's given time back to the team to get on with more productive analytical work and more investigation into getting through exception payments."

Converga's Head of Business Process Solutions, Ken Hickey, is proud of his team's emphasis on outcome-based consultancy, in which Converga works closely with its clients to test and optimise the process before implementing any RPA solution. He says, "consultancy is key when implementing a client automation project, we are the experts in automation so partnership and providing thought leadership is so important."

Has the pandemic affected RPA's growth prospects?

Canon Business Services' (CBS) multi-year investment in Robotic Process Automation (RPA) seemed well made at the end of 2019, when research advisory Gartner predicted that 2020 would deliver an "RPA renaissance" due to high levels of investment and customer interest in the technology.

Does Gartner's prediction still hold weight in a rapidly changing, COVID-affected business environment? We think so. Post-pandemic, business automation will likely be an even higher priority for leading companies looking to enhance their operational efficiency. In fact, the RPA industry is experiencing compounding annual growth of 49 percent year on year.

Lockdowns have accelerated consumer comfort with digital business models, and operations across all industries are now being forced to digitally transform to maintain business continuity and competitiveness.

Ken adds: "The pandemic has forced the hand of many organisations to rapidly adopt digital strategies that were once medium to long-term initiatives. The businesses that will hasten their recovery will be those that adopt a digital-first mindset, where leaders have created a culture that empowers their business to become faster, more agile, efficient and resilient."

Another key consideration is the opportunity cost of not implementing RPA. The automation of manual, repetitive and time-consuming processes allows human and financial resources to be reallocated to higher priority investments, such as those focused on cost competitiveness or innovation.

The RPA-as-a-service (RPAaaS) model is particularly attractive because a business does not incur the upfront costs associated with purchasing servers or licensing fees. And if the technology is only required for a specific period of time or project, customers have the ability to pause or stop the service.

RPAaaS also gives a business control to ensure the automation works exactly as required, which delivers maximum efficiency and ROI. Although it's hard to predict future business trends, there is confidence that the shift to digital operations is unlikely to fade given cost and efficiency benefits.

Photo credit.
Stephen Lane,
Canon Oceania
Group Employee.

Taken on a Canon
EOS 6D.

Helping our customers embrace digitalisation and flexible work

Canon products and services continue to transform Australian businesses, as they move to embrace the benefits of digitalisation and a flexible approach to work. Evidence of the competitiveness of our cloud-based products came in the form of two top honours at the Buyers Lab (BLI) 2021 Pick and Outstanding Achievement Awards.

Keypoint Intelligence, the world's leading independent evaluator of document imaging software, awarded our document management solution, Therefore the 2021 Outstanding Information Governance Solution, while uniFLOW Online, a cloud platform which helps customers reduce costs, won the gong for the 2021 Outstanding Cloud Output Management Solution.

Canon Australia's Ted Matsumoto, General Manager of B2B Product Marketing, said Canon Australia was honoured to be recognised for its ongoing dedication to document imaging software innovation.

"To take home top honours for our Governance Solution three years in a row is a great achievement for our business as it not only acknowledges the quality of Canon's technology, but the commitment of our team to provide the best information management solutions for our customers," he says. "In a year where agility and flexibility were paramount to businesses, our solutions were able to keep information accessible, secure and efficient, making life that little bit easier for Australians when they needed it most."

Canon Australia also received plaudits in the 2020-2021 Finder Retail Awards, where we won the Best Rated Printer category. The award was based on an independent survey of more than 3,000 Australian consumers, who were asked about their purchases. Canon ranked favourably against six competitor brands, receiving the highest overall score. Canon printers were also seen as delivering the best value for money, and the best performance and reliability (more important than ever as workplaces decentralise).

Another innovation that supports a better working from home experience is the EOS Webcam Utility software for Windows and macOS. Launched in September and November 2020, the software helps Australians connect online through high-quality video communication.

EOS Webcam Utility can be used in 14 popular online meeting applications to project, share or record quality video from 42 Canon EOS interchangeable lens cameras and PowerShot cameras.

Brendan Maher, Senior Manager – Consumer Product, Canon Australia, adds: "With virtual meetings and calls now common ways to connect with others for both professional and personal needs, the EOS Webcam Utility software will help bridge the gap for those who desire higher-quality video communication without wanting to buy extra gear."

CANON NEW ZEALAND

Delivering a world-class tenant experience at Commercial Bay

When renowned developer Precinct Properties planned Commercial Bay – a transformational project on Auckland's waterfront – they turned to Canon New Zealand to provide market-leading print, mail, and courier services for their tenants.

With five connected high-rises with space for 10,000 office workers, Commercial Bay has the highest concentration of premium retail and hospitality vendors in Auckland. Canon New Zealand together with Canon Business Services were chosen to design and implement a state-of-the-art centralised print, mail and courier service for tenants.

The Canon Print Services Centre offers tenants a convenient way to outsource their printing requirements through a simple online portal. Canon owns and operates the service, which means tenants don't have to worry about overheads, staffing or capital costs. In addition, the hub is a more efficient use of space; there's no need to fill up every floor with printers. The Canon Mail and Courier Service Centre separately manages inbound and outbound mail and couriers for tenants.

Our approach at Commercial Bay is a ground-breaking example of a sharing economy innovation, which reduces costs, customer inconvenience and environmental impact through the creation of one central resource. The operational model also has scope to develop additional services to support tenants, including valet parking and managing third-party suppliers.

"This is a fantastic example of the 'Sharing Economy', providing real benefit for those customers in that they don't need to organise or fund and administer their own support services like courier or mail or a print room. This was an excellent synergy project between Canon New Zealand and Canon Business Services."

Kim Conner, Chief Executive, Canon New Zealand

TRANSFORMING BUSINESS

In a world of unprecedented technological disruption, businesses today must unlock new opportunities, drive new growth and deliver new efficiencies.

At Canon Oceania Group, we are doing just that. By combining all of our business lines under one group with a unified strategy, we are further building our 'Better, Created Together' culture. In 2020, we continued to pursue our own transformation, and advanced the Group's product and service offerings to support customers on transformation journeys of their own.

OUT OF THIS WORLD INNOVATION

CE SAT 2B

A second-generation technical demonstration satellite developed to test Canon's imaging equipment in space

Canon is now working on a third version of an even smaller micro-satellite

To see some of the mind-bending images taken so far, visit https://en.canon-elec.co.jp/space

Embedding our purpose-driven culture in a time of change

After COVID-19 hit, we quickly resumed customer services by transforming the way we work and enabled our wider Canon workforce across the regions to work remotely by delivering equipment and enabling technology

