THE CANON STORY
2020/2021
**Kyosei**

Canon’s corporate philosophy is kyosei. It conveys our dedication to seeing all people, regardless of culture, customs, language or race, harmoniously living and working together in happiness into the future.

Unfortunately, current factors related to economies, resources and the environment make realizing kyosei difficult. Canon strives to eliminate these factors through corporate activities rooted in kyosei. Truly global companies must foster good relations with customers and communities, as well as with governments, regions and the environment as part of their fulfillment of social responsibilities.

For this reason, Canon’s goal is to contribute to global prosperity and the well-being of mankind as we continue our efforts to bring the world closer to achieving kyosei.

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**Canon’s Corporate DNA**

Behind Canon’s 80-year history and development as a business lies its corporate DNA: a respect for humanity, an emphasis on technology, and an enterprising spirit that the company has consistently passed on since its foundation. The enterprising spirit on which Canon was started as a venture company, and the relentless drive to distinguish itself through technology, permeate the company, and have continued to provide society with new advances. These motivating factors are in turn supported by a respect for humanity, which encompasses meritocracy and an emphasis on good health. Canon is committed to passing its corporate DNA on to future generations to ensure the company grows for another 100, or even 200, years.

**The San-ji (Three Selfs) Spirit**

The Three Selfs, the foundation of the company’s guiding principles that have been passed down since Canon was founded, are self-motivation, self-management and self-awareness. For Canon, which strives to be a truly excellent global corporation while maintaining the legacy of its corporate DNA, the Three Selfs continue to serve as the company’s most important guiding principles.

[Self-motivation] Take the initiative and be proactive in all things
[Self-management] Conduct oneself with responsibility and accountability
[Self-awareness] Understand one’s situation and role in all situations

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As an official sponsor of the Rugby World Cup 2019™ in Japan, Canon helped drive the excitement.

Canon supported the Rugby World Cup 2019™ in Japan as an official sponsor. Built on core values of respect, integrity, solidarity, passion and discipline, the sport of rugby helps foster individual character. As the host country, Japan helped ensure that the tournament was a great success and offered a unique environment for players and overseas spectators to meet and interact.
Message from Top Management

With our heritage of transformational strength, we are redoubling our efforts toward grand strategic transformation.

Around the world, technological innovation, as exemplified by IoT and AI, continues to advance at an incredible pace. In addition to the digitalization of existing products and services, there is a need to optimize business itself for the digital era and the very nature of industry is now undergoing major changes.

Canon has cultivated and achieved business growth by continually transforming ourselves through our enterprising spirit and the San-ji (Three Selfs) Spirit to create new value in response to the changing times. Canon’s history has been one of undertaking challenges and transformation.

In our five-year medium-to-long-term Excellent Global Corporation Plan Phase V, we have pursued a grand strategic transformation as we reorient our core businesses from B2C to B2B. Employing such methods as M&A centered on our four new businesses—commercial printing, network cameras, medical and industrial equipment—we are on track to successfully complete this transformation of our business portfolio and are now expanding each of them in pursuit of new growth. In our existing businesses, which include cameras, office multifunction devices and printers, we are developing products and services suited to the modern age, further increasing our market share by incorporating the latest technologies in such areas as the cloud, AI and IoT.

Under our corporate philosophy of kyosei, Canon seeks to become a truly excellent global corporation that is admired and respected around the world. Going forward, we will continue to work together as a Group toward completing grand strategic transformation.

We look forward to your continued support and cooperation.

Fujio Mitarai
Chairman & CEO
Canon Inc.
Canon, seeking to become a truly excellent company that is admired and respected around the world, launched the medium-to-long term Excellent Global Corporation Plan in 1996 which has brought about a significant transformation. Phase V, which began in 2016 with the setting of seven key strategies, enters its final year in 2020. This year, we will further accelerate and expand our efforts toward realizing a grand strategic transformation.

1. Establish a new production system to achieve a cost-of-sales ratio of 45%
   Strengthen domestic mother factories by emphasizing production in Japan and integrating design, procurement, production engineering and manufacturing-technology operations. Reduce costs through robotics, automation and other production engineering technology.

