

# Environmental Fact Book

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## Statement of Use

The details contained in this Fact Book are intended to supplement the information included in the 2023 Canon Oceania Sustainability Report.

Canon has reported the information in this Fact Book for the period 1 January 2022 to 31 December 2022 with reference to the GRI Standards.

The specific disclosures under each standard are shown in the document.

Please direct any additional questions or comments relating to this Fact Book or the Canon Oceania Sustainability Report to [sustainability@canon.com.au](mailto:sustainability@canon.com.au)



# Management Approach

## GRI 103 Management Approach

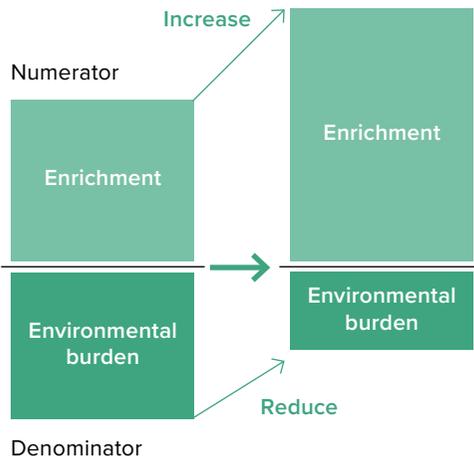
Acting on the foundation of its Approach to Sustainability, Canon works to protect and conserve the global environment in line with the [Canon Group Environmental Charter](#) and [the Canon Environmental Vision](#). Our aim is to realise a society that achieves a beneficial balance between lifestyle enrichment and the environment. To do this we seek to supply products and services that enrich people's lives while also reducing environmental impact based on initiatives across the entire product lifecycle.

### Disclosure in Line with TCFD Recommendations

Canon accepts the recommendations of the final report of the Task Force on Climate-related Financial Disclosures (TCFD) and discloses climate-related information in accordance with the TCFD framework. Initiatives in line with TCFD Recommendations are included in the [Canon Inc Sustainability Report](#).

[Canon Oceania's Environmental Policy](#) is based on the Global vision and reflects our local approach.

### Canon's Approach



## Material Issues

Canon Inc has identified four material environmental issues globally. They are:

1. Contributing to a low carbon society;



2. Contributing to a circular economy;



3. Eliminating hazardous substances and preventing pollution; and



4. Contributing to a society in harmony with nature.



For Canon Oceania only two of these issues were identified as material for our local operations ie

1. Responding to the global net zero imperative; and
2. Strengthening our products and services through circular economy innovation

These are covered at a high level in the Canon Oceania Sustainability Report and in more detail in this Fact Book.

However in this fact book we have also addressed Canon Inc issues number 3 & 4 above since they have been identified as global material issues.

# Contributing to a low carbon society

## GRI 302 Energy 2016

**302-5** Reductions in energy requirements of products and services

## GRI 305 Emissions 2016

### Targets

#### Canon Inc targets

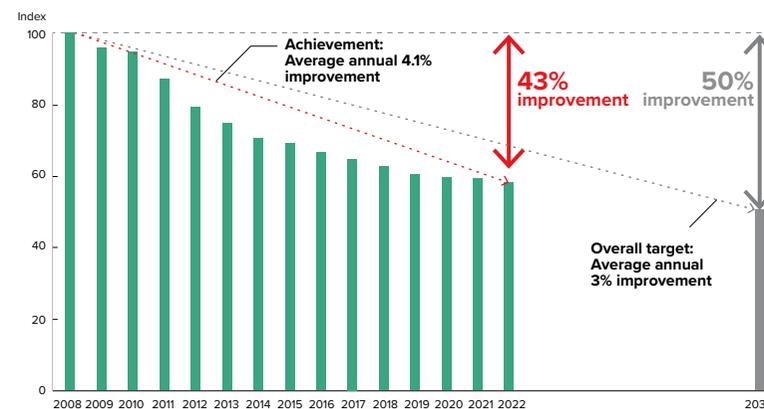
Globally Canon has committed to the following targets:

**2030 – 50% CO<sub>2</sub> emissions reduction compared to 2008**

**2050 – Net zero CO<sub>2</sub> emissions for the entire product lifecycle**

The measure of performance is the Index of lifecycle CO<sub>2</sub> emissions per product unit, Canon's well established indicator for measuring our progress achieved across all environmental related activities from energy and resource conservation to recycling.

### Index of lifecycle CO<sub>2</sub> emissions per product unit



\* Assuming 2008 baseline of 100

Canon medium term environmental targets call for a 3% reduction in this index per annum. Since 2008 Canon has reported an improvement of 42% against the index, meeting or exceeding the annual target most years. This represents an annual average improvement of 4.1%.

Canon is confident that its targets will be met by rigorously pursuing initiatives in operations, product design and recycling to improve energy efficiency based on the whole product lifecycle. By making a wide range of technologies and IT solutions available Canon will not only reduce CO<sub>2</sub> emissions in our own operations but also help lower CO<sub>2</sub> emissions across the whole of society. (Further information on Canon's cutting edge Technology is available in the "Canon Frontier" available on the [Canon global website](#). Further information on Canon's global environmental targets is available in the [Canon Inc Sustainability Report](#).)

## Canon Oceania targets

Canon Oceania committed to the following targets:

### **To set new emission reduction targets that are credible and transparent**

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### **To develop a Climate Transition Action Plan**

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Further information about Canon New Zealand's Net Zero certification can be found on the [Toitū website](#)



## Canon Oceania Environmental Data

The following pages include detailed information about our energy, greenhouse gas, and waste data. The data includes information from all Canon-controlled activities in each country during the relevant time period as follows:

**Australia** includes Canon Australia, Canon Finance Australia, SunStudios and Canon Business Services Australia.

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**New Zealand** includes Canon New Zealand, Canon Finance New Zealand, and Canon Business Services New Zealand.

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**Philippines** includes Canon Business Services Centre.

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More information on the Canon Oceania Group Structure is shown in the [Canon Oceania Sustainability Report](#).

## Operational Site Targets

Until 2022 Canon Inc. has had in place an operational target for energy use for sales companies; to improve the energy intensity of premises and company vehicles by an average of 1.2 percent per annum. Canon Oceania has consistently achieved this target each year, including in 2022, by investing in solar power for our Macquarie Park HQ, ongoing reductions in office space across the region, purchasing of renewable energy, offsetting our emissions in New Zealand and introducing hybrid vehicles.

For 2023, Canon Inc. has increased the operational energy target to a required 2.4 percent reduction in energy intensity of operations. Canon Oceania plans to achieve this target through the continued consolidation of our office footprint, increasing the use of hybrid fleet vehicles in Australia, and the purchase of more renewable energy.

