



GENDER PAY GAP REPORTING 2024

Canon



Canon Europe Ltd. is the registered HQ of Canon Europe, Middle East & Africa, based in Uxbridge in the UK.

Since our founding in 1937, Canon has been dedicated to pushing the boundaries of imaging, giving people the tools to reimagine the way they work and live. A leading technology company, innovation has kept Canon at the forefront of imaging excellence through the development of our industry leading technology.

Through our expertise and investment, we offer ground-breaking imaging solutions for a changing world. From medical imaging and 8K output, to analytics for video and mixed reality, we have developed industry-leading technology supporting the future demands of photographers, videographers, office workers, professional printers, medical imaging experts and more.

Our corporate philosophy, **Kyosei - living and working together for the common good**, is at the heart of everything we do. The world of Canon is shaped by one shared philosophy that influences the way we do business and how we treat each other.

The values we draw from Kyosei are also fundamental to the responsibility we feel as corporate citizens. This can be seen in the work we undertake to reduce our environmental impact across our operations and our programmes to empower the next generation of visual storytellers. Kyosei is also about confronting the greatest threats to life on earth. Our sustainability focus is both environmental and social.

Canon Europe Ltd. is the registered regional sales headquarters for Canon Europe, Middle East & Africa, based in Uxbridge in the UK.

Through our continued commitment to creating a truly inclusive culture, Canon Europe takes pride and commitment in the rich diversity of its employees. Represented by 50 nationalities from across the globe, this strong cultural infusion of talent brings Kyosei to life. This guiding principle is embraced by all Canon employees, and it shapes our mission and our values, the way we treat our people and conduct our business.

GENDER PAY GAP REPORTING

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're sharing the median and mean (average) pay gaps between men and women's hourly ordinary pay and bonuses.

Under this legislation, we must 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 relevant male and female full-time employees as per 5th April snapshot date and this is expressed as a percentage of the hourly pay of relevant male 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 relevant male and female employees during the 12 months prior to the snapshot date, expressed as a percentage of the bonus pay paid to relevant male employees.

BONUS PAY PROPORTION

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

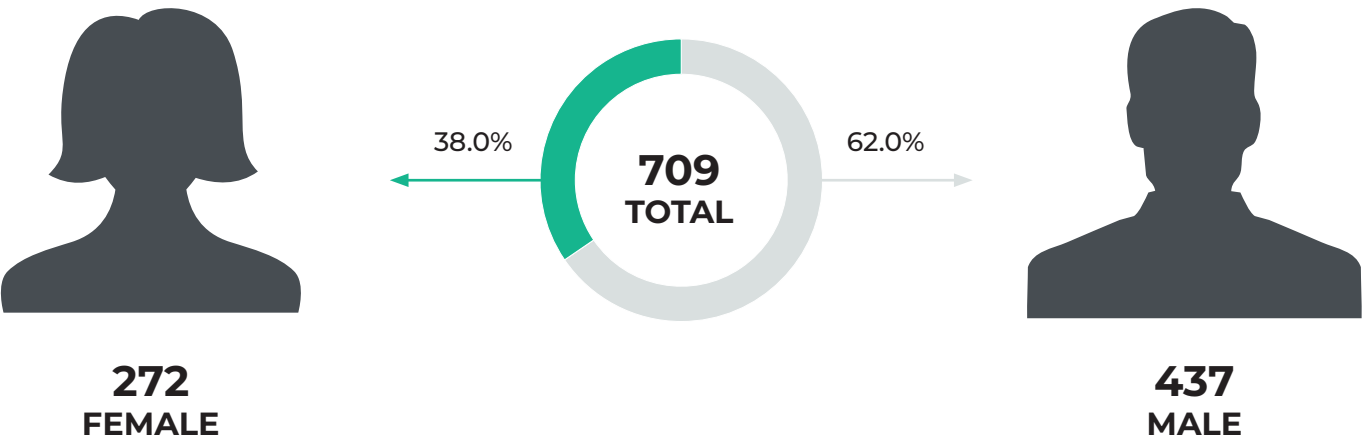
Equal pay deals with the pay differences between men and women who carry out the same jobs, similar jobs, or work of equal value. It is unlawful to pay people unequally because they are a man or a woman.