2. Reinforce and expand new businesses while creating future businesses
   Create and expand new businesses by accelerating the horizontal expansion of existing businesses. At the same time, concentrate management resources, including the use of M&A, to accelerate the expansion of promising business areas.

3. Restructure the global sales network in accordance with market changes
   Review existing sales organizations and reinforce omni-channel marketing that integrates online and conventional sales routes. Strengthen and expand customer-driven solutions businesses and focus energies on cultivating markets in emerging countries.

4. Enhance R&D capabilities through open innovation
   Discard the strict notion of self-sufficiency and construct an R&D system that proactively leverages external technologies and knowledge, promoting joint and contract research with various partners such as domestic and foreign universities and research institutes.

5. Complete the Three Regional Headquarters management system capturing world dynamism
   Promote the acquisition of promising businesses through M&A and complete the Three Regional Headquarters management system, under which Japan, the U.S. and Europe utilize each region’s strengths to establish comprehensive and efficient management.

6. Cultivate globally competent human resources capable of performing duties while maintaining an all-encompassing perspective of the world map
   Optimize use of human resources in operations worldwide. Evaluate personnel around the globe to identify candidates for senior management positions and develop the skills of these future leaders by rotating them through key positions in Japan and overseas.

7. Re-instill the Canon Spirit as a foundation for new growth
   Revitalize the enterprising spirit in our corporate DNA and the San-ji (Three Selfs) Spirit, which have been the guiding principles of growth since our foundation, and complete a grand strategic transformation.

Canon moved ahead with such growth strategies as enhancing existing businesses and expanding into new areas while also thoroughly implementing supply chain management and IT reforms.

In 2018, the Canon Institute of Software Technology (CIST) was established to train software engineers. Our program includes integrated study of such fields as applied mathematics, statistics, machine learning, deep learning, IoT and cloud services. In addition to honing the skills of engineers for AI development, we offer curriculums that create various levels of new software talent, including new employee trainings and curriculums for career changes within the company for existing personnel.

Excellent Global Corporation Plan

<table>
<thead>
<tr>
<th>Phase</th>
<th>Period</th>
<th>Key Strategies</th>
</tr>
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<tbody>
<tr>
<td>I</td>
<td>1996–2000</td>
<td>To strengthen its financial structure, Canon transformed its mindset to a focus on total optimization and profitability. The company introduced various business innovations, including the selection and consolidation of business areas and reform activities in such areas as production and development.</td>
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<td>II</td>
<td>2001–2005</td>
<td>Aiming to become No. 1 in all major business areas, Canon focused on strengthening product competitiveness and stepped up efforts to digitize products. The company also conducted structural reforms across all Canon Group companies around the world.</td>
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<td>III</td>
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<td>Canon moved ahead with such growth strategies as enhancing existing businesses and expanding into new areas while also thoroughly implementing supply chain management and IT reforms.</td>
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<td>IV</td>
<td>2011–2015</td>
<td>Canon restructured its management policy from a strategy targeting expansion of scale to a strategy aimed at further strengthening its financial structure. While pursuing M&amp;A activities, the company restructured its business at a foundational level to introduce new growth engines for future expansion.</td>
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Network Cameras

Network cameras watch over for the safety and security of spectators, athletes and people gathering for recreation at Oita Sports Park.

Oita Sports Park includes a multipurpose dome stadium accommodating around 40,000 people and a martial arts sports center serving as an indoor sports hub with a capacity of some 5,000 people. Sports competitions such as rugby, soccer, judo and kendo, as well as cultural events, are held here. The park also contains a training gym and serves as a recreation center for local residents.

In 2019, in preparation for hosting an international sports event and opening of the martial arts sports center, Oita Prefecture implemented a Canon network camera system. The high-resolution 20 megapixel (approx.) cameras and the 30x zoom cameras installed inside the dome capture the spectator seats widely, and in case of any incident, allow for a detailed verification. With the video management software, the feed from a total of 65 cameras positioned at the two facilities can be checked from any one of the security offices. Canon’s technologies support the creation of an environment where park visitors can relax and enjoy themselves fully.
Network cameras that monitor safety and security are at the core of the Smart City.