RESPONDING TO CHANGE

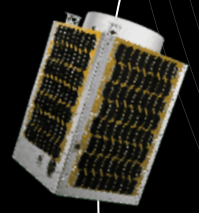
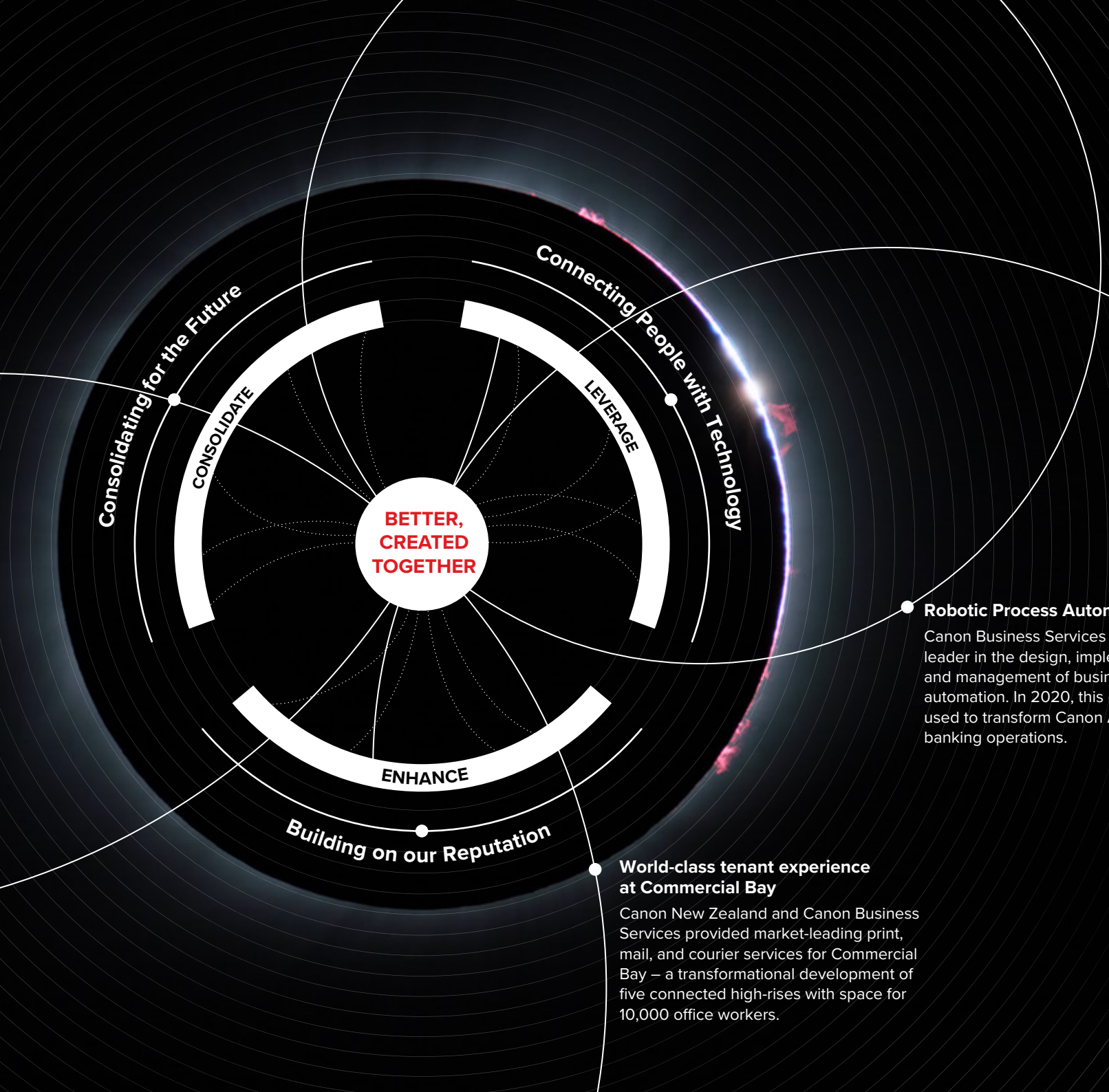


Photo credit.
Phil Hart,
Member of our
Canon Community.

Taken on a Canon
5D Mark IV.



High quality video communication

The EOS Webcam Utility software helps consumers connect online through high-quality video communication.

Robotic Process Automation

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World-class tenant experience at Commercial Bay

Canon New Zealand and Canon Business Services provided market-leading print, mail, and courier services for Commercial Bay – a transformational development of five connected high-rises with space for 10,000 office workers.

Sustainable Development Goals (SDGs)
11: Sustainable Cities and Communities

02 ACTING RESPONSIBLY

At Canon Oceania, we believe that acting responsibly across the business is more than just the right thing to do – it's the smart thing to do. Applying our *kyosei* philosophy, living and working together for the common good, to our work preserves and enhances our social licence to operate.

CANON OCEANIA

1,200

direct and indirect suppliers included in our modern slavery risk assessment

$450,000

in grant funding has supported over 75 schools, not-for-profits and community groups over the last 14 years (Canon Oceania Grants)

1ST

Mental Health First Aid accredited training for employees across Australia and New Zealand

ISO 45001

upgraded health and safety certification to the international benchmark in Australia and New Zealand

CANON BUSINESS SERVICES

600

PPE care packages supplied to Australian customers to help them return to work safely

CANON AUSTRALIA

REDSTRAPS

free 12- week mentoring program for young photographers ran for a second year

CANON BUSINESS SERVICE CENTRE PHILIPPINES

59

for the school year 2019-2020, a total of fifty-nine students were under the educational sponsorship program of CBSC.

32

staff health insurance policies for the KSEM children's centre were funded for past two years.

VOLUNTEERS

from CBSC facilitated a range of educational tutorials, oral and dental hygiene lessons, feeding programs and fundraising activities.

CANON NEW ZEALAND

MAKE A WISH

supporting the foundation offering hope and happiness to critically ill children for the past 5 years

Photo credit.
Wayne Cooke,
Canon Oceania
Group Employee.

Taken on a Canon
PowerShot D20.

02 ACTING RESPONSIBILY

2020 objectives	2020 performance
1. Centralise the governance and management of the Group's corporate social responsibility activities.	✓ Sponsorships and donations across the Group all channelled through one team.
2. Continue our work in our regional supply chain, including modern slavery and other human rights issues.	✓ Modern Slavery risk assessment conducted on 1,200 direct and indirect suppliers and action plan agreed.
3. Continue our work in harmonising risk management systems.	✓ New Canon Oceania Risk Management Process launched based on Canon Inc.'s global approach and covering all Group companies.

2021 objectives

1. Embrace new ways of engaging with people to incorporate privacy expectations.
2. Issue Modern Slavery Statement and continue developing mitigation strategies for human rights risks in the supply chain.

CANON AUSTRALIA

Canon joins forces with cricketing legend to raise awareness of rare diseases

You probably know Steve Waugh AO for his cricketing expertise. But you may not be familiar with his other great life achievement. Seventeen years ago, Steve and his wife Lynette Waugh OAM established the Steve Waugh Foundation in recognition of the fact that society wasn't adequately supporting children and young people living with rare diseases.

The foundation set out to provide somewhere to turn for those in need, and has since supported 2,000 families with individual grants, in addition to funding research, awareness campaigns and respite camps.

Ahead of World Rare Disease Day on 28 February 2021, Steve in partnership with Canon, called on Australians to join the battle to raise awareness of rare diseases and give a voice to the hundreds of thousands of children and their families suffering in silence.

Pictured here is the team who represented Canon Australia at the Steve Waugh Foundation's Fundraiser 'Grange @ Forever Green'. (L-R) Nic Peasley, Executive of Ted's Cameras, Aaron Berthelot Canon Australia's General Manager Consumer Sales, Steve Waugh, James Blythe, Managing Director of Ted's Cameras and Glen Gregory, Executive General Manager of Harvey Norman.

We are proud to say that, in addition to helping raise crucial funds, the team took home the winning cup after defeating 23 other teams.

"Rare disease patients have long been orphans of the health system, and while the world continues to battle the global COVID-19 pandemic, more than 300 different rare diseases affecting children in Australia continue to linger," Steve said.

"We've all faced challenges over the past year, and each have a certain level of apprehension about the unknown impact the COVID-19 might have on our lives. The reality is much more severe for individuals and families affected by rare diseases, who may struggle to even name the disease they face and get access specific treatment and much needed equipment."

Canon Australia supported the foundation with funding and camera gear to help capture precious memories and tell important stories.