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 2024 and from that, excluded non-relevant employees (those not receiving full-pay/those not employed by us on the snapshot date). This left us with an included workforce demographic for Hourly Rate as follows:

CANON EUROPE DEMOGRAPHIC – APRIL 2024



Canon Europe has an employee population that is represented by 62% male, 38% female. This is an increase from 37% female in 2023. Whilst the diversity of our workforce is a key asset of Canon Europe, this report provides further insights that help us to focus on key actions enabling us to make improvements to achieve a more balanced workforce at all levels of our business for the future, which in turn would enable us to address the pay gap.

OUR GENDER PAY GAP STATISTICS

The Office for National Statistics has published (Oct 2024) provisional gender pay gap results for all employee jobs in the UK in 2024 which shows the Median GPG to be **13.1%**. This gives a point of reference when reviewing our results.

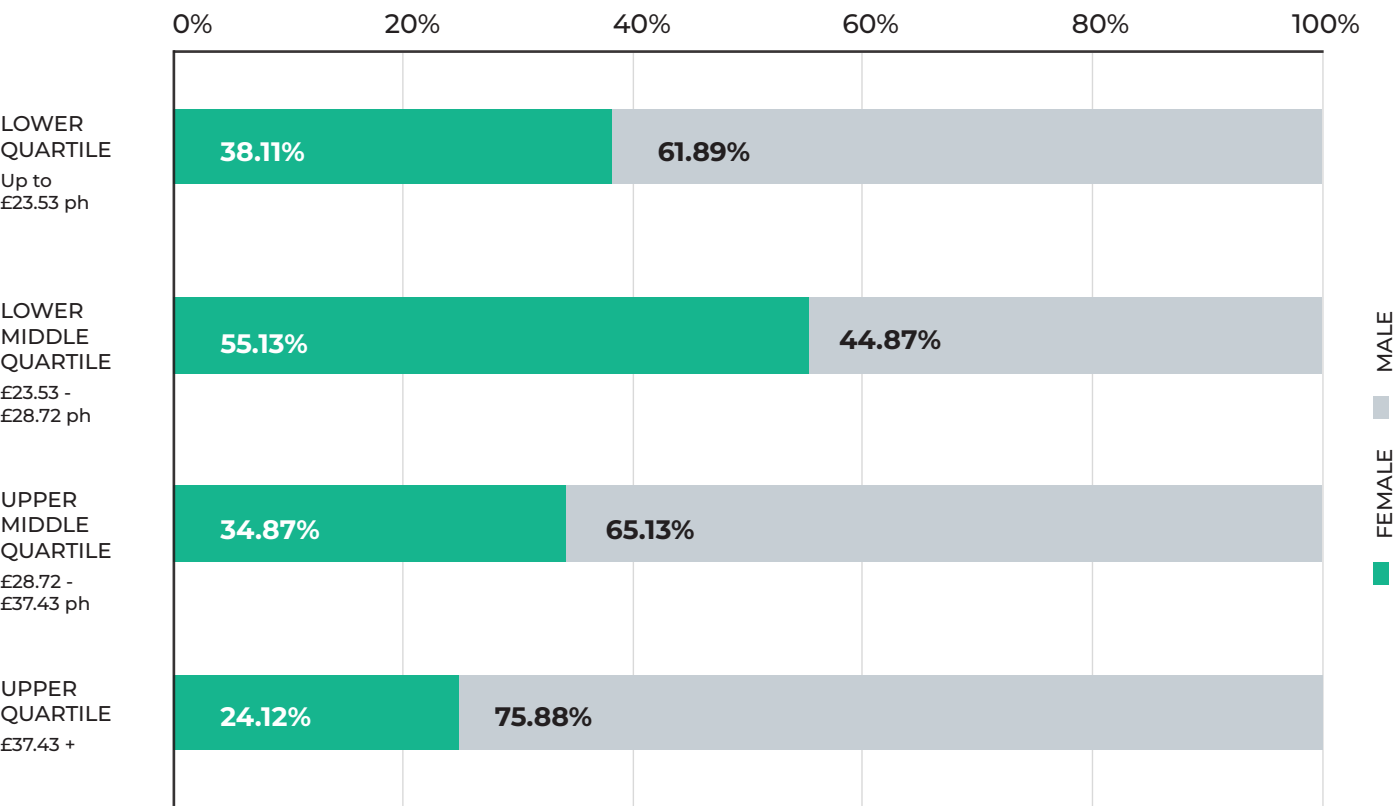
GENDER PAY GAP – SNAPSHOT DATA

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

	2024	2023	2022
MEDIAN GENDER PAY GAP	15.72%	14.6%	11.9%
MEAN GENDER PAY GAP	16.37%	16.3%	15.4%

PAY QUARTILES

The below illustrates the gender distribution of all included employees for Canon Europe across all four quartiles:



The above illustrates the gender distribution of all included employees for Canon Europe across four equal quartiles. This chart gives an indication of the representation of women and men across different levels of the business based on their hourly pay. There has been a significant increase in Females in the Upper Lower Quartile, however the % of Females in the Upper Quartiles with the higher hourly rates has remained static compared to 2023.

GENDER PAY GAP - BONUS

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

	2024	2023	2022
MEDIAN BONUS GENDER PAY GAP	19.11%	25.45%	35.78%
MEAN BONUS GENDER PAY GAP	28.92%	35.76%	43.90%

The value of the total bonus payment for 2024 improved significantly for females when compared to 2023.

BONUS PAY PROPORTION

Female: 93.88%
Male: 95.65%