Network camera market continues to grow
Whether monitoring to assist crime prevention in the streets, traffic control, or security around rivers, and for other applications, network cameras are a key piece of social infrastructure. With the ease of video handling, checking and high image quality using digital technology, as well as the increasing consciousness toward safety and security, the market has boomed. The demand has expanded into such fields as marketing, where the systems analyze the customer flow at stores and events, and manufacturing, where they support production automation and safety.

Customized solutions for each client
Network camera users have a wide range of requirements, including scale and installation locations. Together, our broad lineup of cameras, video management system (VMS) for controlling and recording videos from multiple cameras, and video content analytic software (VCA) help provide solutions to difficult challenges. Canon is able to propose an optimal solution for each client based on their unique issues.

Comprehensive camera, video management and video analysis offerings
Canon has commercialized high-sensitivity, high-resolution network cameras utilizing optical technologies, and has also focused on developing VCA featuring crowd counting technology that can count thousands of people in real time. The Canon Group now has the advantage of being able to provide a comprehensive solutions package by welcoming into the Group: Axis (based in Sweden), a network camera pioneer which boasts an extensive product lineup and partners with over 90,000 partners; Milestone Systems (based in Denmark), a VMS leader whose XProtect software supports over 8,000 models of network cameras from more than 150 companies; and BriefCam (based in Israel) whose Video Synopsis technology greatly reduces analysis time.

The strength of an open ecosystem
Another Canon strength is our ability to flexibly support cameras, VMS’s, and VCA’s of other manufacturers and vendors. From an early stage, both Axis and Milestone adopted the “Open Platform Strategy,” which allows partner companies to expand their systems. As many partner companies can freely build their own solutions, creating ecosystems involving not only Canon Group companies but others as well, the Group’s business continues to grow around the world.

Infrastructure which serves as the foundation for smart cities
As the populations of nations worldwide concentrate in metropolitan areas, the smart city concept has advanced to ensure a comfortable quality of life. Network camera data is used for everything from estimating and averting traffic and crowd congestion to disaster prevention. To contribute to the foundational infrastructure of future smart cities, the Canon Group is pursuing the development of advanced technologies such as AI, which holds the promise to provide solutions in many fields.

Network cameras are the eyes of collaborative robots
Collaborative robots, which work together with people, play an active role in production lines. Canon has commercialized our Vision Edition software, which uses a network camera as the eye of a collaborative robot. Employing zoom and autofocus technologies, the network cameras perform tasks such as visual inspection and detection, checking barcodes and instrument numbers, helping the collaborative robot to work intelligently and efficiently.
In December 2019, Saitama City Hospital reopened as a new facility with the mission to continue providing safe and secure medical care to 1.3 million citizens.

To support advanced healthcare, the hospital installed two of Canon Medical Systems’ newest MRI scanners. MRI captures images of the inside of the body using magnetic fields and electromagnetic waves without exposure to radiation. In less-advanced systems, one of the drawbacks is that in order to obtain clear images for diagnosis, the patient must remain in a confined and noisy area for a lengthy period of time while the scanning takes place. Canon Medical MRI scanners mitigate these issues by providing a more spacious, open and quiet examination space, and implementing the world’s first Deep Learning Reconstruction technology for removing noise from images. The high-definition images produced by our MRI scanners facilitate more accurate diagnosis, shorter exam times and less burden on the patient.

Hand in hand with the new Saitama City Hospital, Canon is contributing to the provision of more advanced and patient-friendly medical care.
Growth in the medical device market continues
In the era of the 100-year life span, humanity faces a growing need for prevention, early detection and early treatment of disease. Even as expectations for growth in the medical markets rise, challenges such as the rising numbers of patients in aging societies and the greater burden on healthcare workers must be addressed. By offering products and services that provide value to both patients and healthcare professionals, Canon continues to grow our medical business.

Business development with Canon Medical at the core
Currently, the entire Canon Group is working together to expand our medical business in three fields: diagnostic imaging, medical IT and in-vitro diagnostics. Canon Medical, which joined the Group in 2016, plays a central role in this strategy. Under the company’s Made for Life management philosophy, which expresses the commitment to contribute to medical care that protects health and precious lives, Canon Medical pursues optimal solutions on the frontlines of medical care. Renowned for inventing and introducing numerous world-first and first-in-Japan technologies, Canon Medical continues to grow.