## Re-establishing a Base Line

Canon has been monitoring its emissions since 2009 when we established our first baseline for Scope 1, Scope 2 and some significant Scope 3 emissions. We have achieved reductions in those emissions by consolidating our corporate offices including relocating our head office to an energy efficient 5 Star Green Star (Interiors) rated building, outsourcing our warehousing and data centres to more efficient third party operations (now included in Scope 3 emissions), installing solar power at our head office at Macquarie Park, offsetting our New Zealand emissions and purchasing renewable energy.

In 2022, we increased our purchase of GreenPower at our Macquarie Park, South Melbourne, SUNSTUDIOS, and Melbourne Unipark premises. Our program of replacing our internal combustion engine vehicle fleet with hybrid vehicles in New Zealand continued, and our office footprint was reduced through further consolidation of corporate premises.

However, despite our ongoing reduction activities, our net direct emissions have remained relatively stable since 2019 at around 2,400 tonnes due to increased activity in 2022 as we re-emerged from the pandemic. Detailed information about our carbon emissions and trends across the business is contained in the environmental fact book.

These net emissions take into account the carbon offsets purchased as part of our Toitū net carbonzero certification.

Due to the significant changes in the business since we established the initial base line and also changes in the monitoring and reporting frameworks we are working, with the support of the NSW Government Sustainability Advantage Program, to establish a new baseline and set new targets and an implementation plan in line with Canon's global commitments.

# Energy Consumption 2020 – 2022

(data from previous years is available in the earlier Environmental Fact Books available on the Canon Australia [website](#))

## GRI 302: Energy 2016

**302-1** Energy consumption within the organisation

**302-2** Energy consumption outside the organisation

**302-3** Energy intensity

**302-4** Reduction of energy consumption

	2020				2021				2022			
	AU	NZ	PH	TOTAL	AU	NZ	PH	TOTAL	AU	NZ	PH	TOTAL
<b>Energy Consumption</b>	(Note 3)											
<i>Energy Consumption (kWh)</i>	1,942,632	574,515	855,435	<b>3,372,581</b>	1,819,310	599,441	676,675	<b>3,095,426</b>	2,006,333	617,967	520,247	<b>3,144,547</b>
Accredited GreenPower (kWh) /Solar Power (Note 1)	105,259	0	0	<b>105,259</b>	108,688	0	0	<b>108,688</b>	414,452	0	0	<b>414,452</b>
Electricity Consumption Non-Renewable (GJ)	6,615	2,068	3,080	<b>11,762</b>	6,158	2,158	2,436	<b>10,752</b>	5,731	2,248	1,873	<b>9,852</b>
Electricity Consumption Renewable (GJ) (Note 2)	379		0	<b>379</b>	391		0	<b>391</b>	1,492	0	0	<b>1,492</b>
Fuel Consumption (fleet) (litres)	181,464	54,514	0	<b>235,978</b>	168,620	47,639	0	<b>216,259</b>	172,570	53,772	0	<b>226,342</b>
Fuel Consumption (fleet) (GJ)	6,260	1,939	0	<b>8,199</b>	5,830	1,679	0	<b>7,509</b>	5,932	2,017	0	<b>7,949</b>
Gas Consumption (GJ)	107	0	0	<b>107</b>	81	0	0	<b>81</b>	114	0	0	<b>114</b>
<b>Total Non Renewable Energy (GJ)</b>	12,982	4,007	3,080	<b>20,068</b>	12,069	3,837	2,436	<b>18,342</b>	11,777	4,265	1,873	<b>17,915</b>
<b>Total Renewable Energy (GJ)</b>	379	0	0	<b>379</b>	391	0	0	<b>391</b>	1,492	0	0	<b>1,492</b>
<b>Total Energy (GJ)</b>	13,360	4,007	3,080	<b>20,447</b>	12,461	3,837	2,436	<b>18,734</b>	13,269	4,265	1,873	<b>19,407</b>

**Note 1** Canon Solar Power commenced operation at CA Headquarters at Macquarie Park 28 November 2017.

**Note 2** Renewable energy includes solar power for CA Headquarters. Although a large proportion of the New Zealand electricity comes from renewable sources this is not currently recognised under the CarbonZero program and so we have classified it as non-renewable and offset it.

**Note 3** From 2020 Canon NZ data includes CBS ANZ business emissions in audited totals. Canon Business Services Centre Philippines data is also included from 2020.

# Greenhouse Gas Emissions 2020 – 2022

(data from previous years is available in the earlier Environmental Fact Books available on the Canon Australia [website](#))

## GRI 305 Emissions 2016

**305-1** Direct (Scope 1) GHG emissions

**305-2** Energy indirect (Scope 2) GHG emissions

**305-3** Other indirect (Scope 3) emissions

**305-4** GHG emissions intensity

**305-5** Reduction of GHG emissions

	2020				2021				2022			
	AU	NZ	PH	TOTAL	AU	NZ	PH	TOTAL	AU	NZ	PH	TOTAL
<b>Greenhouse Gas Emissions (tonnes CO<sub>2</sub>e )</b>	Note 3											
Scope 1	432	137	0	<b>570</b>	393	116	0	<b>509</b>	459	132	0	<b>591</b>
Scope 2	1,486	56	359	<b>1,901</b>	1,355	61	462	<b>1,878</b>	1,530	71	447	<b>2,048</b>
Scope 3 (Note 1)	938	247	0	<b>1,186</b>	1,331	204	0	<b>1,535</b>	1,573	183	0	<b>1,756</b>
<b>Total</b>	<b>2,857</b>	<b>441</b>	<b>359</b>	<b>3,657</b>	<b>3,079</b>	<b>381</b>	<b>462</b>	<b>3,922</b>	<b>3,562</b>	<b>386</b>	<b>447</b>	<b>4,395</b>
<b>Emissions reduction</b>	0	441	0	<b>441</b>	0	381	0	<b>381</b>	0	386	0	<b>386</b>
<b>Net GHG Emissions Scope 1 &amp; 2 (Note 2)</b>	1,918	0	359	<b>2,277</b>	1,748	0	462	<b>2,210</b>	1,989	0	447	<b>2,436</b>
<b>Net GHG Emissions Scope 1, 2 &amp; 3</b>	2,857	0	359	<b>3,216</b>	3,079	0	462	<b>3,541</b>	3,562	0	447	<b>4,009</b>
Net Scope (1&2) Emissions/FTE	2.2	-	0.4	<b>0.9</b>	2.1	-	0.5	<b>1.1</b>	2.1	-	0.5	<b>1.1</b>
<b>Total Renewable Energy (GJ)</b>	379	0	0	<b>379</b>	391	0	0	<b>391</b>	1,492	0	0	<b>1,492</b>
<b>Total Energy (GJ)</b>	13,360	4,007	3,080	<b>20,447</b>	12,461	3,837	2,436	<b>18,734</b>	13,269	4,265	1,873	<b>19,407</b>

**Note 1** Scope 3 emissions calculated vary according to country:

**Australia:** key emissions include freight (air, road, ocean) waste to landfill (including waste from our 3rd party warehouse), telecoms and internet and travel and accommodation. This is the first year that we have included waste from the third-party warehouse.