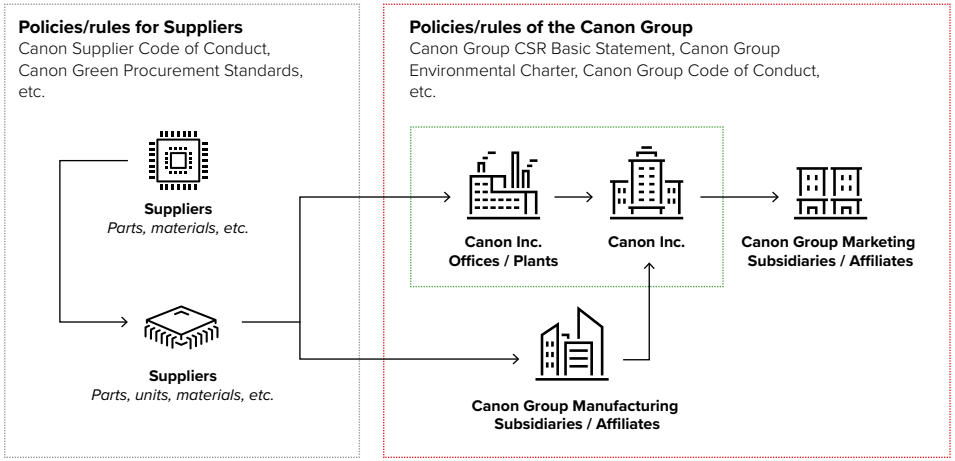
CANON INC.

Upholding human rights in our global supply chain

As a multinational corporation with operations around the world, Canon Inc. places a high priority on preserving the human rights, labour standards and dignity of every employee, contractor, partner, supplier, and customer in its supply chain. This commitment was demonstrated in 2019, when the organisation joined the Responsible Business Alliance (RBA).

Admission has strengthened Canon Inc.'s policies and processes for monitoring human rights around the world. For instance, Canon Inc. has adopted the RBA Code of Conduct, and responds annually to its detailed questionnaires. These efforts are directly relevant to Canon Oceania, as a large percentage of our products are sourced from Canon Inc.

CANON'S SUPPLY CHAIN



* Green rectangle indicates Canon Inc. operations

CANON AUSTRALIA

Guarding against modern slavery risk

Under Australia's *Modern Slavery Act 2018*, Canon Australia is required to issue a modern slavery statement by June 2021. In preparation for this disclosure, we worked throughout 2020 to identify potential risks in the local supply chain. This will be an ongoing task as we refine and centralise procurement data from all companies within the Group.

Currently our procurement data does not necessarily include all the information needed to understand the modern slavery risks for each of our suppliers. As a result, in 2020 we conducted a high-level assessment based on the following key indicators:

- Industry: assessing industries on their level of risk according to credible research, reports and investigations.
- Product: assessing products or commodities on their level of risk based on the US Department of Labor's 2018 List of Goods Produced by Child and Forced Labor, the Global Slavery Index (GSI), and other reputable sources.
- Geography: assessing the prevalence of slavery in all relevant jurisdictions, guided by the GSI (while we predominantly use Australian suppliers, some goods and services come from countries outside of Australia).

In analysing suppliers outside of Canon Inc. the assessment found that the Canon Oceania Group has a medium potential for modern slavery risk in our supply chain with about 13 percent of total spend analysed as potentially higher risk. The five highest risk categories (in descending order) were:

1. ICT hardware and electronic equipment, components and supplies,
2. business process outsourcing,
3. property and facility management services,
4. waste management (including e-waste), and
5. building, construction and fabrication services.

Our plan for 2022 is to refine this analysis and the collated procurement data to understand more about suppliers in higher risk categories. A more granular level of insight will allow us to develop effective mitigation strategies directly correlated to the level of risk involved.

Living our purpose through the Canon Oceania Grants program

The Canon Oceania Grants program has become something of an institution over the past 14 years, delivering joy, top-notch Canon gear and a cash windfall to the worthy recipients. In that time, Canon Oceania has supported over 75 schools, not-for-profits and community groups with over $450,000 in grant funding.

In the spirit of *kyosei*, we created a new Small Business category and increased cash donations in 2020 to support the most vulnerable organisations across Australia and New Zealand. Winners were also selected from two additional categories: Community (open to not-for-profits, grassroots and environmental groups), and Education (open to schools and other educational institutions).

Dave Yoshida, Managing Director – Canon Oceania, explains why the program was broadened "It's no secret that it's been incredibly tough this year for all Australians – from droughts and bushfires, to floods and a pandemic, organisations are facing uncertainty like never before... We're confident the grants program will help impacted organisations make the vital next steps towards recovery."

After an especially tough selection process (the public cast over 5,500 votes for finalists), the following projects were awarded based on their potential to create positive impact, and the degree to which a Canon grant would help bring the project to life.

Canon New Zealand awarded a $10,000 grant to one small business, equally split between Canon products and cash:

- Small Business – **Bay Light – Innovative Education Consultants**

And one $5,000 grant to community group

- Community – **Broad Bay School** (New Zealand)

Canon Australia awarded three $5,000 grants, also equally split between Canon products and cash:

- Small Business – **Dogs for Kids with Disabilities** (Victoria)
- Education – **Telethon Speech and Hearing** (Western Australia)
- Community – **Action for Dolphins** (Queensland)

And one $1,000 runner-up grant:

- Education – **Fregon Anangu School** (South Australia)

Submissions opened in July followed by public voting in August. The winners will be announced in September.

Work, health and safety through the pandemic

As addressed earlier in this report, COVID-19 posed multiple challenges through 2020 (and continues to do so). None, though, took up more time and attention than ensuring the health and safety of our employees and customers. The challenge was made harder still by Canon Oceania's geographic spread, as we grappled with understanding and responding to changing risks and government directions across different national and state jurisdictions.

Although the Group already had systems in place to allow for more flexible work, these were refined to smooth the transition for the vast majority of employees working from home. Due to the speed of the transition and the need to balance the different risks (i.e. ergonomic risks vs risks of infection), we were pragmatic about workstation set-up at home, recognising that, in many cases, families had a number of people working from home and ideal ergonomic set-ups were not always possible. The situation was especially difficult in the Philippines, where COVID-19 transmission rates were higher and employees were locked down for lengthy periods.

Maintaining employee mental health and wellbeing was a key priority, and featured heavily in our expanded online Learning & Development (L&D) program. The Group also ran its first Mental Health First Aid accredited training across Australia and New Zealand to support greater visibility and knowledge on this critical topic.

Despite the difficulties involved, we progressed the standardisation of health and safety management processes across the Group. Canon Australia's health and safety certification was upgraded to comply with the new international benchmark ISO 45001. This certification will be extended to CBS and Canon New Zealand in 2021, and Canon Business Service Centre Philippines in 2022.

Working from home has also been normalised in some areas. At Canon New Zealand, for instance, Kim Conner, CEO, has embedded a new way of working; a minimum two days working from home for all positions able to do so. It's a structured, rostered approach that benefits both the organisation (sub-letting of Level 1 of the Auckland office building to reduce costs) and individual employees (flexibility and work-life balance).

The types of injuries reported in 2020 did not change from previous years. These were predominantly muscle and joint injuries resulting from trips and falls, as well as muscular strains. The number of hazards reported reduced due to working from home. As working from home is likely to continue for many, educating employees about the need to recognise and report hazards in the home workplace will be a focus in 2022. For more detailed information on our health and safety performance, please refer to the Social Fact Book.

Broad Bay School NZ: Canon Oceania Grant Winner – Community.

Photo Credit. Otago Daily Times.

"The Red Straps program is designed to dispel any misconceptions that young people might have that a career driven by their talent and passion for storytelling can't offer them lucrative success and happiness."

Nina Spannari, General Manager – Marketing and Consumer Experience, Canon Australia

CANON BUSINESS SERVICES

Customer satisfaction at record highs for Canon Business Services

Maintaining high levels of customer service has been integral to Canon Business Services (CBS) since its founding in 2018 – so much so that achieving a greater than 95 percent score on customer satisfaction is a key component of the team's vision.