Increasing use of diagnostic imaging systems for advanced treatments
Modern advanced medical care would not exist without diagnostic imaging. For early detection and treatment, Canon Medical employs AI and other leading-edge technologies to ensure that our diagnostic imaging systems, including MRI scanners, CT, ultrasound and X-ray angiography systems, achieve high image quality.

Medical IT supports more precise medical care
Thanks to advancements in healthcare, the medical world has begun to accumulate vast amounts of patient information such as diagnostic images. The role of medical IT is to consolidate, analyze, and process this information, and provide cogent data. Canon medical IT not only enables the integrated display of diagnostic images from different systems, but also supports the collection and consolidation of patient data such as medication history, daily temperature and blood pressure over time. This facilitates accurate diagnostics and treatments.

Focusing on in-vitro diagnostics
In-vitro diagnostics enables early detection and diagnosis of diseases through blood and urine testing. In addition to clinical testing systems, Canon offers testing kits for easy, rapid detection of infectious diseases such as influenza and Zika fever.

Contributing to early detection by visualizing metastatic bone cancer
Late detection of bone metastasis has a huge impact on patients’ quality of life. Canon Medical has commercialized software that contributes to early detection. Our use of image processing makes it possible to align current and past diagnostic images taken under different exam situations and conditions. Comprehensive testing at Kyoto University has enabled improvements to this technology so that changes to the bone over time are clearly visible.

As patients and treatment centers strive for healthy lives, a trusted frontline medical system is needed.

Digitalization continues to advance in commercial printing

Digital printing holds a growing share of the commercial printing market, which includes such business and sales materials as catalogs, books, direct mail, transactional applications and posters. The print quality now rivals that of analog offset printing, which involves plate creation, test printing and large print runs. Thanks to variable-data printing, in which individual pages can be customized, and short-run production, in which even single lot printing is possible, digital printing is creating new business in such fields as marketing and publishing.

From page imposition to book binding

Digital printing contributes to automated workflow and enhances efficiency at printing companies. Canon’s PRISMA software centrally manages the printing process workflow from pre-press work to book binding. Even when there are differences in the configurations of the various presses, ease of operation is ensured, which is why PRISMA continues to earn the trust of printing companies as easy-to-use software that can boost their business competitiveness.

With a view towards industrial printing

Canon offers a large printer lineup for the diverse needs of commercial printing. To meet customer needs in such fields as graphic arts, and newspaper and monochrome publication, our printers include continuous feed presses offering over 100m/minute high-speed duplex printing on paper rolls; sheet-fed presses that print on standard size paper; and large-format printers for such media as posters. Additionally, we are now conducting R&D in the field of industrial printing, which includes packages and labels.

Establishment of Canon Production Printing

The center of Canon commercial printing is the products and services of Océ, the Netherlands-based manufacturer of high-speed, large-format printers, which joined the Canon Group in 2010. With the aim of strengthening our position in commercial printing, Océ’s corporate name was changed to Canon Production Printing in 2020. Now, with all products unified under the Canon brand, and through Group collaboration, we will continue making developments based on our accumulated technology to accelerate growth.
Acceleration of Canon’s Grand Strategic Transformation

Industrial Equipment

Smartphones. Data centers. All supported by Canon industrial equipment.

A focus on semiconductor manufacturing equipment

The cloud, smartphones, AI and IoT are expected to drive semiconductor industry growth for years to come. Semiconductor manufacturing is the core of Canon’s industrial equipment business. OLED panels, whose production is said to depend on Canon Tokki’s manufacturing equipment, are an example of Canon’s strong presence in industrial equipment.

Celebrating 50 years of semiconductor lithography equipment

Canon’s lithography equipment business began in 1970 with the commercialization of Japan’s first semiconductor lithography equipment. Today, our lineup includes equipment used to draw patterns on logic, memory and image sensors, equipment for manufacturing LCD panels and other equipment vital to business and society.

Three Group companies pioneering new business

At the center of Canon’s expansion into the business domain of industrial equipment are three Group companies: Canon Tokki, which commercialized mass production OLED panel manufacturing equipment; Canon ANELVA, which specializes in sputtering equipment for next-generation memory and hard disk drives; and Canon Machinery, which manufactures die bonders used for semiconductor chip bonding and labor-saving automation equipment. These three companies collaborate on and take up new challenges such as the commercialization of next-generation OLED panel manufacturing equipment.