The above statistics show that out of all included females, 93.88% received a bonus and 95.65% of all included men received a bonus. This was due to an increase in the number of intern roles that did not include a bonus and a number of new starters in April 2024.

UNDERSTANDING OUR PAY GAP

Men have traditionally dominated the workforce in our industry, and this is reflected in our Canon Europe organisation, where 62% of our employees are male and 38% are female. This has remained relatively static since 2021, with a slight increase from 37% to 38% 2023 to 2024.

However, following the implementation of a more structured and transparent pay structure, and a focus on addressing the alignment of employees to the new salary bands, we have achieved a significant improvement in our Gender Pay Gap since 2021. We have seen a significant increase in the number of females in the Lower Middle quartile, whereas the upper Middle and Upper Quartiles have remained static. Additionally, we had a higher number of males in the Upper Quartiles join Canon in the qualifying period.

Our analysis reveals an overall difference of **16.37%** between the average pay (hourly rate) of our male and female employees; which is a **0.07% increase** on the previous year.

The headlines set out the gender profile by hourly pay, bonus payment and by pay quartile.

Overall, Canon Europe's gender pay gap is most significantly impacted by the comparatively lower proportion of female employees in leadership and executive positions. This is further compounded by the proportion of assigned employees from Canon Inc. working in our European organisation, who are primarily in senior roles and, also male. As a strategic regional headquarters, with a need to have close collaboration with our HQ in Japan this will remain the case, but it encourages us to focus our efforts across our organisation to mitigate this impact.

CLOSING THE GAP

Our confidence in our drive to improve our gender pay gap is influenced by the pipeline of initiatives in progress. We believe these will further improve wellbeing, work-life balance, raising DE&I awareness and attracting a higher proportion of female employees into key management and leadership positions.

