



GENDER PAY GAP REPORTING 2024

Canon



Founded in 1937, Canon is a leading technology company dedicated to helping people reimagine and push the boundaries of what's 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're constantly redefining the world of imaging for the greater good. Through our technology and spirit of innovation, we're helping to see our world in ways we never have before.

We have a clear corporate philosophy that underpins everything we do; Kyosei, living and working together for the common good. Kyosei articulates who we are and what we stand for. It not only conveys our dedication to seeing all people regardless of background harmoniously living and working together and contributing to a prosperous society; it also guides us to do the right thing as an organisation, and as individuals both in and out of the workplace.

At the core of this philosophy is our unwavering commitment to diversity, equity and inclusion.

We're also educating and empowering the next generation of storytellers through our **'Imaging for Good'** and **'Young People Programme'**, 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.

In 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're **enabled to thrive and contribute to achieving our business goals**.

In 2023 we launched our Diversity Equity & Inclusion film 'Canon sees the whole you'. This film has intersectionality at its heart and tells the story of four Canon colleagues and the challenges they've faced throughout their lives relating to different aspects of DE&I. This film has been shared internally with colleagues and on our website and social networks to ensure our customers, partners, existing employees and potential new recruits understand our position on inclusion and since its launch in Autumn 2023, it's won numerous awards for DRPG, our partner agency.

Historically, there's 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.

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 employees on the 5th April 2024 snapshot date. This is expressed as a percentage difference. 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. The pay mean does not take into account the employees' position or job level so results can be misleading and can be skewed particularly if populations have a larger amount of male senior management employees. The median therefore provides a more representative measure of the pay gap since it's not impacted by any outliers.

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.

It's 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's 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 that there may be a number of issues to deal with, and the individual calculations may help to identify what those issues are.

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.

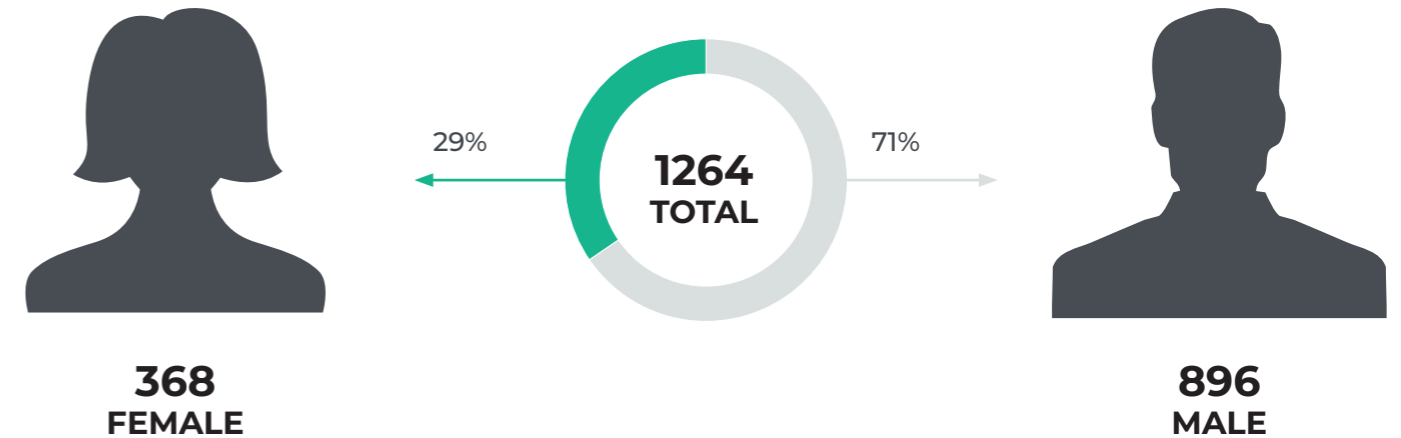
QUARTILES

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.

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 the us on the snapshot date). This left us with an included workforce demographic for Hourly Rate as follows:

DEMOGRAPHICS – APRIL 2024



Across our total included workforce, 29% are women and 71% are men. This is an increase from 27% women in 2023.