Developing revolutionary new technologies

Canon is developing nanoimprint lithography technology that has the potential to revolutionize the semiconductor industry. Conventionally, light has been used to draw patterns onto the silicon wafers. Canon’s technology, which entails pressing a mold, or mask, onto a resist, is gaining recognition as a simpler, more cost-efficient method of flash memory production. Verification for mass production is now being conducted by a major semiconductor manufacturer.

Canon Electronics is pursuing space development

Canon Electronics has drawn together various Group company technologies and resources for microsatellite development. In 2017, a satellite equipped with a Canon digital camera was launched. Since then, high-resolution image data has been continuously captured and transmitted to earth. In 2019, the subsidiary Space One, a small rocket launch service company, began construction of Japan’s first privately owned launch complex, Spaceport Kii, which is planned for completion by summer 2021.
Products and Services

Network Cameras
The importance of network cameras continues to grow not only for crime prevention, but also as part of the infrastructure that contributes to the realization of smart cities. Canon proposes new visual solutions incorporating AI-based video analytics.

Commercial-Use Printers
Canon supports the printing industry with a broad hardware lineup offering high image quality and high reliability for short runs in a wide range of applications and high-volume printing, together with leading-edge software that efficiently manages the workflow of printing businesses.

Semiconductor Lithography Equipment
Semiconductor chip needs are diversifying as IoT society, including 5G networks and autonomous driving, continues to advance. In response to the semiconductor market’s growing needs, we are expanding our lineup and strengthening the technology of our high-productivity equipment.

OLED Panel Manufacturing Equipment
Canon Tokki’s vacuum deposition equipment supports the mass production of OLED panels. As the world leader in this field, we are accelerating the development of next-generation OLED panel manufacturing equipment to meet increasing production demands.

Industry
As part of the fast-evolving digital network society, we combine the Canon Group’s strengths to develop industrial equipment that supports the future.
To turn offices into more creative and efficient work environments, Canon offers convenient and high-productivity solutions for a variety of workstyles.

**Large-Format Inkjet Printers**
Producing high image quality photos which meet the high demands of professionals, vivid posters on plain paper, high-precision CAD drawings and more, Canon’s lineup of large-format inkjet printers provides greater ease of use and increased efficiency for various market needs.

**Mobile Printers**
Canon mobile printers, equipped with a wealth of business features, make it possible to print on the go and from such devices as smartphones and tablets with ease. An external battery can be attached, eliminating the need to connect to a power source.

**Card Printers**
Canon card printers support not only paper media such as business cards, postcards and envelopes, but also plastic media and IC cards. By bringing card printing in-house and providing increased speed, our devices can contribute to cost reductions and new business opportunities.

**Laser Printers/Laser Multifunction Printers**
Widely used in offices, schools and businesses, Canon printers feature compact designs and receive top marks for environmental performance and recycling programs.

**Software**
Canon offers software that facilitates the creation of high-quality posters without the need for design expertise, as well as software that links with our multifunction printers to support centralized document management.

**Business Inkjet Printers**
Featuring refillable ink tanks, Canon business inkjet printers support small offices with large printing needs as well as businesses that require high-volume color printing. Our extensive lineup provides various solutions for a wide range of needs.

**Multifunction Devices**
In step with the evolution of IT and the diversification of workstyles, Canon multifunction devices support efficient document work. Featuring cloud connectivity and strengthened security, our devices contribute to productive and flexible workstyles.

**Calculators**
In 1964, Canon introduced the first 10-key electronic calculator. Today, we offer models that meet a variety of needs, with unique features such as printing capabilities, antibacterial keys, and a one-touch cost, sell, margin calculation function.
Interchangeable-Lens Digital Cameras
Celebrated for high performance and reliability, EOS cameras have captured countless timeless images and continue to receive the utmost support from professional photographers. Our latest model features all-new core components and state-of-the-art video capabilities.

Broadcast Equipment
Canon broadcast lenses are widely used around the world for sports broadcasting and video production. With an extensive lineup featuring advanced technologies required for high-precision 4K and 8K video, Canon is at the leading edge of the broadcasting industry.