**New Zealand:** key emissions include travel and accommodation, freight, private car use for business, waste disposal including paper and plastic recycling, and electricity distributed T&D losses. Waste disposal from third party warehouse is not currently included.

**Philippines:** reliable data is not currently available to calculate scope 3 emissions

Scope 3 emissions from the following sources are not included at present:

- E-waste recycling. However the positive lifecycle benefits of
- e-waste recycling are reported elsewhere in this fact book.
- Outsourced data centres - we expect to include this data next year.

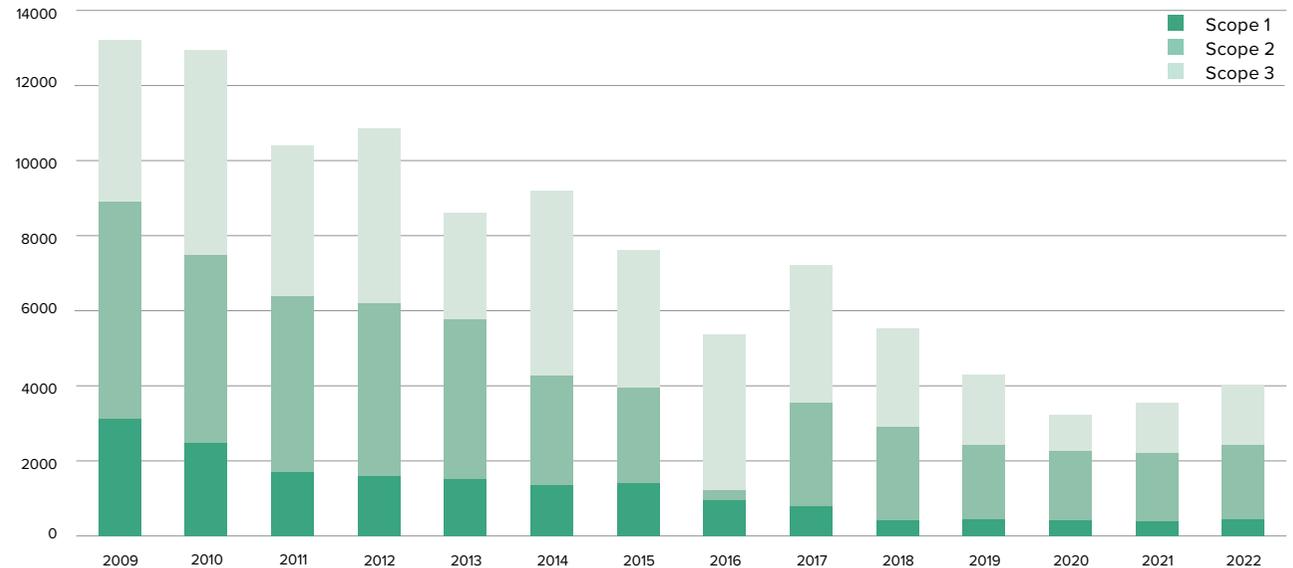
The significant drop in scope 3 emissions from 2018 to 2020 is mainly the result of more accurate reporting specifically of freight data, and also the effects of Covid 19 including significantly reduced travel.

**Note 2** From 2018 Canon New Zealand has been certified as Carbon Zero and has purchased accredited Carbon Offsets to offset the emissions that it has not been able to eliminate.

**Note 3** Canon Information Systems Research Australia closed in 2019.

## Canon Oceania Net GHG Emissions (tonnes CO<sub>2</sub>e)

This data shows the trend in Scope 1, 2 and 3 emissions. This year we have improved the reliability of our freight data in Australia and New Zealand. The overall reduction in Scope 2 emissions has been achieved mainly through moving into smaller, more energy efficient premises. The reduction has occurred despite the changes in the business including the closure of CISRA and the acquisition of Canon Business Services with operations throughout Australia and New Zealand as well as the Philippines, and SunStudios. Some of the reduction in Scope 2 emissions has been due to outsourcing of the Oceania Distribution centre and the Canon Australia data centre between 2011 and 2014. Emissions from some of the outsourced facilities have been included as Scope 3 emissions since 2014. However we have yet to reliably capture Scope 3 emissions from our outsourced data centres and from our Philippines operations. Emissions in 2020 and 2021 were reduced due to a significant reduction in activity across all business units due to COVID-19. Increased activity in 2022 reflects increased activity as the economy recovered from the pandemic. We are currently working on understanding our Scope 3 emissions in much greater detail.



\* Net emissions means that the carbon offsets purchased through the Toitu Net Carbon Zero program since 2018 have been subtracted from the totals. The offsets are shown in the Greenhouse Gas Emissions Table

## Australian GHG Emissions by Scope (tonnes CO<sub>2</sub>e)

Scope 1 – fuel used in company vehicles

Scope 2 – electricity

Scope 3 – air travel, telecoms and internet, waste, accommodation, hire cars and taxis, paper use.

Emission reductions in electricity have been due to moving into smaller more efficient premises and installation of solar power at our Sydney HQ.

2021 was the first year that we included accurate freight data and also waste data from our outsourced warehouse.

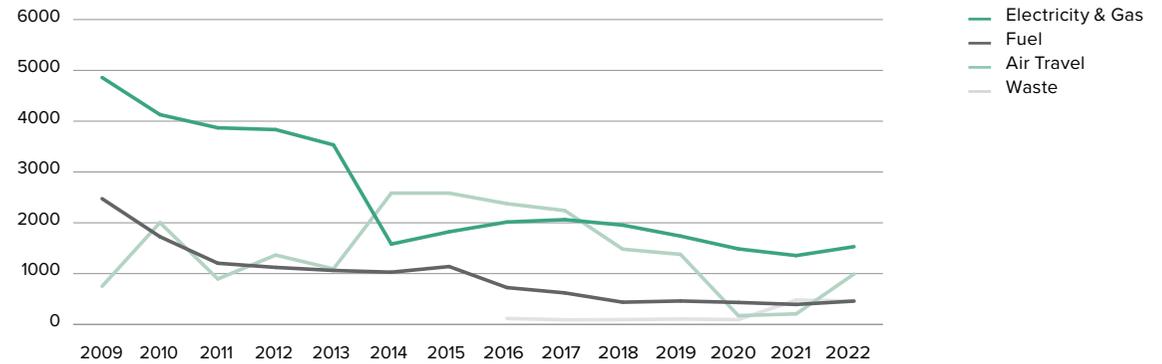
Emission reductions in 2020 and 2021 have been largely due to reduced activity due to COVID-19 restrictions.



