

## Policy Statement on Supply Chain Due Diligence

This Policy Statement is issued by the Boards of Canon Production Printing Holding B.V. and its subsidiaries Canon Production Printing Netherlands B.V. and Canon Production Printing Germany GmbH & Co. KG (hereinafter all together referred to as “Canon Production Printing”).

This Policy Statement is intended for informative purposes only and will be regularly reviewed and adapted when necessary. It is neither intended nor to be interpreted or construed to derive any individual or third-party rights from.

Venlo, the Netherlands, April 2025

**Akira Yoshida, President & CEO of Canon Production Printing Holding B.V.**

<p><b>(1) Canon Production Printing’s expectations towards its employees and suppliers</b></p>	<p>We expect our employees, suppliers, and all other business partners to respect human rights and protect the environment. Similarly, we anticipate that our business partners hold the same expectations for their employees and suppliers, having established similar due diligence processes.</p>
<p><b>(2) Risk management</b></p>	<p>Canon Production Printing has established a risk management framework enabling us to address and respond appropriately to human-rights related or environmental risks within Canon Production Printing and along our supply chain. These risks are identified via our risk analysis, Complaint Procedure, public reports or audits.</p> <p>Beyond the above, our risk management system covers various subjects and levels within our organisation and relevant business processes. It consists of Canon Production Printing:</p> <ul style="list-style-type: none"> <li>• designating responsibilities in the board of directors related to risks</li> <li>• conducting regular risk analyses related to our own business area, internal processes and the practices of our direct suppliers</li> <li>• having preventive measures in place to mitigate risks, i.e. prevent them from materializing and reducing their potential impact to an absolute minimum. This applies to both our own area of business as well as our (direct) suppliers</li> <li>• providing an internal and external complaint procedure</li> <li>• providing appropriate documentation and reporting; having controls in place to ensure that the occurrence of a violation of human rights or environmental damage is as small as possible</li> <li>• having remedial measures available in case a violation of human rights or environmental care would occur</li> </ul>

**(3) Regular Risk Analysis**

Canon Production Printing conducts regular and ad hoc risk analyses covering both the company's own business area as well as our direct suppliers. Indirect suppliers will be subject to our risk assessment in case we gain substantiated knowledge of a potential incident involving indirect suppliers. In such cases, we additionally conduct corresponding ad hoc risk analyses.

These risk analyses serve to identify, assess, rank and prioritize any risks related to human rights and the environment. Based thereon, Canon Production Printing will take appropriate measures to prevent the identified risks from materializing or violations from occurring. Regarding our suppliers, we differentiate between (a) initial risk analyses at the beginning of a business relationship and (b) ongoing risk analyses with established (direct) suppliers.

To support in conducting risk analyses of our direct supplier base Canon Production Printing uses an external software solution. All our regular suppliers are assessed via this software. The tool utilizes a vast database with information not only related to our suppliers but also regarding the risk profiles of certain territories or business areas. As a result, a *risk score* is calculated for each supplier based on the following information sources:

- the specific industry a supplier is operating in (index),
- the country in which the manufacturing is taking place (index),
- reports and information on incidents of supplier misconduct based on publicly available information,
- self-assessment; self-disclosures; information from the supplier, such as certificates or interviews,
- additional data sources, such as indices from international organizations, to evaluate broader risk factors.

The calculated *risk score* per supplier is combined with an *impact score*, which is determined by the relevance of the supplier to Canon Production Printing's products and the level of influence Canon Production Printing can exert on the production circumstances at the specific supplier. This generates an overall risk score, categorizing each supplier as high, medium- or low-risk. The score calculation is a dynamic and continuous process based on the latest available information of the respective supplier.

This approach allows Canon Production Printing to define appropriate follow-up actions for high- and medium-risk suppliers, such as conducting further investigations via supplier self-assessments or supplier audits to fully assess the risks and to derive further, supplier-specific measures.

**Review and improvement process**

Our supplier base is updated during the year to reflect the choice of new suppliers and the discontinuation of relationships with suppliers who

	<p>are no longer active. The risk assessment results for the entire actual supply base, including detailed investigations of high risk and medium risk suppliers, are reviewed once per year. If necessary, additional analyses are conducted during the year should new risks become apparent. The Supplier Compliance Team provides an update on the risk status of the suppliers to the Procurement Management twice a year.</p>
<p><b>(4) The Enterprise's human rights and environment-related risks</b></p>	<p>a) Risks prioritized in our own business area are mainly:</p> <ul style="list-style-type: none"> <li>• Occupational health and safety risks in our development and manufacturing facilities</li> <li>• Discrimination, inclusion, and equal treatment of employees</li> <li>• Environmental risks</li> </ul> <p>b) Risks prioritized at our direct suppliers:</p> <ul style="list-style-type: none"> <li>• Occupational health &amp; safety risks</li> <li>• Risks in labor conditions and human rights</li> <li>• Environmental risks</li> </ul> <p>At Canon Production Printing we make use of a global supply base. The majority of our suppliers are located in Europe, US and Japan which generally exhibit a relatively low risk for human rights violations. Further, we have a small supply base in Southeast Asia, mostly in well-developed industrial countries.</p> <p>Most of Canon Production Printing's direct suppliers operate in the electronics, mechanics and chemical industries, which are highly industrialized and comply with high quality standards. However, risks of human rights violations and environmental misconduct cannot be entirely ruled out. Especially in the electronics industry, which is highly competitive, there is a risk of worker exploitation in the value chain. Additionally, Canon Production Printing works with suppliers who use hazardous materials, or operating heavy machinery. Therefore, our risk assessment also takes into account health and safety at work, working conditions, and environmental protection as critical areas.</p>
<p><b>(5) Preventive Measures</b></p>	<p>By applying preventive measures, we aim to mitigate identified risks and prevent them from materializing or reduce their potential impact to an absolute minimum. This ensures a certain standard for respecting human rights within our company and along our supply chains.</p> <p>Preventive measures are applied in Canon Production Printing's own business operations (see a)) as well as with its direct suppliers (see b)).</p> <p>a) Our preventive measures regarding our own area of business include in particular:</p> <ul style="list-style-type: none"> <li>• this Policy Statement including our human rights strategy, which is communicated not only to Canon Production Printing employees and our works councils but also to the public and other external stakeholders;</li> <li>• allocating responsibilities: responsibilities with respect to sustainability and human rights are clarified in the respective boards of Directors of Canon Production Printing. A risk management committee is active, overseeing the risks, including human rights and environmental risks, Canon Production Printing</li> </ul>