Professional Displays
Responding to demands of professionals for better ways to accurately check images, Canon pursues high-precision 4K/HDR with consistent color and brightness. Canon reference displays are used in on-location video production sites including post-production and broadcast stations.

CT Diagnostic Systems
Canon Medical’s CT systems have seen the introduction of numerous world-first solutions. AI-assisted imaging incorporating feedback from healthcare professionals is revolutionizing patient care by enabling greater diagnostic confidence from routine diagnostic imaging.

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### Canon Products and Services

#### Home

Preserving memories more beautifully. Bringing more richness and color to everyday life. Canon imaging is evolving to be closer to you and more fun.

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<tr>
<td><strong>New Concept Cameras</strong></td>
</tr>
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<td>Canon strives to introduce unique new ways of shooting, such as a carabiner-style outdoor activity camera made to go wherever you do. With the power of imagination, Canon creates new possibilities of image communication for every age.</td>
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<td><strong>Mirrorless Cameras</strong></td>
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<td>For everyone from entry-level users to enthusiasts, our lineup includes both easy-to-use models and high image quality cameras that enable original creative expression. Canon mirrorless cameras bring an even richer enjoyment to everyday shooting.</td>
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<td><strong>Digital SLR Cameras</strong></td>
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<td>Never miss a fleeting magical moment of a fast-moving subject like a child or pet. Smartphone compatible, our digital SLR cameras offer easy image transfer and remote shooting. Our wide range of interchangeable lenses makes possible the photographic expression you imagine.</td>
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<td><strong>Compact Photo Printers</strong></td>
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<td>Compact and light, our printers allow anyone to enjoy high image quality prints anywhere. Images stored on smartphones and tablets can be edited via a dedicated app to make square photo prints, and the sticker printing feature has proven highly popular.</td>
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<td><strong>Instant Camera Printers</strong></td>
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<td>Shoot and print photos right away with just one device. New models include a camera with integrated selfie mirror and LED ring light, and a combination camera and photo printer. Our cameras enable users to freely share, edit and enjoy photos.</td>
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<td>Print photos and webpages directly from smartphones. Our wide range of inkjet printers includes models for printing nail stickers and A3-size paper, as well as models with super-large ink tank systems that contribute to low running costs.</td>
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**Open Innovation**
Canon pursues open innovation with universities and institutes that have specialized skills and personnel. By combining our resources, we invent cutting-edge technologies together.

**Emphasis on technology in our corporate DNA**
Canon arose from a dream “to build the world’s best camera.” Today, the aim to differentiate ourselves through technology lives on in our corporate DNA.

**Core competency technologies**
Canon develops core technologies through the integration and application of base technologies in areas such as optics and electricity. By integrating our core technologies with those of newcomers to the Canon Group, we have begun to accelerate the development of original new technologies.

**Implementing materials informatics that utilize AI technology**
Having a strong foundation in materials technology is essential for innovation. Canon has decades of accumulated materials research in our Materials Bank. We are working to acquire key materials by introducing material informatics that use AI to derive materials with necessary functions.

**Our continuous CMOS sensor development is leading to uses in new fields**
CMOS sensors are key components of digital cameras. Canon has the advantage of developing and manufacturing our CMOS sensors in-house, which has enabled us early on to achieve higher pixel counts, high sensitivity and such technologies as global shutters that capture fast-moving subjects without distortion. Today, CMOS sensor applications are reaching new fields of industry and astronomy.

**Ultra-miniature endoscope research built through open innovation**
Canon U.S.A.’s Healthcare Optics Research Laboratory conducts research for the application of technologies such as micro-optics fabrication and optical design. Collaborating with Massachusetts General Hospital and Brigham and Women’s Hospital, teaching affiliates of Harvard Medical School, research is conducted into practical applications of an ultra-miniature endoscope and needle guiding system.