## Canon Key Australia GHG Emissions (tonnes CO<sub>2</sub>e)

The key contributors to Canon Australia's greenhouse gas emissions are electricity and gas, fuel from service vehicles, air travel, and waste. Emission reductions in 2020 and 2021 were largely due to reduced activity due to COVID-19 restrictions.

Emissions from waste increased significantly due to the inclusion of waste data from our outsourced warehouse activities at our Oceania distribution centre in Sydney.



## New Zealand GHG Emissions by Scope (tonnes CO<sub>2</sub>e)

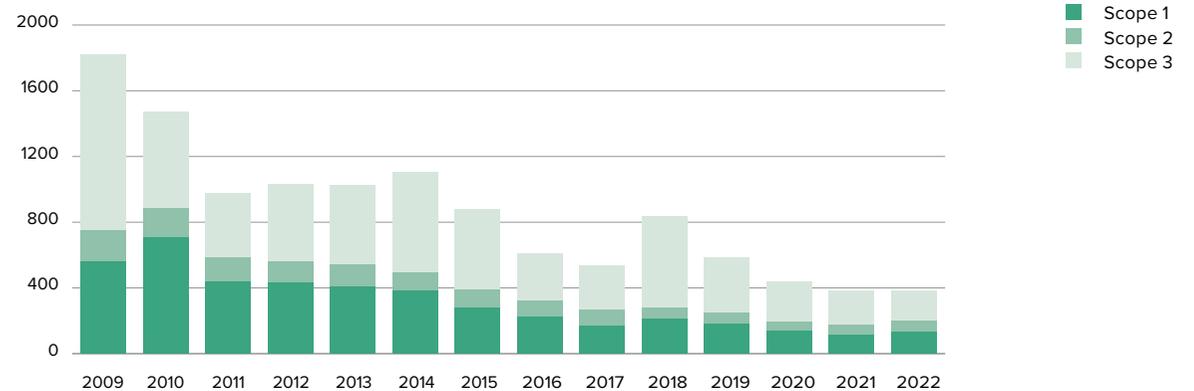
Scope 1 – fuel used in company vehicles

Scope 2 – electricity

Scope 3 – freight, air travel, telecoms and internet, waste, accommodation, hire cars and taxis, use of personal vehicles for work.

This data includes emissions produced by Canon Business Services New Zealand activities.

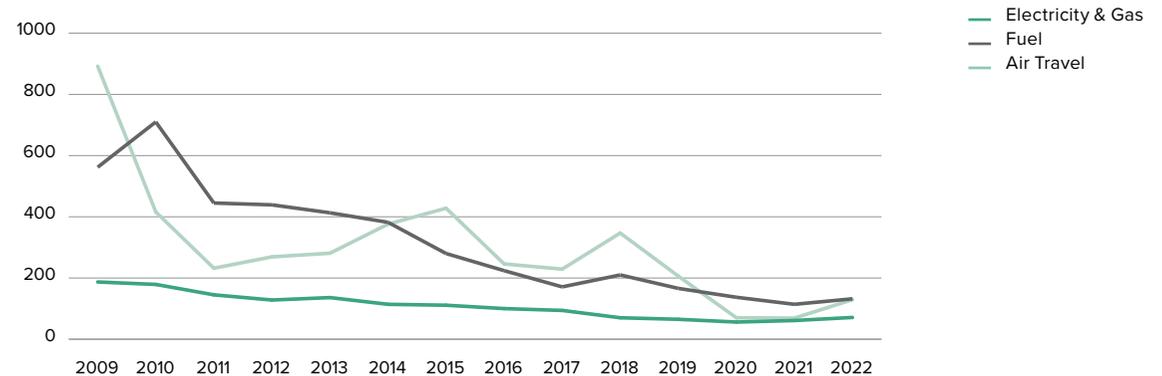
Emission reductions in 2020 and 2021 have been largely due to reduced activity due to COVID-19 restrictions and conversion of fleet vehicles to hybrid. Increases in 2022 are the result of economic recovery after the pandemic.



## Key New Zealand GHG Emissions (tonnes CO<sub>2</sub>e)

The key contributors to Canon Oceania Group emissions in New Zealand greenhouse gas emissions are electricity and gas, fuel from service vehicles, air travel and freight. This data includes emissions from all activities under our control in New Zealand including those from Canon New Zealand and CBS. Air travel increased in 2018 due to the release of new product models and the need to travel for training.

Emission reductions in 2020 and 2021 have been largely due to reduced activity due to COVID-19 restrictions and conversion of fleet vehicles to hybrid. Increases in 2022 are the result of economic recovery after the pandemic.



## Contributing to a Circular Economy

The Canon Oceania Sustainability Report includes information on our significant environmental impacts associated with management of our e-waste in particular and the steps that Canon is taking to reduce those impacts. The information in this Fact Book supplements the information in the Sustainability Report.

As part of Canon's global policy of circulating resources within the same regions where they are consumed, Canon Oceania actively encourages national industry-led product stewardship schemes in Australia and New Zealand. We have been very active participants in the development and ongoing implementation and improvement of the following schemes:

