

# GENDER PAY GAP REPORTING



Founded in 1937, Canon is a leading technology company dedicated to helping people reimagine and push the boundaries of what is possible through imaging. Our continuous innovation has kept us at the forefront of imaging excellence throughout our 80-year history and has enabled us to develop industry-leading technology, supporting future demands of photographers, videographers, office workers, professional printers, medical imaging experts and more.

Canon UK was established in 1976 and provides Sales and Marketing functions across the UK & Ireland. With its head office in Uxbridge, operations are divided into two main units: Business solutions – providing printing and imaging equipment, supplies, and software for the office and professional markets; and Consumer imaging supplies – providing digital still and video cameras, printers, projectors and scanners.

We are constantly redefining the world of imaging for the greater good. Through our technology and spirit of innovation, we are helping to see our world in ways we never have before.

As we expand our expertise, invest in the right areas and capture growth opportunities, we offer total solutions for our customers' changing world – from image capture to ground-breaking 8K printed output, with a future focus on our smart world and frontline patient care. Our corporate philosophy of **Kyosei 'living and working together for the common good'** is at the heart of everything we do, and by constantly tackling new opportunities we continue to uphold this.

Sustainability is key to our mission of improving society and the lives of individuals. Our innovation in the Circular Economy, for example, aims to create a circular future for our products, business and the world around us. Canon has achieved global certification to ISO 14001, demonstrating a world-class environmental management standard.

We are also educating and empowering the next generation of storytellers through our **'Imaging for Good'** and **'Young People Programmes'**, where we aim to equip the next generation with the skills needed to really make a difference.

Canon's corporate philosophy of Kyosei is part of every area of our business. It helps us ensure we remain dedicated to seeing all people, regardless of culture, customs, language or race, harmoniously living and working together in happiness.

During 2020, we launched our people vision for Canon UK & Ireland: to be a diverse organisation that not only reflects our customers' diversity but ensures we're an inclusive place to work. The aim of this vision is to enable everyone to **bring their whole selves to work**; where they **are enabled to thrive and contribute to achieving our business goals**.

Historically, there has been a higher proportion of men than women working in our industry. We recognise we have work to do, and that consistent and continuous actions to push a greater balance of diversity are vital. As part of our 'Inclusive Culture' programme, broadening our diversity and inclusion agenda is a key priority for us in 2021 and beyond.

## Canon

**Under legislation that came into force in April 2017, UK employers with more than 250 employees are required to publish their gender pay gap.**

In this report, we are sharing the median and mean (average) pay gaps between men and women's hourly ordinary pay and bonuses.

Under this legislation, we have to report six different pieces of information relating to the pay of the total included workforce population and these are:

## **PAY GAP, MEAN AND MEDIAN**

This is the difference in hourly pay of male and female full-time relevant employees per 5th April snapshot date and this is expressed as a percentage of the hourly pay of male relevant employees. This means that a positive number indicates men earn more than women; a negative number will mean the reverse. Pay is reported as both ordinary pay and bonus pay.

## **BONUS PAY GAP, MEAN AND MEDIAN**

This refers to the bonus pay paid to male and female relevant employees during the 12 months prior to the snapshot date, expressed as a percentage of the bonus pay paid to male relevant employees.

## **BONUS PAY PROPORTION**

Bonus pay proportion refers to male relevant employees who received a bonus in the 12 months, expressed as a percentage of the male relevant employees; female relevant employees who received a bonus in the 12 months, expressed as a percentage of the female relevant employees.

## **QUARTILES**

This organises the workforce into evenly sized quartiles based on ranking of all full-pay individuals from highest to lowest by hourly rate of pay. For each quartile, the number of full-pay male and females in each quartile is reported as a percentage of the total in the quartile.

**It is important to remember that gender pay reporting is different to equal pay.**

Equal pay deals with the pay differences between men and women who carry out the same jobs, similar jobs or work of equal value. It is unlawful to pay people unequally because they are a man or a woman.