During 2024, in Canon Europe we continued to strengthen the collaboration between the DE&I Strategic Focus Group and the three Employee Network Groups – Cultural & Ethnic Diversity; Disability, Ability & Wellness; and Women In Business. Working together we managed a calendar of events to raise awareness and celebrate specific events and cultural days. The Women in Business group organised events for International Women’s Day, and activities that focused on opportunities for women in the workplace by identifying role models to share their stories. This included a panel with external speakers from the Music Industry alongside one our female photography Ambassadors, discussing the challenges of being a woman in a male dominated industry. These events provide formal and informal opportunities for our female employees to share valuable information, raise awareness of the needs and issues that particularly impact female colleagues, and develop social and business networks.

We continue to encourage learning through the variety of content we have available to all our employees and have created DE&I playlists which are readily available in our learning platform. We have continued to roll out the DE&I Leadership Workshops to support the strategic action plans across the organisation and this is now underpinned with a revised set of Leadership Principles which applies across all levels. These principles are embedded in all of our People Leader development events and employee life cycle processes.

Our talent acquisition and promotions processes remain areas of focus, to ensure that we attract and promote the best female talent in the market, with increased external visibility through our new dedicated web page sharing our Vision & Strategy, and initiatives to advertise vacancies via Diversity job boards, as well as more consistent guidance to people leaders for use in selection and assessments.

Through Canon’s corporate philosophy of Kyosei we commit to providing a healthy corporate culture and work environment where people are valued, respected, have a sense of belonging and can thrive personally and professionally. It is consistently referenced in our communications and business performance update events and meetings. The Code of Conduct also explains our guiding principles – the ‘San-ji (Three ‘selfs’) Spirit’ – of self-motivation, self-management, and self-awareness - which provide a basis for all our actions as employees. We’re committed to equal opportunities and encourage a respectful and diverse workplace, in which everyone’s unique value is recognised. Our Employee Survey results show that we are achieving this, with a number of positive responses exceeding the external benchmark results including feeling valued, a sense of belonging and trust and respect for each other.

We have continued to invest in a partnership with University Technical College, Global Academy. Located in Hayes close to our HQ, the college specialises in Creative Media and puts a strong focus on the importance of equality and inclusion. We have continued to support students through the structured mentoring programme which is run by Creative Mentor Network. In 2024 we had 9 participants from the Global Academy, and for the first time we have extended our mentoring support to include mentees from the ‘Break the Wall’ programme. This programme supports young people from lower socioeconomic backgrounds. These ongoing partnerships also enable us to engage directly with young female talent as 53% of mentees were female.

Our mentoring, coaching and talent programmes support the career progression of female employees, and we continue to explore opportunities to improve in these areas. In 2024, 55% of employees receiving mentoring were female and 48% of the mentors were female. We supported three female employees to undertake and complete the Senior Leadership Apprenticeship with Cranfield Management School. This was a cohort with other companies thus providing opportunities for networking and sharing best practice and included an organisation-based project with tangible outcomes that are being implemented. All three attendees confirmed an increase in knowledge and skills through the apprenticeship with one promotion to a Director level role and consideration for the other two applicants for their next career moves.

Any gender pay gap tells us there is still work to do and in 2025 we will be continuing to build an inclusive culture. Priorities for this year include:

- Renewed focus on our talent acquisition and promotion processes including reviewing the success of using Diversity job boards for recruitment, further support for People Leaders when recruiting and implementing a framework for People Leader appointments ensuring that the new Leadership Principles are embedded in the process.

- Reviewing the support available for the growth and development of our employees including structured development / career progression discussions and career development workshops.
- Empowering employees to create and lead networks, which in 2025, includes our newly formed Employee Network Group for LGBTQ+.
- Continuing to focus on raising awareness and learning where all employees will be encouraged to follow the online DE&I learning journey that has been curated by our People Development team.
- Continuing to celebrate national events around DE&I throughout the year, enabling us to expand our knowledge and understanding. We will continue to take an intersectional approach in fostering an inclusive environment where our Employee Network Groups work collaboratively on events and activities.
- Launching a menopause guide along with awareness raising sessions and additional support through our wellbeing provision.

While the actions taken in 2024 have shown improvements, we recognise the need for continued effort in closing the overall gap. We are fully committed to making further progress.

DECLARATION

We 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.



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