### GRI 306: Waste 2020

**306-1** Waste generation and significant waste-related impacts

**306-2** Management of significant waste-related impacts

	Material Recycled in 2022*	Product Stewardship Scheme
<b>Australia</b>		
<p><b>Techcollect</b> – national program collecting E-waste (TVs computers and printers) for free from consumers and business. The program is part of the National TV and Computer Recycling Scheme regulated under the Recycling and Waste Reduction Act. Canon and other responsible suppliers run the Techcollect program through its not for profit industry-run company Australia New Zealand Recycling Platform. (ANZRP). ANZRP leads the industry in the application of transparent and stringent health safety and environmental standards and is increasingly investing in modern recycling technology to improve the value of the recycled material and its usability in making new products.</p>	<p><b>Techcollect</b> 21,460 tonnes*</p> <p><b>Canon Australia</b> 2,655 tonnes*</p>	
<p><b>Cartridges for Planet Ark</b> – a voluntary scheme run by industry in partnership with not for profit NGO Planet Ark and Close the Loop – a leader in take back and recovery programs as well as circular economy solutions. Ink and toner cartridges are collected from customers nationally and recycled with a 100% no waste to landfill guarantee and transformed into new products including TonerPlas®.</p>	<p><b>C4PA</b> 2,302,006 cartridges 474 tonnes*</p> <p><b>Canon Australia</b> 699,246 cartridges 98 tonnes**</p>	
<p><b>B-Cycle</b> – a new voluntary industry run program to collect and recycle hand held batteries in Australia. B-Cycle is authorised by the Australian Competition &amp; Consumer Commission (ACCC), accredited by the Australian Government, and has received financial support from the Australian Government and industry.</p>	<p><b>Formally started</b> Jan 2022</p>	
<b>New Zealand</b>		
<p><b>Recycling Group</b> (Previously Croxley Recycling) – Recycling Group collects ink and toner cartridges nationally and directly from customers. Canon also uses Recycling Group to recycle e-waste that is returned to our sites.</p>	<p><i>Cartridges</i> <b>55,206 cartridges**</b> <b>CNZ 27 tonnes**</b></p> <p><i>E Waste</i> <b>CNZ E-waste**</b> <b>184 tonnes**</b></p>	
<p><b>Techcollect</b> New Zealand – works with a range of collection partners to provide a free collection and recycling service for ICT equipment in Aotearoa. This free service is available to households and small businesses. Techcollect NZ is a subsidiary of ANZRP (see above) and is running a pilot program in NZ supported by Canon and other responsible suppliers.</p>	<p><b>Techcollect NZ</b> 170 tonnes**</p> <p><b>Canon NZ</b> 12 tonnes**</p>	

\* 21/22 financial year

\*\* Calendar year 2022

## Waste and recycling 2020 – 2022

(data from previous years is available in the previous Environmental Fact Books available on the Canon Australia website)

### GRI 306: Waste 2020

**306-3** Waste generated

**306-4** Waste diverted from disposal

**306-5** Waste directed to disposal

	2020			2021			2022		
	AU	NZ	TOTAL	AU	NZ	TOTAL	AU	NZ	TOTAL
<b>Office waste (kg)</b>									
General waste to landfill (Office)	74,954	14824	<b>89,778</b>	47,452	11,600	<b>59,052</b>	78,265	8,780	<b>87,045</b>
General waste to landfill (warehouse) (Note 1)				293,550	-	<b>293,550</b>	148,500	-	<b>148,500</b>
<b>Total waste to landfill</b>				341,002	11,600	<b>352,602</b>	226,765	8,780	<b>235,545</b>
Recycled waste (Office)	111,088	10497	<b>121,585</b>	85,225	5,877	<b>91,102</b>	110,788	3,426	<b>114,214</b>
Recycled waste (warehouse) (Note 1)				367,903	-	<b>367,903</b>	160,396	-	<b>160,396</b>
Organics (Office)	3,680	-	<b>3,680</b>	3,120	-	<b>3,120</b>	4,080	-	<b>4,080</b>
<b>Total recycled</b>				456,248	5,877	<b>462,125</b>	275,264	3,426	<b>278,690</b>
Percentage waste to landfill	40%	59%	<b>42%</b>	43%	66%	<b>43%</b>	45%	72%	<b>46%</b>
<b>Prod Waste (kg)</b>									
Toner & Ink Cartridges (Note 2)	93,442	39,580	<b>133,022</b>	84,243	29,906	<b>114,149</b>	97,740	27,183	<b>124,923</b>
TechCollect (Canon Liability) (Note 3)	2,556,160	28,073	<b>2,584,233</b>	2,594,208	9,103	<b>2,603,311</b>	2,654,975	12,231	<b>2,667,206</b>
eWaste (Collected by Canon) (Note 4)	N/A	150,871	<b>150,871</b>	N/A	102,755	<b>102,755</b>	N/A	63,407	<b>63,407</b>
Total eWaste (excluding cartridges)	2,556,160	178,944	<b>2,735,104</b>	2,594,208	111,858	<b>2,706,066</b>	2,654,975	75,638	<b>2,730,613</b>
Product waste to landfill (Note 5)	178,931	12,526	<b>191,457</b>	155,652	6,711	<b>162,364</b>	520,375	4,538	<b>524,913</b>
Reused products (units) (Note 6)	537	586	<b>515</b>	157	666	<b>823</b>	15	1,061	<b>1,076</b>

**Note 1** This is Canon waste disposed of through our Oceania Distribution Centre in Sydney. The ODC is currently operated by a third party.

**Note 2** Toner and Ink Cartridges includes print consumables collected through the Cartridges for Planet Ark Program in Australia and Croxley Recycling in New Zealand.

**Note 3** Techcollect (Canon Liability) includes Canon's liability for recycling end of life product under the National TV and Computer Scheme. From mid 2017 all eWaste from Canon premises & customers is included in the TechCollect Program and is not reported separately. Canon's share of the voluntary Techcollect Pilot program in New Zealand is not yet reported because it is currently shared between all participants collectively.

**Note 4** This waste is collected directly from Canon locations and from customers and recycled by Croxley Recycling in New Zealand.

**Note 5** This includes waste to landfill from our Techcollect and Croxley e-waste recycling programs. The volume is calculated on the basis of the audited material recovery rates published in the ANZRP annual reports.

**Note 6** From 2020 Canon NZ data includes Reused products includes MFD's and Camera's that have been refurbished and/or resold. Some parts and components are reused but this information isn't recorded. From 2019 the MFD Refurbishment program was no longer viable in Australia, although it continued in New Zealand. However the Camera refurbishment program has restarted in Australia.

