

# Canon Inc. (Canon)

**TICKER**  
 7751

**MARKET CAPITALIZATION**  
 US\$23 billion

**HEADQUARTERS**  
 Japan

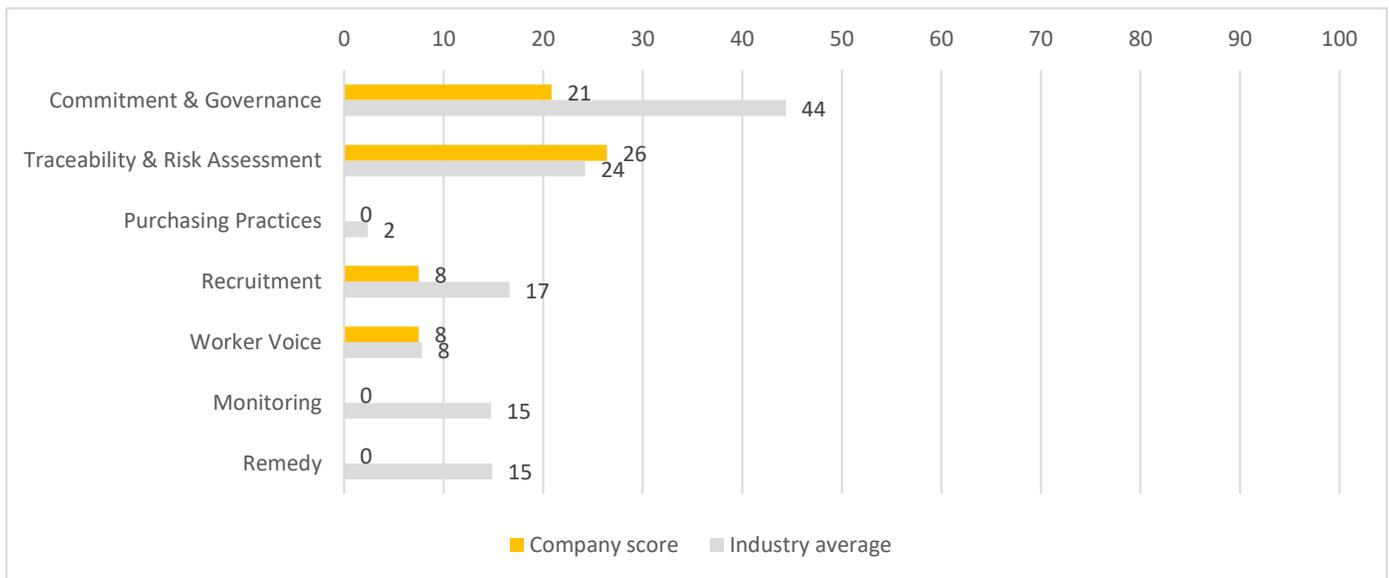
**DISCLOSURES**
[UK Modern Slavery Act](#): Yes (Disclosure of Subsidiary)

[Australia Modern Slavery Act](#):  
 Yes (Disclosure of a Subsidiary)

[California Transparency in Supply Chains Act](#): Not applicable

**OVERALL RANKING**
**35 out of 60**

(2020 Rank: 36 out of 49)

**OVERALL SCORE**
**12 out of 100**
**THEME-LEVEL SCORES**

**KEY DATA POINTS**
**SUPPLIER LIST**

No

**RISK ASSESSMENT**

Yes

**ENGAGED WITH KNOWTHECHAIN<sup>1</sup>**

Yes

**NO-FEE POLICY**

Yes (Employer Pays Principle)

**REMEDY FOR SUPPLY CHAIN WORKERS**

No

**HIGH-RISK SOURCING COUNTRIES**

 Likely China and/or Malaysia<sup>2</sup>

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## SUMMARY

Canon Inc. (Canon), a supplier to companies including HP and Samsung, ranks joint 35<sup>th</sup> out of 60 companies. Compared to 2020, the company improved its rank by one place. This is because the company began disclosing a human rights risk assessment conducted on its supply chains and adopted a policy prohibiting worker-paid recruitment fees in its supply chains. It scores higher than average on the theme of Traceability & Risk Assessment, but lower than average across all other themes. The company is encouraged to improve its performance and disclosure on the themes outlined in the Japanese Ministry of Economy, Trade and Industry Guidelines on Human Rights, including Commitment & Governance, Monitoring, and Remedy.

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## LEADING PRACTICES

None.

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## OPPORTUNITIES FOR IMPROVEMENT

**Commitment & Governance:** The company has adopted and disclosed a supplier code of conduct addressing forced labour. The company is encouraged to establish and disclose a managerial structure with clear responsibilities and accountability for the implementation of its supply chain policies that address forced labour, and provide oversight of such policies at the board level. It is also encouraged to engage in capacity building so that its suppliers can cascade its supply chain policies that address forced labour to their own supply chains and/or train suppliers below the first tier on such policies.

**Monitoring:** The company does not disclose any information on its monitoring process either in terms of the methodology used, or the findings of a monitoring report. The company is encouraged to disclose information around the implementation of its supply chain policies addressing forced labour including whether this includes a review of relevant documentation such as employment contracts and payslips, worker interviews, or visits to associated production facilities such as worker accommodation).

**Remedy:** The company may consider establishing a process to ensure that remedy is provided to workers in its supply chains in cases of forced labour and disclosing details on this process, such as responsible parties, approval procedures, timeframes, and, crucially, engagement with affected stakeholders. To demonstrate to its stakeholders that it has an effective remedy process in place, the company is encouraged to disclose examples of remedy provided to its suppliers' workers.

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<sup>1</sup> For further details on high-risk raw materials and sourcing countries, see KnowTheChain's [2022 ICT benchmark findings report](#). Research conducted through June 2022 or through September 2022, where companies provided additional disclosure or links. For more information, see the full dataset [here](#). For information on a company's positive and negative human rights impact, see the Business & Human Rights Resource Centre [website](#).

<sup>2</sup> Most electronic devices are produced at least in part in China and/or Malaysia, two countries where electronics may be produced using forced labour. KnowTheChain (June 2020), "[2020 KTC ICT Benchmark Report](#)."