That's why we were so proud to announce the 2020 customer satisfaction scores for CBS group companies, Converga and Harbour IT, bettered the strong result achieved in 2019.

Converga achieved an overall score of 98 percent (up from 97 percent in 2019), with positive feedback on our ability to exceed customer expectations and provide professional service and value.

Harbour IT's overall score lifted significantly to 93 percent (up from 85 percent in 2019), underscoring the benefits of the decision of a renewed focus on faster IT delivery, customer-centricity, operational excellence, and team engagement.

These are remarkable achievements in a year marked by pandemic-related impacts to customer delivery, and a testament to CBS' efforts to swiftly mitigate disruptions.

CANON BUSINESS SERVICE CENTRE PHILIPPINES

Supporting vulnerable kids and the staff who offer them hope

Canon Business Service Centre Philippines (CBSC) remains incredibly proud of our long-term community partnership with Kanlungan sa Er-Ma Ministry (KSEM).

Established in 1988 in response to growing child abuse and exploitation, Manila-based KSEM provides food, shelter, education, and hope for children who require special protection. CBSC has long supported KSEM with funding and volunteer hours, but also recognises the need to assist the staff who so selflessly devote their lives to children in need.

For the past two years, CBSC has sponsored a total of 32 KSEM staff health insurance policies to ensure these hard-working heroes have access to everything from clinic consultation, hospitalisation (including COVID-19-related care), emergency care and more. This support has been especially important in the wake of the pandemic, where KSEM staff have faced daily risk of contagion in their mission to support the children.

In response to COVID-19 risks, KSEM staff have diligently incorporated the 'new normal' strategies launched by the Philippines Department of Education, such as distance, modular and blended learning. In addition, KSEM's residential centres now have in-house educators to assist students with their lessons and to help them communicate with their class teachers.

Despite the challenging times, kids and staff remain happy and healthy. Indeed, KSEM has quickly adapted to the new norm, leasing a unit to serve as a learning centre and equipping it with computer units to assist students with school projects.

The bushfires that ravaged Australia's east cost in 2020 were devastating. SUNSTUDIOS partnered with people from across the industry to raise money to help those impacted by the disaster

CANON AUSTRALIA

Photographers and SUNSTUDIOS rally behind bushfire victims

2020 was an annus horribilis, and not just because of the pandemic. The bushfires that ravaged Australia's east coast were arguably the most devastating in recorded history. In response, many within the photography industry wanted to assist in collaboration with SUNSTUDIOS.

Photographer Hugh Stewart shares one heart-warming story:

"Over the Christmas break we were down the south coast at Milton and got caught up in the fires ... The day prior to us leaving was catastrophic for Lake Conjola with I think around 80 homes being incinerated. We have a friend there who managed to save their house but they knew friends and neighbours that lost everything.

"My friend Nicky Goozee had started collecting money for people who needed it. I got home, we spoke and I put up a post on Instagram saying that I would auction five of my Romeo and Juliet Leonardo DiCaprio prints. I asked Baz and Catherine if they would sign them to which they unhesitatingly agreed to do. I also said I would give away a 10x8 signed print to each person to give over $100.00.

"We raised around $110,000 from a combination of print sales and donations. Nicky from Conjola found out who needed money and distributed it immediately and directly to those that needed it most. The unsung hero in all this is Selena Simpson who printed the prints so beautifully. Without her and SUNSTUDIOS' involvement this wouldn't have happened."

SUNSTUDIOS also collaborated with Artboxblack Managing Director Jane Robinson to support South Coast Rural Relief in providing fodder for starving and traumatised livestock, in addition to Sue Stubbs, who, with Jessica Bellef and Murdoch Books, raised $1,000 to support Australia's largest wildlife rescue organisation WIRES.

CANON AUSTRALIA

Canon products to evolve to meet new safety standards for button batteries

In December 2020, the Australian Government announced new mandatory regulations to improve the safety of button batteries. Under the standards, products must have secure compartments to prevent children from gaining access to batteries.

Manufacturers must also complete compliance testing to demonstrate batteries are secure, provide high-risk batteries in child-resistant packaging, and place additional warnings and emergency advice on packaging.

The Australian regulations on button batteries are the most stringent in the world, and recognise the danger button batteries pose to children, especially those five years and under; one Australian child a month is seriously injured after swallowing or inserting a button battery.

Canon had already modified the design of its products prior to the regulations, to make them more secure. Further modifications to design, packaging and labelling are now being made to ensure all Canon products meet the new safety requirements by the due date (businesses have 18 months to comply).

CANON BUSINESS SERVICES

Acting when it matters most

Canon Business Services (CBS) teams showed their dedication to community safety, security, wellbeing during crucial crisis points throughout the pandemic. In Australia, this included helping essential services frontliners get back to work, while in New Zealand, operations teams mobilised to deliver for a customer already under pressure to support the nation.

Client Services Manager, Daniel Chung explains how his team helped Australians get back to work, supporting essential services staff in over 600 locations around the country with PPE care packages. This included the packing and distribution of an astonishing 350,000 pairs of gloves, 670,000 masks, 5,000 litres of hand sanitiser and 6,000 litres of disinfectant.

"I am extremely proud of my team and what we have achieved together, making a seemingly impossible task not only possible but doing it much faster and more efficiently than anyone expected," he says. "Providing this support to our clients meant they could focus on their core tasks, which is helping their customers without feeling mentally or physically unsafe."

Another great example comes from the results achieved in processing education applications and student payments for CBS' largest digital customer in New Zealand. While under significant pressure to support the nation during pandemic lockdown, the customer relied on CBS to ensure the student group would move into payment with out delay.

Narissa Key, Service Delivery Manager, said the CBS operations team processed 250,000 applications with less than 1% error rate: "This was an impressive achievement, enabling the student payments to be processed correctly and on time, which had an extremely positive impact to the customer and the community. It shows how committed the operations team are to providing the best outcome for our customers. They took ownership and pride and they worked together to make this happen."

CANON AUSTRALIA

Mentoring the creative stars of the future

Back for its second year in 2020, the free 12-week Canon Red Straps youth mentoring program provides 16-24 year-old hobby photographers and filmmakers an opportunity to build new skillsets and access industry mentors.

Red Straps 2020 kicked off in August, with hundreds of young Australians undertaking the virtual program. Under the expert guidance of Canon Australia employees and two accomplished mentors (photographer Matt Cherubino and videographer Aaron Busch), participants studied six modules designed to foster career success. The modules included advice on how to kickstart a business, how to deal with clients, how to master content capture and editing, and how to market your portfolio.

Nina Spannari, General Manager – Marketing and Consumer Experience, Canon Australia, notes that "the Red Straps program is designed to dispel any misconceptions young people might have that a career driven by their talent and passion for storytelling can't offer them lucrative success and happiness."

At the program's conclusion, ten lucky participants were selected as cadets and received an additional three-weeks of virtual one-on-one mentoring to further elevate their creative, technical and business skills.

CANON NEW ZEALAND

Offering a first taste of student life at the University of Otago

The University of Otago is sedate in January... until the rollup of Hands-on at Otago. This event has become a rite of passage for hundreds of excitable year 12 and 13 students, who descend on the campus to experience their first flush of a life beyond school and home. It's a week filled with social activities and opportunities to learn, and Canon is proud to be there in support as a sponsor.

Our 'Canon Red Shirts' provide students with pastoral care during their week-long stay, while a multi-disciplinary Canon team offers a 'snack' (a short elective) course in photography under the inspirational leadership of Ole Hansen, Consumer Imaging and Services South Island Territory Manager, In 2020, we also provided funding for underprivileged students to attend, in line with the guiding principles of *kyosei*.

Photo credit.
Joseph Aris Aton, Canon Oceania Group Employee.

Taken on a Canon EOS R.