**Spatial Presence Imaging technology enables an immersive experience by projecting 8K camera video converted in real-time on a large curved screen. Our Free Viewpoint Video System allows content to be watched freely from any position and angle. We are accelerating our development of technologies for the practical application of new visual experiences.**

Canon’s unique visual experience technology: Spatial Presence Imaging and Free Viewpoint video

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Introduction to Canon Activities

Canon has established a globally optimized production system, taking a broad view of the ever-changing social and economic conditions around the world. We select ideal production locations based on such factors as cost, taxes, logistics, parts procurement and labor. With our agile and flexible system, we are able to manufacture our products at the most efficient locations.

Globally optimized production to promptly deliver Canon quality worldwide

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Manufacturing & Quality

Committed to manufacturing our own products and technologies, Canon pursues automation and in-house production, cultivating technicians with outstanding skills. With Chie-Tech ingenuity, we sustain the integrity of the Canon brand.

Establishment of mother factories

Canon mother factories, tasked with integrating development, design, production engineering and manufacturing, are at the forefront of our efforts toward automation and in-house production.

Chie-Tech

Canon production equipment is symbolic of our capacity for self-improvement. By producing our own tools, devices and systems, we reduce waste and costs.

No claims, no trouble

This is our mission to guarantee the high-quality of Canon products. In addition to meeting ISO9001 standards, we have devised our own quality management system, which is applied throughout the entire product lifecycle.

Our entire Group works together toward full automation and in-house production

From the development stage, Canon strives for product assembly using automation and robotics. To ensure the production of high-value-added and high-quality products, we are boosting the amount of in-house production of key devices, components, molding dies, assembly systems and embedded software, as well as equipment maintenance within our Group.

Meister and Master Craftsmen system for honing skills and passing expertise to the future

Canon honors our most skilled technicians by awarding them the title of Master Craftsman, while those who have contributed to enhancing Canon production through their skills and knowledge of assembly and component processing earn the title of Meister. All of our skilled workers play the important role of passing their expertise to the next generation and accelerating the evolution of manufacturing.

Canon Quality is realized through uncompromising quality tests

We are dedicated to producing “Canon Quality” products, each of which promises customer satisfaction, safety and peace of mind. This is realized through our ability to conduct in-house tests at our certified testing facilities to ensure compliance with public standards and regulations. We conduct stringent tests to ensure Canon Quality.
Environment & CSR

Under our corporate philosophy of kyosei, Canon is undertaking efforts to realize a sustainable society. We promote various CSR activities as a Group to achieve a low-carbon society committed to resource recycling, eliminating hazardous substances, conserving biodiversity and providing support for social welfare, education and culture.

Canon Group Environmental Charter
The Canon Group Environmental Charter, instituted in 1993, serves as the basis for all of our environmental assurance activities. The charter emphasizes maximizing resource efficiency by promoting environmental assurance activities and taking the entire product lifecycle into consideration.

The Canon Group’s CSR Activity Policy
Canon conducts CSR activities globally and within local communities by effectively leveraging the company’s advanced technological strengths, global business deployment, and diverse, specialized human resources.

CO₂ emission reduction throughout the entire product lifecycle
Canon strives to reduce CO₂ emissions throughout the entire product lifecycle—from design, manufacturing and logistics to customer use and recycling. In addition to developing energy-saving products, we undertake efforts towards energy conservation, including the optimization of logistics and improvement of energy efficiency at operating sites.

Canon Eco Technology Park pursues high-level resource efficiency
At Canon Eco Technology Park, we employ our leading-edge automated recycling system to recycle toner and ink cartridges. We also collect used office multifunction devices and remanufacture them as products that are as good as new. The showroom serves as a hub for the Canon Group’s environmental activities.

High-resolution facsimiles pass on Japanese cultural assets to future generations
Canon conducts the Tsuzuri Project in cooperation with Kyoto Culture Association (NPO). Combining leading-edge digital technologies and the traditional craftsmanship of Kyoto artisans, the project produces high-resolution facsimiles of precious cultural assets. These facsimiles are used for public display in place of the originals, which are preserved in environments that prevent deterioration.

Global support of educational activities that nurture creativity, growth and opportunities
As a leader in the field of imaging, Canon strives to nurture in youth around the world a rich sensibility for art and life and create opportunities to develop their skills. In addition to photography and videography workshops, we provide support for future employment opportunities through programs that train young people for careers in the field of digital imagery.
Canon marketing companies in each region bring the company’s products and services to every corner of the world. While working to strengthen touchpoints with customers in the digital marketing age, Canon’s marketing companies strive to expand B2B business as they continue their grand strategic transformation.