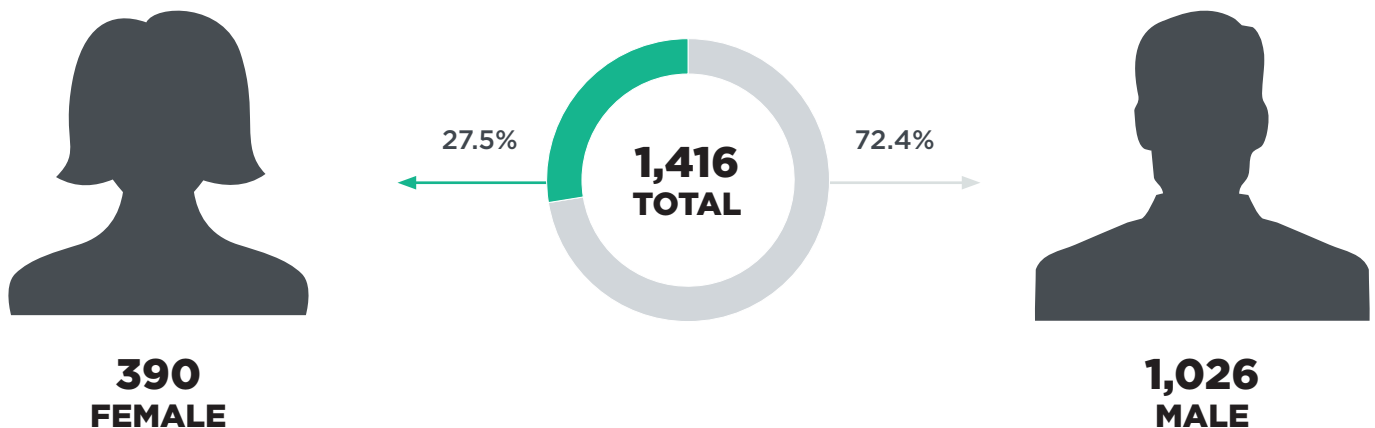
The gender pay gap shows the difference in the average pay between all men and women in a workforce. If a workforce has a particularly high gender pay gap, this can indicate there may be a number of issues to deal with, and the individual calculations may help to identify what those issues are.

# OUR WORKFORCE

We collated our snapshot data on 5th April 2020 and from that, excluded non-relevant employees (those not receiving full-pay/those not employed by the us on the snapshot date). This left us with an included workforce demographic for Hourly Rate as follows:

## CUK&I ORGANISATIONAL CONTEXT, APR 2020

Our total included workforce, **27.54%** are women and **72.46%** are men.



## OUR GENDER PAY GAP STATISTICS

The Office for National Statistics has published (Oct 2020) the GPG for all employee jobs in the UK 2020 which shows the Median GPG to be **15.5%**. This gives a point of reference when reviewing our results.