CANON AUSTRALIA

The gift of quality, nutritious food for those doing it tough

Canon executives Dave Yoshida, Luke Clark, Lawrence Mills, Ben Luke and David Field are used to pressure – after all, they spent the last 12 months navigating a geographically disparate business through an unprecedented global pandemic.

Still, they knew they had their work cut out when they were scheduled to swap the pressure of business continuity planning in the first months of the COVID-19 outbreak for a high-pressure kitchen. The aim? To cook up a gourmet feast as part of OzHarvest's flagship fundraiser, the CEO CookOff.

The annual CEO CookOff is a night of dignity and hope where OzHarvest brings together top Australian chefs, business leaders and corporate teams to create and serve dinner for over 1,200 special guests from vulnerable communities.

Sadly the 2020 event was postponed because of lockdowns. But that didn't stop our team from raising funds – $19,382 to be precise – which placed Team Canon fourth on the Top Teams donor board. Donations were even more important this year as Australian communities suffered fires, drought and economic recession caused by the pandemic.

CANON NEW ZEALAND

Supporting a cause that's close to our hearts

In 1986, Make-a-Wish New Zealand worked its magic for the first time. Four-year-old Daniel, suffering from leukaemia, wanted nothing more than Christmas in October. His wish came true when Santa and his elves arrived on a fire engine with a sack full of presents. Daniel got to ride on the fire engine, too.

Canon New Zealand has been a steadfast supporter of Make-a-Wish since 2016. In that time, we've helped grant dozens of special wishes through participating in the Over the Edge (former Rope for Hope) event and a number of other fundraising initiatives.

This year was no exception. On 13 November 2020, a team of four brave colleagues – Brad Gibbons and Kai Yiu (Canon New Zealand), Sam Waldron (CBS), and Grant Campbell (Canon Medical) – were *scheduled* to abseil 17 storeys from the rooftop of the Tower One building in Auckland's CBD.

Unfortunately, the event didn't proceed due to a COVID-19 lockdown. Importantly, the team still managed to raise over $6,000 to offer hope and happiness to critically ill children. We look forward to continuing our association with this wonderful charity in 2021 and beyond.

CANON OCEANIA

Keeping customers safe through best practice information security

In business as in life, trust is everything. Our customers expect their information to remain secure in their dealings with us, and as a result, we maintain high standards of information security across our business imaging equipment, cloud services, managed IT services and business process outsourcing.

Converga historically has held ISO 27001 certification – the internationally recognised best practice framework for an Information Security Management System – since 2016. Despite the challenges involved, we worked diligently through 2020 to extend ISO 27001 certification to cover all CBS services as well as Canon Australia's B2B offering. This ongoing process involves annual independent audits and provides assurance to our customers that their information will remain secure.

Committing to clearer, simpler and more transparent governance

Canon Oceania's approach to governance continues to evolve to manage the issues that matter most to the business and its people. For example, we recently implemented a new decision-making framework to support our investment process. This involves clearer guidance on the level of analysis and scrutiny required for different levels of investment, which in turn, seeks to create better discipline around what good investment outcomes look like.

Our Senior Leadership Team (SLT) has also expanded the range of topics on which it receives regular briefings, creating the opportunity to hear directly from front-line employees on areas like customer service, cyber security and insurance spend. This is designed to enhance visibility and accountability, with the SLT committing to shared ownership on major decisions like budget allocation (as opposed to placing sole responsibility on the executive responsible).

This more consultative approach has helped to foster greater strategic alignment between the SLT and the rest of the organisation; front-line employees are given first-hand access to the decision-making processes of the SLT, while executives hear about risks and opportunities as they emerge in day-to-day interactions with customers.

A flatter hierarchy also has important implications for our culture. From the Managing Director down, we're working together to solve problems and to better understand customer needs. David Field, Director, People & Finance at Canon Australia, explains it like this: "We're getting better at learning from customer complaints to work out how we solve a customer's problem to avoid the need for them to contact us. What can we learn from customers to make our products and services work better? And when our customers connect with us, what can we learn from the negotiation process to make sure we're simple and easy to deal with? We want customers to feel like we're someone who listens, who gets it right first time."

Pictured here are (L-R) Ben Luke, Lawrence Mills, Dave Yoshida, Luke Clark and David Field, Canon Business Services' team for the OzHarvest CEO CookOff.

Sustainable Development Goals (SDGs)
5: Gender Equality
10: Reduced Inequality

03

PROMOTING AN OPEN AND DIVERSE CULTURE

Some of our plans around advancing our diversity and inclusion (D&I) agenda took a back seat in 2020, as the business focused on survival and the health and safety of employees. We look forward to re-initiating an ambitious, region-based agenda in 2021 and beyond, powered by the enhanced data insights of the recently implemented HRConnect system. The business case for investing in D&I is compelling. An increasing number of studies reinforce that an open and diverse workplace leads to smarter decision-making, higher revenues, and helps to attract and retain talent. It also allows a company to better understand the needs of a diverse customer base.

CANON AUSTRALIA

RECONCILIATION ACTION PLAN (REFLECT)

conditionally approved April 2021

CANON NEW ZEALAND

DIVERSITY WORKS NZ

facilitated a 90-minute workshop on 'Understanding unconscious bias', part of our commitment to ensuring a diverse and open culture across our business

CANON BUSINESS SERVICE CENTRE PHILIPPINES

PROJECT INCLUSION:

continued partnership with Project Inclusion to improve access to work opportunities for people with disability

CANON BUSINESS SERVICES

MENTAL HEALTH WORKSHOP:

run by Chelsea Pottenger for customers and employees

WOMEN'S LEADERSHIP FORUM:

CBS' Stephanie Wang lent her voice to forum in a partnership event with Canon and Orix.

Photo credit.
Don Tiongkiao,
Canon Oceania
Group Employee.

Taken on a Canon
EOS M6 Mark II.

03
PROMOTING AN OPEN AND DIVERSE CULTURE

2020 objectives	2020 performance
1. Complete ratification of our Reconciliation Action Plan (RAP) in Australia.	– Canon Australia's RAP is conditionally ratified. The project has now progressed into design and communications stage.
2. Accelerate our Project Inclusion journey in the Philippines.	– Project Inclusion continues as a strong pillar of CBSC diversity and inclusion strategy but acceleration did not occur due to pandemic.
3. Establish a new Learning and Development framework, Shu Ha Ri, focusing on technical, leadership and executive skills.	✓ Shu (develop) Ha (Grow) Ri (Lead) learning philosophy was adopted based on the Japanese martial art concept used to describe progression of learning to mastery in three phases.

2021 objectives

1. **Reinvigorate diversity and inclusion strategies across the Group.**
2. **Include people with disability in all workplace scenarios in CBSC and allocate designated buddies for emergencies.**
3. **Launch a new Leadership Framework.**

CANON BUSINESS SERVICE CENTRE PHILIPPINES

The benefits of inclusion

Project Inclusion is a not-for-profit organisation that seeks to improve access to work opportunities for people with disability (PWD). Supported by the Unilab Foundation, Project Inclusion has reached over 1,800 people with career readiness assistance, skills advocacy, and employment advocacy.

Canon Business Service Centre (CBSC) Philippines has partnered with Project Inclusion since 2018. In that time, we have witnessed wonderful results for those hired, their direct team members and the organisation more generally.

Take Arden, who works as an office assistant in Corporate Services. Arden made the CBSC team proud when he was featured on the Project Inclusion Network billboard in EDSA – the longest and busiest street in Metro Manila! Arden, who lives with Asperger's syndrome, has thrived at Canon, inspiring his colleagues with his talent, work ethic and positivity.

Another valued employee is Angel Pablo, a hearing-impaired individual who works in Transaction Services. Angel's role involves tracking and encoding accounts with sensitive data, such as flight numbers and passport information. It's a job that requires a high level of concentration to produce timely and accurate results.