**Americas**

Canon U.S.A., which oversees marketing operations in North, Central and South America, continues to be proactive in the acquisition of new customers and markets. It is focusing on a younger customer segment in today’s diversifying marketplace with the launch of new concept cameras and by signing a sponsorship contract with a professional e-sports team based in Toronto, Canada.

A newly established Innovation Center promotes the development of original new enterprises. In the office equipment business, Canon U.S.A. continues to hold the dealer meetings initiated in recent years to further strengthen relationships with top dealers in the four regions of the North American market.

**EMEA**

Canon Europe oversees business in Europe, the Middle East and Africa. Operating in approximately 120 countries and regions, Canon Europe proposes new products and solutions tailored to customer needs while strengthening its sales network. In 2019, the Group opened a Customer Experience Centre in Istanbul, Turkey and an office and business solutions showroom in Riyadh, Saudi Arabia to expand business in the Middle East and Africa regions. In the field of customer support, the Group’s efforts included the addition of more languages available at call centres and upgrading the quality of customer service, earning Canon Europe the Gold award at the European Contact Centre and Customer Service Awards, the greatest awards in the customer contact industry.
Asia & Oceania

The Canon Asia Marketing Group oversees operations in China, South Korea, South Asia and Southeast Asia. In China, the focus is on proposing solutions to major corporate clients to enhance B2B sales and brand awareness. At the INTERPOL World 2019 expo held in Singapore, the Group expanded its presence in products, solutions and technologies in the field of security including ultra-high-sensitivity cameras.

In the B2C sphere, the Group is strengthening digital marketing centered on e-commerce and expanding touchpoints with customers.

Japan

The Canon Marketing Japan (Canon MJ) Group oversees marketing activities in Japan. Canon MJ develops and operates a wide range of businesses that integrate Canon’s core imaging technologies and IT solutions. Canon MJ has dubbed 2019, which marks the 51st year since its foundation, as the company’s “second founding” and has focused on shifting more of its business to growing areas such as IT solutions. In 2020, to further accelerate the Group’s focus on IT solution business, such as system integration (SI) services and IT infrastructure services, Canon MJ is working to raise productivity by renewing its key internal systems and striving to provide new solutions to customer needs.

The Canon booth was a hit with visitors at the INTERPOL World 2019 security industry expo. Canon showcased cutting-edge 8K technology and products at Inter BEE 2019, an international exhibition for broadcast equipment.
**Group Data**

**Net sales (2019)**

- **Europe**
  - $8,023 million
  - Employees: 23,126

- **Asia & Oceania**
  - $7,356 million
  - Employees: 72,729

- **Japan**
  - $7,932 million
  - Employees: 72,979

- **Americas**
  - $9,355 million
  - Employees: 18,207

**Sales ratio by business unit**

- Industry and Others: 19.2%
- Medical System: 12.2%
- Imaging System: 22.5%
- Office: 48.8%

**Top ten U.S. patent holders by company (2019)**

<table>
<thead>
<tr>
<th>Rank</th>
<th>Organization</th>
<th>Number of patents</th>
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<tbody>
<tr>
<td>1</td>
<td>IBM</td>
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<tr>
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<td>SAMSUNG ELECTRONICS</td>
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<td>CANON</td>
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<td>HUAWEI TECHNOLOGIES</td>
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</tbody>
</table>

**Consolidated subsidiaries**

- 361

- **Net income (2019)**
  - $1,137 million

- **Employees**
  - 187,041

*Note: and in other published data, "Europe" refers to EMEA (Europe, the Middle East, and Africa). Number of employees and consolidated subsidiaries as of December 31, 2019. U.S. dollar amounts are translated from yen at the rate of JPY 110 = U.S.$1, the approximate exchange rate on the Tokyo Foreign Exchange Market as of December 31, 2019. Number of employees based on preliminary data estimated by IFI CLAIMS Patent Services, a U.S. based company specializing in patent information. Figures based on preliminary data released by IFI CLAIMS Patent Services, a U.S. research company specialized in patent information. IBM is an abbreviation for International Business Machines Corporation.