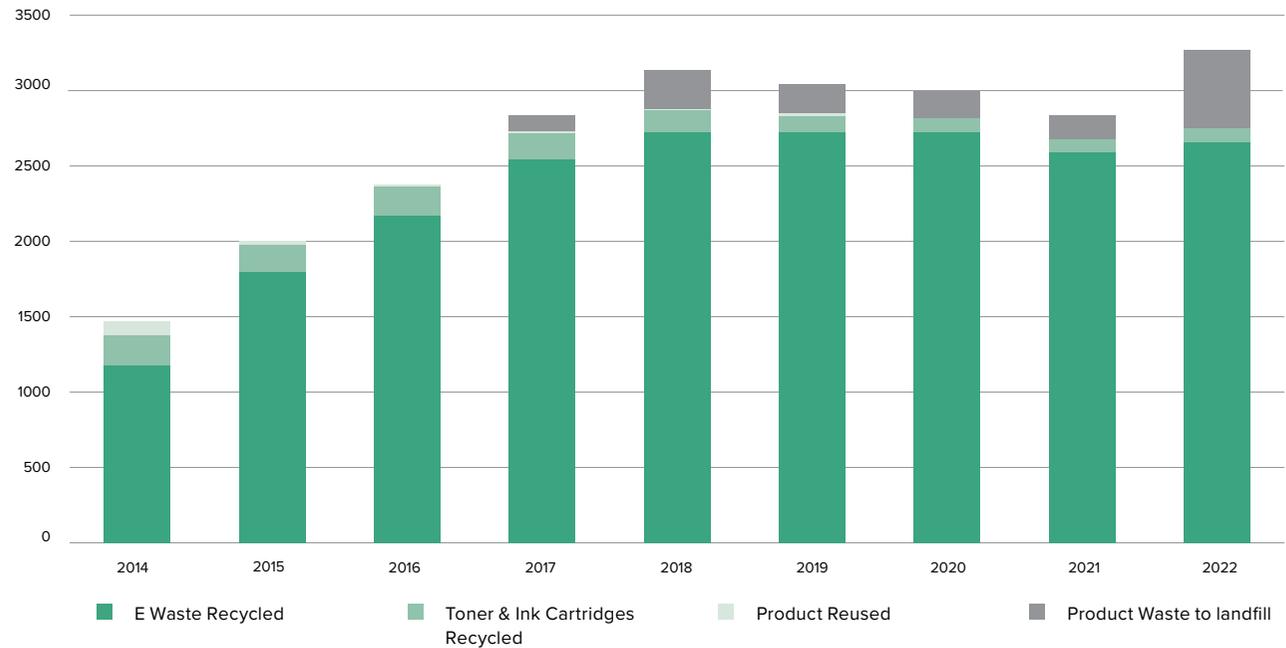
## End of Life Product Disposal Canon Australia (tonnes)

The growth in E Waste recycled has been largely due to the increasing targets under the regulated National TV and Computer Scheme (NCRS).

Reductions in e waste and cartridge recycling in 2020 and 2021 was in part due to reduced activity during the COVID-19 pandemic.

Product waste to landfill is based on material recovery rates achieved through the Techcollect program and published in their annual report. In 2022 the waste to landfill from the Techcollect program increased significantly due to export bans on missed plastic waste and the lack of sufficient local recycling capacity for the material which is difficult to recycle.

The reuse program in Canon Australia varies according to market demand. In 2021 the camera refurbishment program was revitalized but the volumes are still small.



## End of Life Product Disposal Canon New Zealand (tonnes)

In New Zealand all e waste recycling is voluntary.

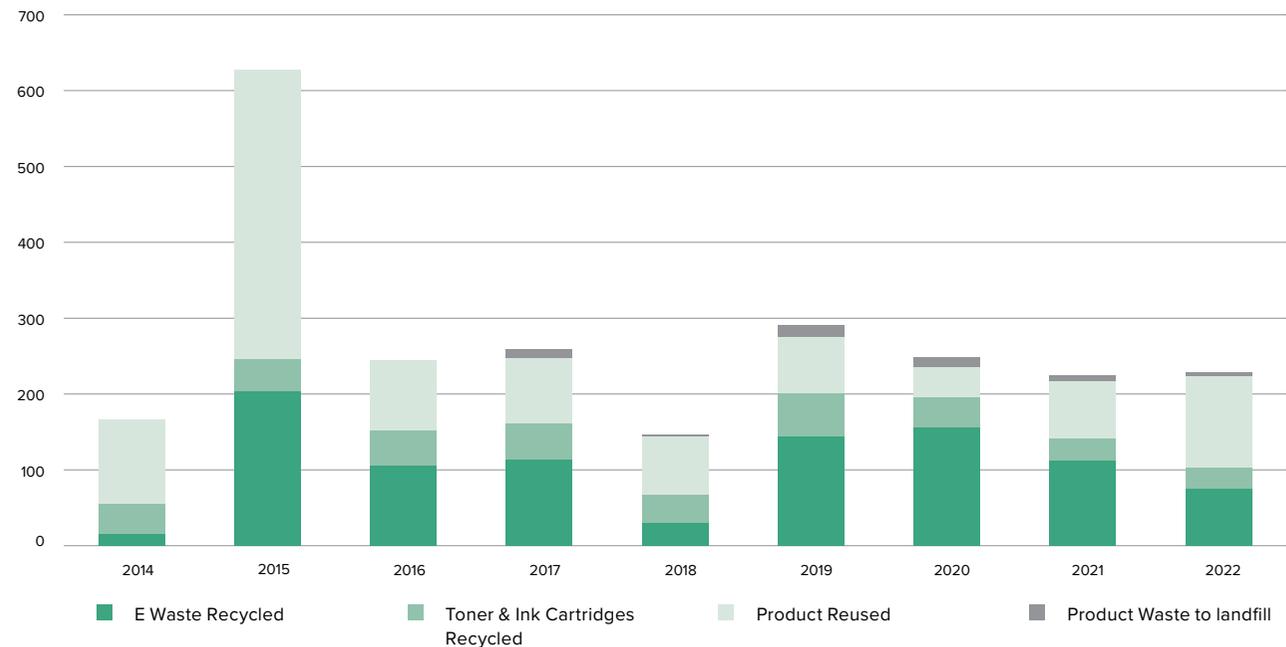
The growth in e-waste recycling since 2019 has been due to Canon's participation in the Techcollect Pilot Program.

Reductions in e waste and cartridge recycling between 2020 and 2022 was in part due to reduced activity during the COVID-19 pandemic.

Canon New Zealand has a strong reuse program for multi-function devices.

Product waste to landfill is based on material recovery rates achieved through the Techcollect program and published in their annual report.

Canon NZ has a significantly larger reuse and refurbishment program than in Australia, based on market demand. The spike in reuse and e-waste recycling in 2015 was due to warehouse relocation.



## Eliminating hazardous substances and preventing pollution

### GRI 308: Supplier environmental assessment

**308-1** New suppliers that were screened using environmental criteria

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#### Canon's global system for managing restricted chemicals in products

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

Canon has built a Group-wide environmental assurance system for managing chemical substances in products. Taking the laws and major environmental-labelling requirements around the world into consideration, we established in-house standards in line with the most stringent regulations in the world. Specifically, our management system classifies chemical substances into three categories: "prohibited substances," which cannot be used in products;" use-restricted substances," for which we are working to find alternatives by specific deadlines; and, "controlled substances," the amount of which should be monitored.

Further Information about Canon Inc's chemical management processes and performance can be found in the [Canon Inc Sustainability Report](#) Environment Section. Information on its associated Green Procurement Standards, Formats for Supplier Evaluation and Survey Tools for Chemical Substances Contained in Products is included in the Sustainability Report Procurement Section and on its [website](#).

#### Australia and New Zealand

Canon's global standards for managing restricted substances in products including the Green Procurement Standards are applied in Australia and New Zealand. The following types of local suppliers are subjected to environmental assessment on the basis of risk.