Fatima Diesta, Angel's supervisor, explains that after receiving the right training and support, Angel has become a highly valued colleague and an example to others. Her attendance is perfect, and her typing speed and accuracy have consistently grown since she was hired.

"Right now, Angel handles critical accounts, which means the turnaround time is just two hours, and she's always on time. We've never failed our Service Level Agreements with clients," Ms Diesta says.

Angel has supported the development of an inclusive CBSC culture by acting as an interpreter for interactions between hearing-impaired teammate Joshua and their colleagues. This includes hosting informal weekly teaching sessions to help co-workers learn sign language.

Janine Mendoza, CBSC's Wellness, Health, and Safety (WHS) Coordinator and Disability Champion, says that hiring PWD has given the company a new perspective. "When they were employed, we learned more about the hearing-impaired community. It strengthened our diversity and inclusion, and it made some of our employees more engaged."

CBSC is looking to benefit from hiring more PWD in positions that are well-suited to their skill sets.

CBSC's goalposts for inclusive success

- Partner up with a disability-oriented organisation (such as Project Inclusion) and study disability-inclusive laws.
- Frequent and direct interaction between PWD and their supervisors to improve professional performance and social skills.
- Include PWD in all workplace scenarios; designate buddies for emergency situations.
- Commit to continuous growth; encourage PWD to pursue initiatives that allow them to connect with colleagues and vice-versa.

CANON OCEANIA

Cooperating for gender equality

International Women's Day on 8 March is an important day within the Canon calendar; an opportunity to celebrate the contribution of women across all fields of human endeavour and of course those who contribute to the success of our business. The 2020 theme, 'Each for Equal', encourages collaboration to level the gender playing field.

The Group showed its support for the Day in multiple ways, including through events such as lectures, lunches and sponsorship of the inaugural Australian Women's Film Festival. The Canon-sponsored Agender photography exhibition – a celebration of the prodigious talents of women in photography – was another highlight.

Michael Jalaru Torres praised Canon for supporting fellow Indigenous photographer Marley Morgan during the week. He said spotlighting Marley's work was "huge and really appreciated amongst our peers and group. I think there is a renewed optimism that our voices are being heard and definitely giving the emerging photographers something to strive for, thank you again."

CANON AUSTRALIA

Canon proudly supports the inaugural Australian Women's Film Festival

Canon was delighted to announce its affiliation with the Australian Women's Film Festival (AWFF); a new short film festival created by women, for women. In light of society's ongoing struggle for gender equality, the relaunch of the postponed AWFF 2020 event in Bondi Junction, Sydney, in March 2021 was well-timed.

Aligning with International Women's Day, AWFF champions female storytellers and entrepreneurs within the film industry by offering them a platform to showcase their talents in front of, and behind, the camera.

To be eligible for nomination, films must have at least three of five females in key creative roles, and must pass the Bechdel test, which asks that the work features at least two women, who are named, talk to each other about a topic other than a man. This condition was included to encourage filmmakers to transcend the traditional stereotypes of how women are portrayed in film.

As a major sponsor of the AWFF, we gifted a Canon EOS C200 4K cinematic digital camera to be awarded to a winning filmmaker, which we're confident will facilitate more visionary cinematography our best female filmmakers in the months and years ahead.

CANON NEW ZEALAND

Celebrating our national story, Aotearoa-style

Waitangi Day marks the anniversary of the signing of the Treaty of Waitangi – New Zealand's founding document signed by representatives of the British Crown and over 500 Maori Chiefs in 1840.

In 2020 Canon New Zealand sponsored 'Waitangi Vibes' a new festival run by the local Awataha Marae to commemorate the signing of the treaty. The purpose of the festival is to bring people together to learn about and preserve ancient Māori knowledge, narratives and customs in a family focused, fun event for the whole community.

Canon New Zealand was proud to be a sponsor of Waitangi Vibes. The festival presented an ideal opportunity to celebrate Māori culture through market stalls, cultural activities, music from local Kiwi artists and a relaxed, family-friendly vibe. Great weather and a fantastic turn-out also helped make the day one to remember.

The land on which our Auckland HQ sits was the original site of the Awataha Marae and carries strong cultural significance. Canon NZ and Awataha have a strong relationship and we were proud to support their inaugural Waitangi Vibes celebration.

CANON AUSTRALIA

Enhancing our commitment to Indigenous reconciliation

In April 2021, Canon Australia submitted its Reflect Reconciliation Action Plan (RAP) to Reconciliation Australia, an organisation which promotes and facilitates respect, trust and positive relationships between the wider Australian community and Aboriginal and Torres Islander peoples.

Our Reflect RAP was submitted after wide-ranging internal and external consultation. The initiative provides a roadmap to advance our reconciliation journey. It also holds Canon Australia to account by prescribing actions and deliverables that must be achieved ahead of receiving Reconciliation Australia's endorsement.

Canon Australia's Diversity and Inclusion Council – which is sponsored and chaired by our most senior leaders – has formally committed to advancing the rights and opportunities of Aboriginal and Torres Strait Islander peoples (one of four pillars of action). The Council has driven progress on the RAP to date, supported by colleagues from our Corporate Communications and Sustainability teams.

While we recognise that our reconciliation journey is still in its early stages, engaging in Reconciliation Australia's formal process has provided an opportunity to reflect on and assess progress to date. Highlights include company-wide recognition and support for NAIDOC Week, National Day of Healing and National Reconciliation Week, celebrating the cultural contribution of Aboriginal and Torres Strait Islander photographers and filmmakers through Tales by Light and other initiatives, the awarding of grants to exceptional First Nations organisations and individuals, and successfully partnering with Supply Nation-certified Aboriginal Enterprise, Warrgambi Security.

Photo credit.
Benjamin Warlngundu Bayliss, Member of our Canon Community.

Taken on a Canon EOS 5D.

CANON NEW ZEALAND

Addressing unconscious bias to bring out the best in us all

Canon New Zealand's Diversity & Inclusion committee is committed to addressing unconscious bias in recruitment and across the business. In line with this ambition, in April 2021, experts Diversity Works NZ facilitated a 90-minute workshop open to all staff called 'Understanding unconscious bias'.

The session shed light on two critical issues: how the human brain is wired to respond to the world in an efficient way, and how stereotypes and assumptions about those similar to us (our in-group) or different from us (our out-group) are embedded in the brain's default approach to 'efficient' decision-making. The outcome of this mental shortcut is a tendency to prioritise support for people with similar life experiences to us.

Kim Conner, CEO of Canon New Zealand, says the training has helped the leadership team better understand the multiple benefits of developing a truly inclusive culture. "We've taken the time to examine how to work better together. We understand that everyone is different, and we are developing ways to celebrate those differences to create a work environment that brings out the best in us all."

Photo credit.
Dylan Rivers took this photograph as part of the Tales By Light series. The series is included in Canon Australia's Reconciliation Action Plan as part of our commitment towards reconciliation.

Sustainable Development Goals (SDGs)
12: Responsible Consumption and Production
15: Life on Land

04 REDUCING OUR ENVIRONMENTAL IMPACT

Canon Inc.'s environmental vision, Action for Green, sets the goal of delivering products and services that combine high functionality with minimising our environmental footprint. To do this, we are continually identifying and reducing environmental impacts at each stage of the product lifecycle. For Canon Oceania, this means focusing on the two biggest environmental impacts created through our local operations – e-waste and carbon emissions. Canon Inc. works to protect and conserve the environment throughout the product lifecycle, with an emphasis on four material areas: contributing to a low-carbon society; contributing to a circular economy; eliminating hazardous substances and preventing pollution; and contributing to a society in harmony with nature.