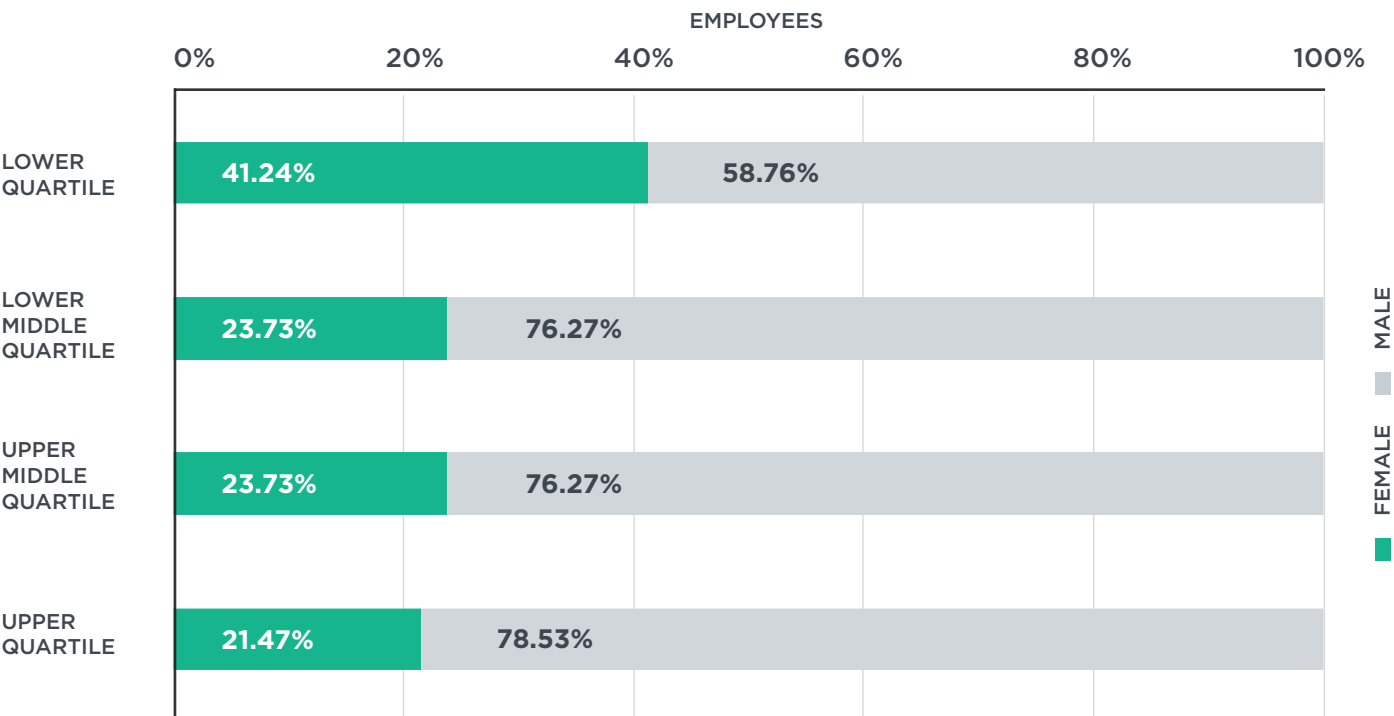
### GENDER PAY GAP – SNAPSHOT DATA

The table below shows our mean and median hourly ordinary pay gender pay gap.

	2020	2019
MEDIAN GENDER PAY GAP	14.12%	16.84%
MEAN GENDER PAY GAP	11.44%	18.89%

# PAY QUARTILES

The below illustrates the gender distribution of all included employees for Canon UK across all four quartiles.



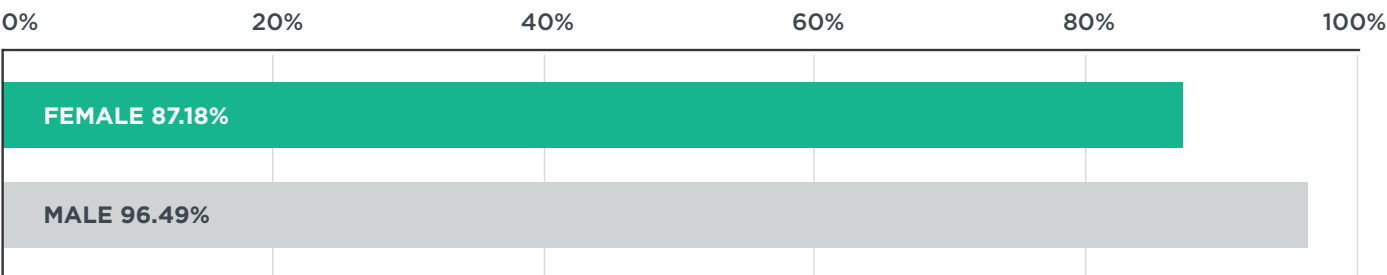
# GENDER PAY GAP - BONUS

The below table shows our mean and median bonus gender pay gap.