#### Non-Canon Suppliers of products and components

[Canon's global green procurement standards](#) and the [Responsible minerals sourcing policy](#) apply to all Canon Oceania suppliers of products or components that will be branded as Canon or supplied with a Canon product in a way that a user might assume that it is a Canon product. The Green Procurement Standards have been in place since 1997 and compliance with the standards is evaluated locally through a process of document review and second party audit, depending on risk.

Locally Canon has only a small number of suppliers of product components. These include suppliers who provide some components in the refurbishment of parts and suppliers of accessories, such as power supplies, camera bags and MFD stands. The standards are also applied to suppliers of promotional items that carry the Canon brand. The green procurement standards include a two-part process involving an evaluation of the chemicals used in the product and an evaluation of the supplier's chemical management processes.

#### Canon Business Partners

Canon business partners who are authorised to sell and service Canon equipment are required to comply with Canon's environmental and health and safety standards, including standards related to the recycling of products at the end of life. We conduct a regular program of audits to ensure that our partners comply.

#### E-waste Recyclers

In order to provide e-waste recycling services to Canon Oceania, recyclers must be able to demonstrate compliance to the Australian New Zealand Standard AS/NZS 5377 Collection, storage, transport and treatment of end-of-life electrical and electronic equipment. Our approved Coregulatory Arrangement, [Australia New Zealand Recycling Platform \(ANZRP\)](#) also conducts regular independent audits to ensure compliance with environmental and health and safety in addition to requiring certification. The focus of the audits is to ensure compliance with local health safety and environment standards and also to confirm that there is traceability throughout the collection and recycling process to ensure that material is effectively recycled into commodity streams that can be used to create new products. This aims to prevent material being recycled in ways that are harmful to human health and the environment as part of the illegal global e-waste trade.

# Contributing to a society in harmony with nature

## GRI 304: Biodiversity 2016

### Biodiversity Policy

Canon's global biodiversity policy is applied throughout Canon Oceania. Further information on the policy and Canon's activities are available on the [Canon Inc webpage](#).

### Biodiversity Policy

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

#### Basic Policy

Canon fully recognizes biodiversity as an important basis for a sustainable society, and promotes activities that contribute to biodiversity conservation.

#### Action Guidelines

- Canon strives to conserve biodiversity with consideration for various regional characteristics from a global perspective.
- Canon actively works to reduce the impact on biodiversity associated with various business activities, and to conduct social-contribution activities that lead to biodiversity conservation.

#### Specific Actions

- "Utilization of Canon technologies and products for biodiversity conservation" Support for biodiversity conservation activities and projects
- "Consideration for biodiversity centered on operational sites" Ascertaining the impact of our business activities on biodiversity, and conservation of animal and plant habitats around operational sites
- "Contribution to the realization of a community rich in biodiversity" Promotion of biodiversity conservation activities and educational activities in collaboration with local communities

### Procurement of Timber Products

Procurement of Timber Products is undertaken in Canon Oceania in accordance with the global policy. In Australia we also comply with the Illegal Logging Prohibition Act.

To help support biodiversity across the value chain, Canon promotes the use of sustainable forestry resources as the raw materials for the paper used in its products. We have set procurement policies favouring the purchase of paper products derived from sustainably sourced wood pulp. Canon sells photographic paper, office paper and paper for production printing. Canon paper sold in Oceania is made under a due diligence program ensuring that raw materials are not sourced from illegally logged forests and much of the Canon Office paper is made under forest certification schemes including Forest Stewardship Council (FSC), Program for the Endorsement of Forest Certification (PEFC) or Forest Law Enforcement, Governance and Trade (FLEGT).

### Basic Policy on the Procurement of Timber Products

#### 1. Use sustainable forest materials

In its procurement of timber products, the Canon Group uses materials supplied from forest resources managed exclusively for use as timber products.

#### 2. Trace the origin of forest resources used

We seek the cooperation of business partners to ensure the traceability of products throughout the manufacturing process, from the harvest of raw materials onward.

#### 3. Confirm evidence of traceability

Canon works with its business partners to ensure the traceability of materials used in Canon products (or OEM products) and their packaging that are subject to timber product regulations in each country.

### 304-1: Operational sites adjacent to protected areas and areas of high diversity value

The Auckland Office is located adjacent to the Tuff Crater Area which is designated under the Auckland Regional Policy as a Coastal Conservation Area, Site of Geological and Landform Significance and Site of Special Wildlife Interest. Canon New Zealand manages its potential environmental impacts including potential for land, air and water pollution through its Environmental Management System.

### 304-3 Habitats protected or restored

#### Tuff Crater

Canon New Zealand employees have participated for many years in tree planting as part of a Tuff Crater Restoration Project run by Forest and Bird a leading independent conservation organisation protecting wildlife and wild places. This activity was suspended during 2021 but Canon New Zealand intends to continue to participate in this important restoration project.

#### Daintree Rainforest

Canon Oceania is currently a Silver partner with Rainforest Rescue whose mission is to:

- Rescue vulnerable rainforests by buying threatened properties;
- Restore damaged and fragmented habitat through reforestation;
- Conserve the biodiversity and cultural heritage of Rainforest; and
- Learn from the forest, sharing and raising awareness.

Since 2018 Canon Australia and Canon Business Services Australia have been supporting this mission by donating trees. Our commitment is to plant a tree to celebrate every Australian employee's first year service award. To date, 5,110 rainforest trees have been planted in the habitat known as NightWings in the Daintree Rainforest on behalf of Canon. In addition in 2022 we purchased 957 trees, one for every Australian employee to celebrate national tree day. The work being done at NightWings is transforming fifteen hectares of old sugarcane fields into a thriving rainforest habitat to protect precious biodiversity.



