Value Creation Process

The Canon Group has built its business over the years based on the philosophy of *kyosei* and inherited corporate DNA comprising deep Respect for Humanity, an Emphasis on Technology, and Enterprising Spirit. We have continued to grow as we anticipate social changes and effectively utilize our various resources, which include strong finances, a talented workforce and advanced technical capabilities. Good corporate governance has also been a key factor.

Under its Excellent Global Corporation Plan, a series of five-year initiatives, Canon focuses on creating unique technology and ensuring business activities which are aligned with changing needs, while targeting faster progress in each business unit. The plan focuses especially on the three material themes of "Creating new value and solving social issues," "Protecting and conserving the environment," and "Responding to people and society as a good corporate citizen."

The value created through this process forms the foundation of our efforts to support the economy, the environment and society while realizing SDGs. Furthermore, by engineering this cycle of value, Canon reconfirms its role within a rapidly evolving society, enabling it to continuously grow and change, thus increasing our ability to make a difference.

Materiality
- Creating new value and solving social issues (→P15, P29-36)
- Protecting and conserving the environment (→P16-17, P37-60)
- Responding to people and society as a good corporate citizen (→P18, P61-86)

Societal trends
- Advancement of technology and efficiency requirements
- Population growth and aging
- Diversification of safety and security needs
- Increasing awareness of social and environmental issues
  - Sustainable Development Goals (SDGs)
  - Climate change
  - Resource constraints
  - Sustainable supply chains

Corporate governance
- Corporate Governance Structure (→P97-101)
- Risk Management (→P102-107)

Resources
- Strong financial base
- Global business development
- Extensive work force
- Strong technological skills

Corporate DNA
- Respect for humanity
- Emphasis on technology
- Enterprising spirit

Corporate philosophy:
kyosei

Realizing *kyosei*

Contributing to achievement of SDGs

Economic, Environmental & Social Contribution

Business Units

• Office (→P87-88)
• Imaging System (→P89-90)
• Medical System (→P91-92)
• Industry and Others (→P93-94)

• Creating a safe and secure society (→P31-32)
• Expanding medical equipment business to help improve medical care (→P33-34)
• Contributing to economic growth through industrial innovation (→P35-36)
• Realizing a low-carbon society (→P47-50)
• Realizing a circular economy (→P51-55)
• Ensuring respect for human rights in the workplace (→P61-74)
• Ensuring product safety and improving usability (→P75-82)
• Promoting sustainable development of local communities (→P83-86)

Engineer a cycle of value

• Feedback toward society and Canon Group
• Reaffirming our role
• Further contribution through transforming ourselves