CANON INC

4.6%

reduction in lifecycle CO_2 emissions per product unit on average per annum (41.3% improvement since 2009)

A-LIST RATING

by CDP in climate change and water security categories

CANON NEW ZEALAND

52%

reduction in overall emissions since Toitū carbonzero certified base year (2018)

NATIONAL CONSUMER E-WASTE PILOT

Noel Leeming stores joined the TechCollect NZ e-waste pilot program funded by Canon and other manufacturers

CANON OCEANIA

13%

average reduction in scope 1 and 2 emissions per annum since 2009

NET ZERO PILOT

joined Sustainability Advantage Pilot Program to develop Net Zero pathway for the Group

20,084 TONNES

of e-waste recycled by ANZRP TechCollect in 2019-2020 in Australia

CANON AUSTRALIA & CANON NEW ZEALAND

30

standard ink cartridges saved by a single set of PIXMA MegaTank refillable ink bottles

Photo credit.
Wayne Cooke,
Canon Oceania
Group Employee.

Taken on a Canon
EOS 760D.

04 REDUCING OUR ENVIRONMENTAL IMPACT

2020 objectives	2020 performance
1. Prepare Carbon Neutral strategy for Canon Oceania Group.	– Initial planning undertaken in 2020 Strategy will be completed in 2021.
2. Extend the e-waste pilot program in NZ.	✓ E-waste pilot program was put on hold during COVID-19. It was extended in early 2021 to offer free recycling of printers and computers throughout New Zealand.
3. Actively contribute through industry associations to proposed changes in product stewardship legislation and circular economy initiatives.	✓ Actively worked through our industry associations to contribute industry views on changes to product stewardship, waste and energy efficiency legislation in Australia and New Zealand.

2021 objectives

1. **Develop Canon Oceania carbon zero strategy and roadmap.**
2. **Complete Canon New Zealand transition to hybrid or electric fleet vehicles.**
3. **Promote responsible printing by growing continuous ink printer market.**

CANON INC.

Contributing to a low-carbon society

Canon Inc.'s assessment of the environmental impact of our products looks at our process end-to end, all the way from raw material acquisition by suppliers, production, distribution, use and maintenance to disposal and recycling. We then convert each type of environmental impact to a carbon dioxide (CO_2) equivalent for comparison. Based on this figure, we set a goal of achieving an average three percent improvement per year in the index of lifecycle CO_2 emissions per product unit.

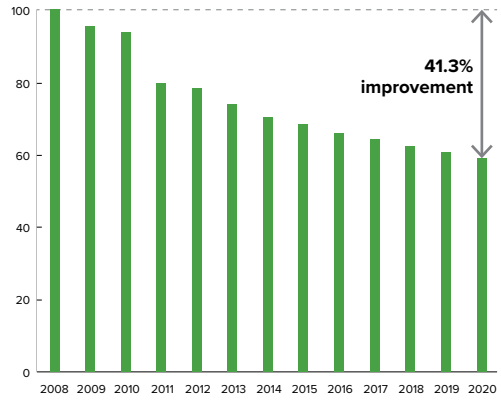
We're proud to have not only met this global target but exceeded it – lifecycle CO_2 per product unit has been reduced by an average of 4.6 percent per annum. This has lead to a 41.3 percent improvement since 2008.

If Canon keeps this target, we will achieve a roughly 50 percent reduction in the index from 2008 levels by 2030. We recognise this to be in line with the level of reduction called for by the Paris Agreement. We will continue to measure how we are tracking in terms of our contribution to a low-carbon society through regular reviews of this overall target.

A-list rating in climate change and water security

The CDP – an international non-profit organisation – evaluates major companies worldwide on their efforts to tackle climate change and other environmental impacts. Evaluations are based on information disclosed in response to questions sent to the companies, with data independently audited to ensure the rigour of this process. Canon is proud to have earned a spot on the A-list in the climate change category for a second time, having first made the list in 2016. In 2020, we also made the A-list for the first time in the water security category.

LIFECYCLE CO_2 EMISSIONS IMPROVEMENT INDEX PER PRODUCT



*Indexed to 2008 = 100%

An average improvement of 4.6 percent per year in the Lifecycle CO_2 Emissions Improvement Index per product since 2008 has been achieved through energy saving measures at operational sites and in product design. For further information see Canon Inc Sustainability Report 2021 p 46.

CANON OCEANIA

Achieving our emissions reductions targets

Canon Oceania has greenhouse gas emission targets at two levels.

1. Energy efficiency: average 1.2 percent per annum improvement in the energy intensity of our premises and company vehicles. Increasing the percentage of renewable energy will contribute to this.	Achieved
2. Direct emissions: local target set in 2009 to reduce our direct (Scope 1 and 2) emissions by Canon by 1.5 percent pa from 2010 until 2020. We achieved our target most years by consolidating our sites and investing in a 5-Star Greenstar fitout as well as roof-top solar installation at our Macquarie Park HQ. Over the decade we achieved an average of 13 percent reduction per annum. Recently we have achieved the targets through the efforts of Canon New Zealand, which are described below. Further information is available in the Environmental Fact Book.	Achieved

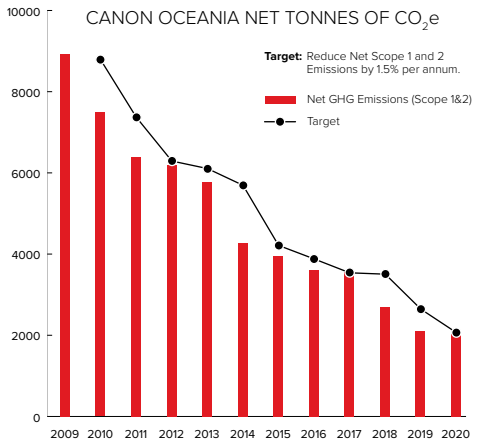
Achieving these targets also takes into account the emissions of the acquired companies that were incorporated into Canon Business Services.

CANON NEW ZEALAND

New Zealand continuing to lead by example in contributing to a low-carbon society

At the end of 2019, Canon New Zealand became a Toitū carbonzero organisation in line with ISO 14064-1, making it the first Canon company in the world to become carbon zero. Working towards the milestone has allowed us to fully understand our carbon footprint and has helped embed the pursuit of ambitious emissions reductions targets into the cultural fabric of the organisation.

Kim Conner, CEO of Canon New Zealand, says that the team is particularly proud of being the first Canon company globally to achieve carbon zero. "We've had a genuine commitment since our first conversation on becoming carbon neutral in 2018. And we'll continue to set ambitious targets. We want to play our part in creating a world that future generations can enjoy."



Canon has reduced overall emissions by 52 percent since the certified base year 2018. Significant reductions were achieved through reductions in flights and from lower fuel use. Some of this was due to reductions in activity due to the pandemic. However, we're also pleased to report that 65 percent of the newer corporate fleet has already been converted to hybrid vehicles. A genuine commitment means we don't take any convenient shortcuts. Our fleet vehicles, for example, proudly display our Toitū carbonzero certification on PVC-free wrap (rather than plastic), which is sourced at greater expense from a specialised local supplier.

We're now looking to build on the work done in New Zealand to achieve net zero emissions for the rest of the Group. To do this we have enrolled in a Sustainability Advantage Pilot Program run by the NSW Department of Planning, Industry and Environment. The aim of this program is to assist us in testing and mapping out our net zero pathway over a variety of timeframes. Participation in the program will also assist the NSW Government in meeting its own net zero commitments.

"Canon Australia is a founding partner of the Cartridges 4 Planet Ark program... and works very closely with us to ensure plastics, such as those from ink bottles can be recycled and repurposed into new everyday products."