OUR GENDER PAY GAP STATISTICS

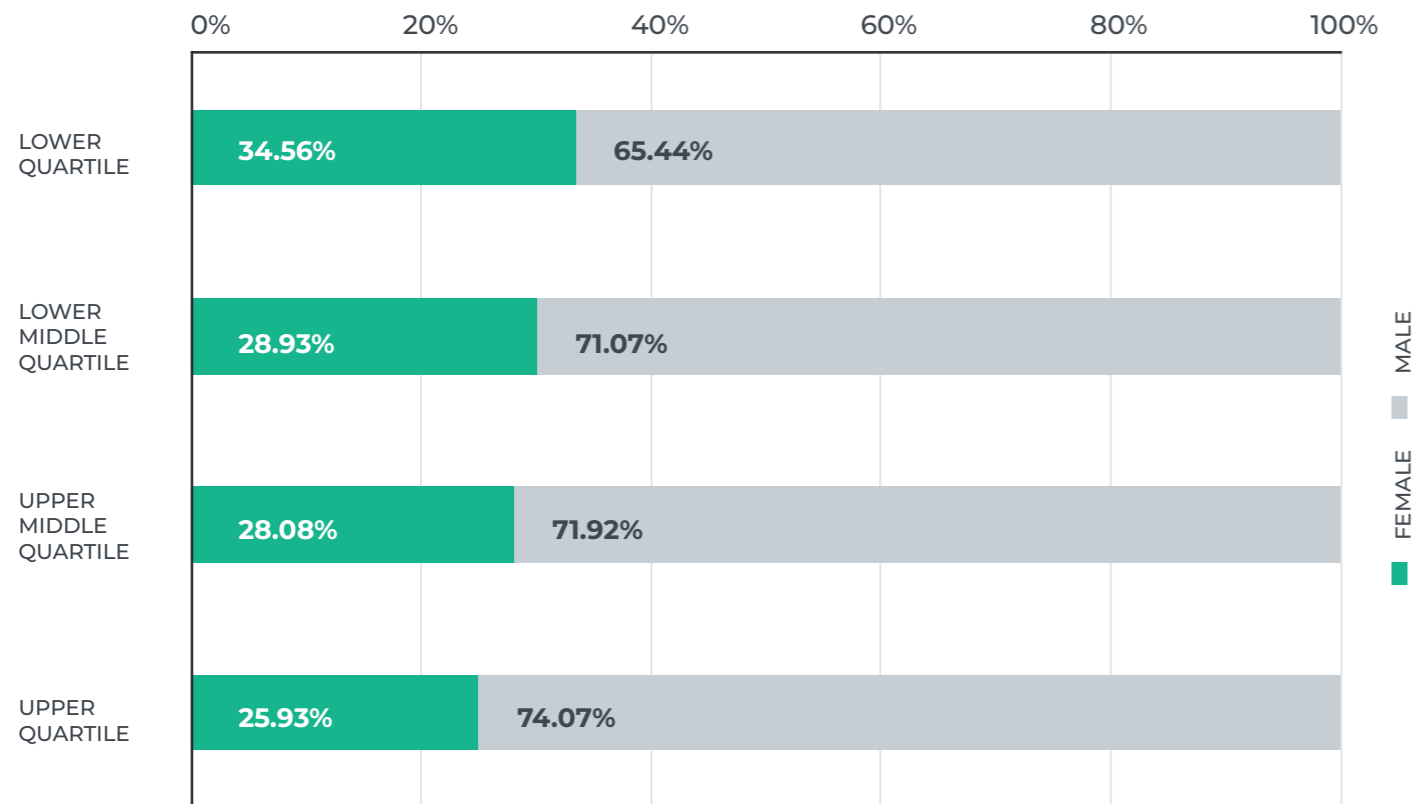
The Office for National Statistics has published (Oct 2024) provisional gender pay gap results for all employee jobs in the UK in 2024 which shows the Median GPG to be 13.1%. This gives a point of reference when reviewing our results.

GENDER PAY GAP – SNAPSHOT DATA

	2024	2023	2022
MEDIAN GENDER PAY GAP	8.25%	7.36%	7.13%
MEAN GENDER PAY GAP	3.55%	7.31%	7.92%

The above table shows our mean and median hourly pay gap. Our gender pay gap mean has reduced to 3.55%, which is the second year of a downward trend since 2018.

PAY QUARTILES



The above illustrates the gender distribution of all included employees for Canon UK 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. In our organisation, women occupy 34.56% of the roles with lower hourly pay rates and 25.93% of the roles with higher hourly pay rate. There's been an increase in females at the upper middle quartile from 26.02% to 28.08% and upper quartile from 23.06% to 25.93%.

BONUS PAY PROPORTION

Female: 98.38%

Male: 99.66%

The above statistics show that out of all included women, 98.38% received a bonus and 99.66% 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 71% of our employees are male and 29% are female. This has remained relatively stable in recent years however, this year there was a 2% increase in the proportion of women. The make-up of our business – with more men at senior levels – means our average male salary is higher than our average female salary. Sales and service roles, which make up a substantial proportion of our workforce, are predominately held by men.