- may become exposed to. Appropriate teams are in place which are explicitly focusing on compliancy and supply chain sanity.
- the set-up, implementation, maintenance and execution of policies and internal guidelines as well as training in these areas. In particular we highlight the following codes and policies:
    - With our Canon Group Code of Conduct and pertaining online training (e.g. Human Rights Training, Environmental Awareness Training) we create awareness among our employees for human rights and protection of the environment.
    - In the [Canon Production Printing Sustainability Policy](#) and the [Canon Production Printing Environmental Policy](#) we describe the corporate social and environment responsibility areas to which we are committed.
  - standards, processes and instructions to establish and maintain safe workplaces, safe and healthy work processes and environmental protection in Canon Production Printing's operations;
  - the establishment of a Complaint Procedure allowing Canon Production Printing to receive, diagnose and monitor risks arising within Canon Production Printing related to our employees, their human rights, corporate governance, our security services and environment protection.
- b) Regarding our (direct) suppliers, our preventive measures involve the following procurement strategies and purchasing practices:
- By providing the [Canon Production Printing Supplier Code of Conduct](#) to suppliers and requesting their acceptance, we ensure that a set of social, ethical and legal standards is applied during all our business activities. This requirement not only applies for new suppliers, but also to existing ones.
  - Communication towards our suppliers is facilitated by supplier (compliance) portals and platforms. Through our [General Terms and Conditions of Purchase and Supply](#) and in our standard Master Purchasing Agreements, where applicable, we require our suppliers to adhere to the international human rights and environmental standards and comply with our values and expectations regarding responsible business.
  - Already in the selection phase of a supplier, its compliance with social and environmental aspects is taken into consideration. All of our (direct) suppliers are screened upfront through above-described risk analysis approach before contracting.
  - High- and Medium-risk suppliers are subjected to an internal review to further assess the risk based on the information we have. In case this review proves insufficient for a comprehensive assessment of the risk, the respective supplier is asked to respond to a detailed questionnaire about its environmental standards and procedures, their stance and practices regarding human rights of their workforce. This serves as a control mechanism, allowing us to

	<p>verify compliance with Canon Production Printing’s human rights strategy (<a href="#">Human Rights</a>) at the direct supplier level and to reevaluate existing business partners.</p>
<b>(6) Review of Effectiveness</b>	<p>The effectiveness of our preventive measures is reviewed annually. This allows us to continuously uphold our values while adapting our preventive measures based on new insights gained throughout the business year. The evaluation is performed based on the experience and new insights we acquire through</p> <ul style="list-style-type: none"> <li>• the engagement with our stakeholders and suppliers;</li> <li>• the results of our ongoing screening for risks and the follow-up measures;</li> <li>• conducting internal process audits and employee surveys;</li> <li>• review of the complete supply base regarding the capability to durably fit to our sustainability objectives;</li> <li>• concrete feedback brought in by stakeholders, e.g. via our Complaint Procedure.</li> </ul> <p>Status and progress is steered and reported internally on a quarterly basis.</p>
<b>(7) Remedial measures</b>	<p>In case a Canon Production Printing company discovers that a human rights-related or an environment-related risk has occurred or threatens to occur, Canon Production Printing will take remedial measures to stop or minimize any negative impacts.</p> <p>If we have caused violation in our own area of business, we will thoroughly investigate the situation, mitigate the negative impact as much as possible, and analyze how to prevent future occurrences.</p> <p>In the event any risk or violation presents itself at our suppliers, our Supplier Compliance Team will perform the risk investigations and propose further actions. We have various options to respond, such as dedicated audits, suitable improvement actions, or requiring an immediate violation remediation by the supplier. Terminating the business relationship can be the last resort if the violation is severe and cannot be remediated or is refused to be remediated by our supplier.</p>
<b>(8) Complaint Procedure</b>	<p>Canon Production Printing has set up a Complaint Procedure that enables individuals both within as well as outside of the company to report any suspected misconduct as well as potential risks and violations regarding human rights and the environment throughout our supply chains. This allows individuals to share concerns early and confidentially via different channels (written, phone-call) enabling Canon Production Printing to quickly take steps to analyze, prevent and/or remedy any issues. Relevant contact information and the link to access the complaint procedure are available both on Canon Production Printing’s Intranet and on the <a href="#">external website</a> of Canon Production Printing.</p>
<b>(9) Evaluation</b>	<p>The processes we have set up, including their effectiveness, are evaluated quarterly internally.</p>