# Glossary

## Greenhouse Gas Emissions

Greenhouse Gas Emissions (tonnes CO <sub>2</sub> e)	<p>Greenhouse gas emissions have been calculated as Tonnes of CO<sub>2</sub>e which describes, for a given mixture and amount of greenhouse gas CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O), the amount of CO<sub>2</sub> that would have the same global warming potential (GWP) when measured over a specified timescale (generally 100 years). The greenhouse gas inventory has been prepared based on the Greenhouse Gas Protocol Corporate Reporting Standard and the reporting boundary is based on the principle of operational control as defined in the same standard.</p> <p>Canon uses a software package called Envizi which keeps the carbon emission factors up to date using the methodology and factors from the Australian National Greenhouse Accounts (NGA) and New Zealand Ministry for the Environment Guidance for Voluntary Corporate Greenhouse Gas Reporting. For this report the emission factors for the relevant years were used. Where emission factors are not included in the above publications industry standard factors have been used.</p> <p>Where we have bills from landlords these are entered manually into the system.</p>	<p>For some smaller sites where as small tenants we do not have energy data we estimate the energy consumption on a per capita basis using average consumption data per person from similar sites. Fleet fuel and travel and accommodation for each of the sites are entered directly into the system through monthly CSV reports from the suppliers. Waste, paper consumption, IT usage and freight are entered manually based on invoices or reports from the suppliers. Our systems do not allow us to break down our energy by categories such as heating, cooling and steam but energy is reported as a total.</p> <p>Green energy is taken into account in calculating the CO<sub>2</sub> emissions for electricity in Australia. Accredited GreenPower, where applicable, is counted as zero emissions.</p> <p>The base year for carbon reporting for Canon Oceania is 2008 and the data for that and subsequent years is available in our historical Sustainability reports available on the Canon Australia website.</p> <p>New Zealand data is calculated using Enviromark CarboNZero emission factors where these differ from the standard factors in the Envizi database.</p>
Scope 1 Greenhouse Gas emissions	Scope 1 emissions are direct greenhouse gas emissions that are owned or controlled by the company and include fuel use, on-site electricity generation, anode and reductant use, process emissions, land management and livestock (on-site emissions).	
Scope 2 Greenhouse Gas emissions	Scope 2 emissions are greenhouse gas emissions from the imports of electricity, heat or steam from third parties (indirect emissions).	
Scope 3 Greenhouse Gas emissions	<p>Scope 3 emissions are other indirect greenhouse gas emissions.</p> <p>These include air travel, accommodation, general waste, paper consumption, IT use and electricity consumed by our outsourced warehouse in Sydney. Freight data covers the emissions arising from shipping Canon products to customers in Australia and New Zealand by road air and ocean.</p>	
Emissions per FTE	Emissions per FTE include Scope 1 and Scope 2 emissions per full-time equivalent employee. The FTE data is shown in the Social Fact Book.	
Renewable Energy	In calculating the amount of renewable energy we have included the Accredited GreenPower energy that was purchased by Canon Australia and CiSRA until July 2016. We have also included Solar power generated at our Macquarie Park headquarters in Australia.	Solar power is also included.
Solar Power	Canon installed a 90kW solar PV system on its Macquarie Park Headquarters roof. The system became operational in late November 2017.	
Sale of Energy	Canon did not sell any energy during 2022.	

## Waste and Recycling

<p><b>General</b></p>	<p>Waste data is collected via reports from our suppliers and in many cases the data is based on estimates of bin weight rather than actual weight. Most Canon waste is not hazardous.</p> <p>There is a very small amount of ink and service chemicals that is classified as hazardous and this is disposed of through appropriately qualified waste service providers.</p>	<p>At present this data is not collected. E-waste is also generally classified as hazardous once it is broken down and this is the reason that we employ service providers who meet appropriate standards for collection transport and recycling of e-waste. From 2022 we have included the general waste and recycled waste from our Oceania Distribution Centre in Sydney which is operated by a third party.</p>
<p><b>Recycling</b></p>	<p>All Canon Oceania recycling is currently open loop material recycling with a very small amount of waste to energy as part of our cartridge recycling program. End of life products and office waste are collected via a Canon or third party collection system and materials are extracted by mechanical reprocessing at a third party site for use as raw materials in the production of non-Canon products/parts.</p>	
<p><b>Waste to Landfill</b></p>	<p>Materials are deposited into or onto land. This includes land treatment (e.g. biodegradation) and landfill. Waste to landfill includes general waste collected by our waste service providers in Australia and New Zealand and a small percentage of material from our product recycling activities. Information is based on reports from our waste service suppliers and entered into our database.</p>	<p>Weight reported by our suppliers is sometimes measured but normally estimated by applying an average weight per bin. The waste to landfill from our product recycling is calculated based on average material recovery rate achieved by the recycler for the whole product class, determined through periodic mass balance activities.</p> <p>Within New Zealand, the head office general waste is disposed of within a landfill gas recovery (LGR) site. LGR sites allow us to further reduce our environmental footprint, this has been accounted for in 2018 due to enviromark auditing.</p>
<p><b>Waste to Energy</b></p>	<p>End-of-life products/materials are collected via a Canon or third party collection system and converted into energy. Processes include thermal recovery, generation of fuel for gas turbine generators, production of carbonaceous char/oils/combustible gases and eneration of fuel by thermal degradation or anaerobic digestion of organic materials.</p>	
<p><b>Percentage of waste to landfill</b></p>	<p>Calculated from measuring the amount of waste sent to landfill as a percentage of total waste, where total waste includes general waste plus recycled office waste, total waste includes all waste from Canon offices, warehouses, and some from outsourced warehouses.</p>	<p>It includes paper, plastic, polystyrene, glass, pallets, and general waste but excludes cartridge waste and bulk electronic waste which are reported separately.</p>
<p><b>Recycled products and parts (bulk electronic waste)</b></p>	<p>Includes used products and parts that have been returned to Canon and which cannot be reused and products and parts that have been written off as well as products recycled on Canon's behalf through the public collection program TechCollect. Most of this waste is product that has been recycled after reuse.</p>	<p>It is currently not possible to distinguish in our data between waste that arises from used products and waste from written off components and products that have never been used, which are a small percentage. Excludes toner and ink cartridges and other consumables which are reported separately.</p>
<p><b>Reused products and parts</b></p>	<p>Includes Canon and competitor machines and parts which are sold or leased directly by Canon, refurbished by Canon for resale/reuse in the local market or sold to a partner or broker for resale.</p>	

## Waste and Other

### Refurbished products and parts

Products and parts that are returned to Canon or to a subcontractor for refurbishment requiring a low level of work (e.g. replacement of parts for preventative maintenance) to return the product to a suitable condition for resale/lease.

### Toner, ink and other consumables recycling

Canon is a member of the Cartridges for Planet Ark program in Australia. Under this program collection receptacles are placed in customers' premises and in retail outlets. Ink and toner cartridges, toner bottles, drums and other consumables are collected and sent to the recycler for sorting and processing. Some toner bottles, cartridges and other consumables are returned by Canon service technicians to Canon warehouses or drop points and are sent for recycling.

The recycling process is independently audited each year to ensure that there is zero waste to landfill.

In New Zealand we are members of a similar program run by Croxley Recycling. Under both programs the number of Canon products and their weight are reported each month and entered into our database.

## Other

### Spills

Our criteria for defining a spill is whether the spill is serious enough to be reported to Canon Global Environment Headquarters according to our corporate procedure.

### Water

To date Canon has not been able to accurately measure the water consumption at any of its locations because they are part of larger complexes and separate water meters are not available.