The continued recruitment of women at more senior levels in comparison to those already employed is influencing the narrowing of the mean hourly rate of pay.

As in the previous year, at the mid-level of the organisation, male leavers were more than double in comparison to female leavers between April 2023-2024.

GENDER PAY GAP – BONUS

	2024	2023	2022
MEDIAN BONUS GENDER PAY GAP	31.93%	21.21%	16.58%
MEAN BONUS GENDER PAY GAP	34.54%	29.62%	43.13%

The above table shows our mean and median bonus gender pay gap. Both the median and mean bonus gap has widened. This is due to the nature of and eligibility for bonuses that commonly have a higher payout - commission schemes that are based upon individual performance and resulting outcomes and payments would vary year-on-year due to fluctuating performance.

CLOSING THE GAP

Since joining in 2022, our membership with Inclusive Companies provides us with consultative feedback, to better understand how we're doing, and to help us plan for the future. In 2024 we moved up one place to 26th place in the top 50 employers in the UK.

A refreshed Code of Conduct was launched in 2023 which emphasises Canon's corporate philosophy of Kyosei. Through this 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's consistently referenced in our communications, Kick Off events and Town Hall meetings. The code also explains our guiding principles - the "San-ji (Three 'selves') Spirit" - of self-motivation, self-management, and self-awareness - which provide a basis for all our actions as employees. We respect each other as individuals and do not discriminate against others based on race, religion, nationality, gender, age, sexual orientation, or any similar characteristics. We're committed to equal opportunities and encourage a respectful and diverse workplace in which each individual's unique value is recognised and all are treated with courtesy, honesty and dignity.

A mandatory e-learning module was launched alongside our refreshed Code of Conduct in February 2024. This is automatically assigned to all new joiners, is reassigned every two years and covers all aspects of our Code of Conduct. A test to check understanding is included with a pass mark of 80%.

This year we've introduced a new set of Leadership Expectations, which apply across all levels of management, from first line managers to Executives. One of our leadership behaviours, "Is open and inclusive, making decisions as transparent and fair as possible", aligns with our Code of Conduct policies and promotes fostering dignity and respect at all times for all employees.

In 2023 and 2024 we focused on recruitment practices to establish consistent job advert templates ensuring content attracts as diverse a pool of candidates as possible. We advertise in different places now targeting diverse communities. We're explicit when we communicate to potential new hires that we welcome and encourage applicants from diverse backgrounds. We've also developed an interview skills workshop to further support inclusive recruitment practices.

At Canon we have thriving Employee Led Networks, furthering our DE&I strategy and affording our employees the opportunity to be supported in bringing their whole self to work and make requests of the Leadership Team. Each network is supported by a Senior Leadership team member as a sponsor, resulting in the formation of groups such as the Women's Network, Menopause Matters, Men's Mental Health Network, BAME Steering Group, LGBTQ+ and Neurodiversity Networks. Our DE&I Steering Committee, comprising of members of our Senior Leadership team, has been established to provide support, advice, assurance and governance for Canon UK & Ireland's inclusive culture strategy, and the initiatives that contribute to our people vision of being a diverse organisation that not only reflects our customers' diversity but also our own.

Colleagues are empowered and supported to develop Employee Led Networks on any strand of our inclusive culture that they're passionate about. Our very successful Women's Network offers webinars and calls to create learning opportunities within their communities and promotes supportive information to members about career success at Canon.

In 2024 we launched the Neurodiversity Network. This Network is dedicated to celebrating and leveraging the diverse strengths and perspectives of individuals with neurodiverse conditions such as autism, ADHD, dyslexia and other cognitive variations.

Through the Neurodiversity Network, we aim to:

- Provide resources, support and advocacy for neurodiverse employees
- Create a community where neurodiverse employees can connect, share experiences and support each other
- Conduct training sessions and workshops to increase awareness and understanding of neurodiversity

We celebrate national events around DE&I during the year that enable us to expand our knowledge and understanding. In 2024 we celebrated several events including Pride Month, Black Inclusion Week, Black History Month, Race Equality Week, National Inclusion Week, Mental Health Awareness and International Women's Day and we'll continue to take an intersectional approach in fostering an inclusive environment.

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 2024, we offered managers:

- A 'Welcome to Canon Management' programme in which 43% of the cohort were female
- An opportunity for development and networking across departments and enhancing skills through our mentoring scheme, of which 58% of employees receiving mentoring were female and 36% of the mentors were female

We're keen to attract women early into careers at Canon and in 2024, 71% of our apprentices and interns were women.

We believe that by creating a culture that values diversity and harnesses 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

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.

Guido Jacobs
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