Peter Tamblyn, Close the Loop Sales and Marketing Manager

CANON OCEANIA

Contributing to a circular economy

Taking another look at e-waste with TechCollect

Canon Oceania's contribution to the Australia New Zealand Recycling Platform (ANZRP) e-waste collection and recycling service, TechCollect, is one of the most effective ways we address e-waste in the region. Despite challenges over the past year, TechCollect continues to support our industry reduce its impact on the environment. In 2019-2020, the platform recycled 20,084 tonnes of e-waste in Australia. Of this total 1,839 tonnes was recycled by Canon Australia. According to the Life Cycle Assessment undertaken by Lifecycles (an Australian lifecycle assessment company) this is equivalent to preventing 2,332 tonnes in carbon emissions, planting 34,945 trees, or saving 3,862 m^3 of water. (See pages 50 and 51 for more) .

CANON NEW ZEALAND

Expanding our e-waste collection

In July 2020 TechCollect NZ received $320,000 from the Ministry for the Environment's Waste Minimisation Fund (WMF) to expand its pilot program, and develop, refine and recommend regulated product stewardship scheme design options for e-waste under New Zealand's Waste Minimisation Act (WMA). Techcollect's pilot program is a free national collection and recycling service funded by leading technology brands including Canon. The pilot will run until the end of 2021 and will ensure at least 90 percent of valuable resources are recovered and reused in new products.

How does it work? A network of free drop-off points at 16 participating Noel Leeming stores nationwide gives small businesses and consumers a convenient way to dispose of their e-waste and supports the creation of a circular economy within our industry. As one of Canon New Zealand's biggest customers, Noel Leeming is the perfect partner for furthering our product stewardship goals.

The funding will also enable TechCollect NZ to co-develop a regulated product stewardship scheme for e-waste under New Zealand's Waste Minimisation Act (WMA). What we learn through this pilot and our new partnership will be used to develop a better e-waste product stewardship system in New Zealand; our findings will be presented to the Ministry for the Environment in the second half of 2021.

CANON AUSTRALIA & CANON NEW ZEALAND

Helping our customers make a difference with technology

In 2020, overall demand for home printers increased by 39 percent, with Canon's Continuous Ink Supply Systems (CISS) range growing by 159 percent year-on-year. As remote workers and small business owners increasingly print from home, we want to help them make better environmental choices.

The PIXMA MegaTank printer is an example of how Canon is meeting growing demand for world-leading printing technology that also helps customers reduce their environmental footprint. A single set of PIXMA MegaTank refillable ink bottles, for instance, can print more than 30 standard ink cartridges used in standard home printers. In addition, bigger ink cartridges mean our customers have to buy fewer refills, saving money and resources.

Eliminating hazardous substances and preventing pollution

Eliminating hazardous substances in products is largely managed by Canon Inc. during the product design phase through the Life Cycle Design process. Occasionally we source local components to add to Canon products, and in these cases, we apply Canon's rigorous global green procurement standards and conduct local audits to ensure that products do not include restricted or forbidden chemicals. Examples of locally sourced components include camera bags and power supplies.

The main way we contribute to Canon's overall goals in eliminating hazardous substances and preventing pollution is through our active participation in national product stewardship schemes in Australia and New Zealand. These schemes aim to minimise products' end-of-life impact and keep hazardous substances out of local ecosystems. These include:

- Cartridges for Planet Ark Program (Australia)
- Recycling Group Cartridge Program (New Zealand)
- TechCollect (Australia and New Zealand)
- Australian Packaging Covenant
- Australian Battery Recycling Initiative
- Battery Stewardship Council (Australia)

Participating in the development of national waste policy

The Australian and New Zealand governments are taking heed of global pressure to improve waste management processes. The National Waste Policy Action Plan in Australia aims to ban the export of various kinds of waste including waste plastic, paper, glass and tyres, while reducing total waste generated per person by 2030 (by 10 percent in Australia). New Zealand is developing its own National Waste Strategy.

These plans provide opportunities and challenges for Canon Oceania. On the one hand, government funding to boost local recycling capacity allows us through ANZRP and Cartridges for Planet Ark (C4PA) to invest in better local recycling technology for our end-of-life products. In this respect, improving the recovery of valuable materials is a clear opportunity for our business.

On the other hand, complying with various state-based initiatives is a challenge for our diverse operations and full range of products. For instance, there are various initiatives for banning polystyrene packaging. To address this, Canon is working with key customers like Officeworks to replace polystyrene in our inkjet printer range with moulded fibre pulp. We are also working with government through our industry associations to ensure that legislation takes into account practical timing considerations for manufacturers. As we work towards implementing higher standards, we will continue to recycle polystyrene through our warehouses.

Further information on Canon's greenhouse gas emissions and waste management can be found in the Environmental Fact Book.

CASE STUDY

CANON NEW ZEALAND

Canon Inc. 2020 Excellence Award: Winners

During COVID-19 lockdown, Canon New Zealand was one of 66 applicants in the annual Canon Inc. 2020 Environmental Awards. After being invited to present to the judging panel in Japan (virtually, due to travel restrictions), Canon New Zealand was delighted to win an Excellence Award.

"To make lasting and significant progress to address one of the world's greatest challenges, businesses must continue to step up and be prepared to invest together in a long-term commitment to the health of our planet."

Kim Conner,
CEO of Canon New Zealand

Paul Anderson, Senior Legal Counsel, and Kim Conner, CEO, from Canon New Zealand were delighted to accept the award from Canon Inc.

REDUCING OUR IMPACT

Our guiding philosophy is *kyosei*, living and working together for the common good.

What good could be more common than protecting the environment in which we all live. Here are a few ways we are reducing our environmental impact.

Photo credit.
Gemma Ortlipp, Canon Oceania Group Employee.

Taken on a Canon EOS R.

Our material areas

Contributing to a Low-Carbon Society

Contributing to a Circular Economy

Eliminating Hazardous Substances and Preventing Pollution

Contributing to a Society in Harmony with Nature

Achieving our emissions reduction targets

IN OUR OWN OPERATIONS

1.2%

improvement per annum in the energy intensity of our premises and company vehicles.

FINDING NEW SOLUTIONS AS A GROUP

13%

reduction per annum in our direct (Scope 1 and 2) emissions since 2009, by site consolidation, energy efficiency and renewable energy initiatives.

MAPPING OUR PATHWAY TO NET ZERO

The Sustainability Advantage Pilot Program:

CNZ was certified Toitū carbonzero in 2019.

We are working on a net zero pathway for the Group through Sustainability Advantage Pilot Program.

Managing our e-waste

PRODUCING LESS WASTE

Working with key customers

like Officeworks to replace polystyrene in our inkjet printer range with moulded fibre pulp.

HELPING CONSUMERS REDUCE THEIR IMPACT

30

standard ink cartridges saved by a single set of PIXMA MegaTank refillable ink bottles.

SCALING IMPACT THROUGH INDUSTRY PARTNERSHIPS

20,084 tonnes

of e-waste recycled by ANZRP TechCollect in 2019-2020.

OUR LEADERSHIP TEAM

Akira 'Dave' Yoshida
Managing Director
Canon Oceania

Kim Conner
Chief Executive Officer
Canon New Zealand

Luke Clark
Chief Executive Officer
Canon Business Services

David Field
Chief Legal Counsel and Director
– People and Finance
Canon Oceania

Doug Grgas
Director – Technology and Operations
Canon Oceania

Masayuki 'Mike' Murase
Senior Director – Sales & Support
Canon Australia

OUR SERVICES

Digital Transformation

Digitise your office and make your business more productive with a suite of business processes.

Cloud & IT

Work remotely, share information, store and access data securely in the cloud.

Managed Services & Outsourcing

Outsource specialist and non-core roles to us, so you take care of the things that matter most.

IT Optimisation

Take your business to the next level by letting us take care of your day-to-day operation.

Information & Data Security

Protect your information, your processes and your people.

Imaging & Printing

Make the most of Canon Imaging. It's what we're renowned for, so leave it to us.

Canon

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