	2020	2019
MEDIAN GENDER PAY GAP	33.17%	53.83%
MEAN GENDER PAY GAP	48.89%	53.95%

# BONUS PAY PROPORTION

The below statistics show that out of all included women, **87.18%** received a bonus and **96.49%** of all included men received a bonus.







## UNDERSTANDING OUR PAY GAP

Men have traditionally dominated the workforce in our industry, and this is reflected in our UK organisation where **72%** of our employees are male and **28%** are female. The make-up of our business – with more men at senior levels – means our average male salary is higher than our average female salary.

At present, our leadership team is **64%** male and **36%** female. Sales and service roles, which make up a substantial proportion of our workforce, are predominately held by men. All sales directors and the majority of sales managers are also male. This therefore impacts the median and mean bonus gender pay gap, as these positions often attract a higher level of variable earnings, reflecting market practice.

We are pleased to see the mean and median bonus gap has decreased compared to 2019, however the percentage of women receiving a bonus has also decreased.

Those not receiving a bonus were either not employed during the bonus qualification period (up to December 2020) or no bonus was paid to those in support roles due to the company's financial performance in the first budget period of 2020 and a higher proportion of females work in support roles.

# CLOSING THE GAP

We are putting a great deal of focus and commitment into building an inclusive culture at Canon UK and continuing our efforts to achieve gender diversity across our organisation, with an ambition to close the gap further. We are pleased to see this is already making a difference, with a reduction in the mean and median gender pay gap in 2020 compared to 2019. As previously mentioned, this is largely due to the types of roles men and women in our industry and organisation fulfil, and is further highlighted by company performance during the reporting period. This impacted bonus pay for some roles, particularly those in support functions which have a higher proportion of female employees than the sales business units.

Any gender pay gap tells us there is still work to do, and in 2021 we will be continuing to implement our action plans on building an inclusive culture. We have secured membership with Inclusive Companies with the aim of becoming an Inclusive Top 50 Employer by the end of 2023. Priorities for this year include launching our Inclusion Employee Network; mandatory conscious inclusion training for all managers; running Safe Space conversations to help shape our strategy and action plans; reviewing our recruitment approach; auditing our people and inclusion policies; and further developing our data and analytics to measure progress.

We believe we have the fundamentals of an inclusive culture and offer progressive and enhanced maternity, adoption and shared parental leave policies to balance the demands of parenting between both parents. We regularly review our maternity processes to ensure women are fully supported in their transition as they start maternity leave, and as they return to the workplace. We want to ensure women have a positive experience as we know this has the greatest impact on whether they choose to stay with us and, if they do, whether they make the progress they want or they should. We have Flexible Working and Family Friendly policies, and we aim to help employees successfully combine having a family whilst pursuing a career within Canon.

Attracting and hiring women into our business is important to us, especially in sales and service roles that are currently less represented by women. We strive to do this through inclusive bias-free attraction and recruitment practices. In 2020, 60% of new hires made were female.

Our aim is to continue to enable more women to progress to senior management levels through mentoring, coaching and leadership and talent development programmes. In 2020, we offered managers a diploma programme for Psychological Approach to Coaching and 42% of the cohort were female. 36% of our Management Development programme were female and 35% of employees receiving mentoring were female. We remain focussed on improving the diversity within our development programmes.

We are keen to attract early in career women to Canon and in 2020, 50% of our apprentices were women, and 67% of our interns were women.

We believe that by valuing diversity and harnessing the unique ideas, opinions, perspectives and talents of all who work for and with us, we can enhance the organisation, our performance, our brand, and our ability to achieve our goals together.

# DECLARATION

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I confirm that the data reported is accurate and meets the requirements of the Regulations and methodology outlined in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.



**Yusuke Mizoguchi**  
Managing Director



**Lyn Holmes**  
Finance Director

