



Towards the Continuous Growth of the Canon MJ Group

January 29, 2024

Canon Marketing Japan Inc.

President

Masachika Adachi



- With respect to the Medium-Term Management Plan (2022–2025), I briefed you about what we will be doing up to 2025.
- Now I will be discussing our actions to achieve continuous growth.

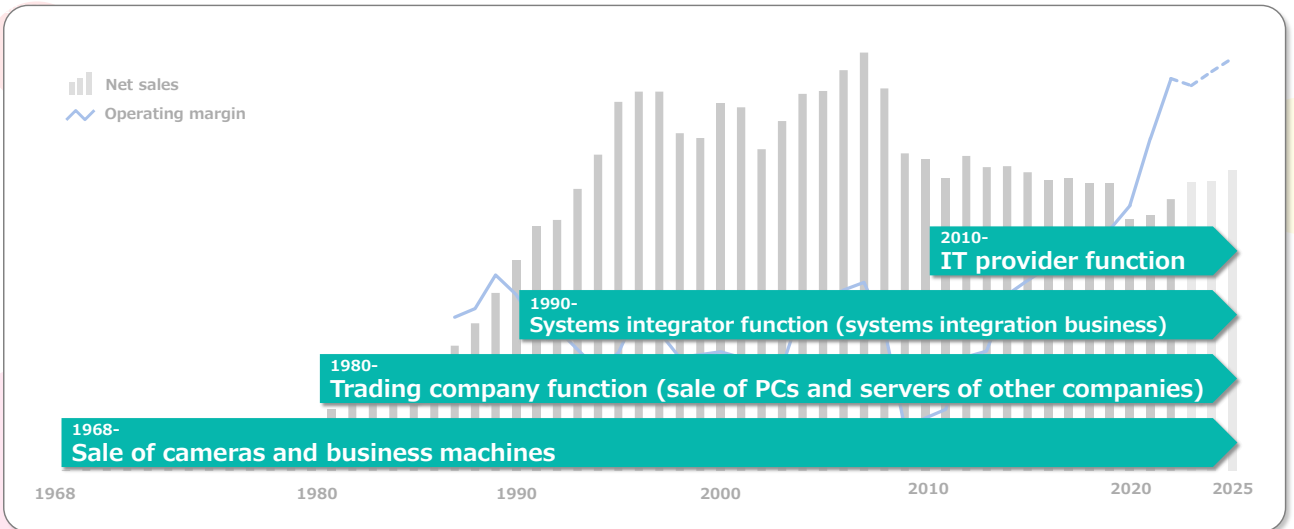
Canon Group's Corporate Philosophy, *Kyosei*



- Under the Canon Group's philosophy of *Kyosei*, the Canon MJ Group has since 1988 been seeking to realize a society in which all people, regardless of culture, customs, language, or ethnicity, can live and work together in happiness.
- We believe that the realization of *Kyosei* itself will lead the achievement of sustainability management. This notion will not change in the future.

The History of the Evolution of the Canon MJ Group

- ▶ We have evolved by hearing voices from the market based on our customer-centric approach and by exerting our enterprising nature that is a part of our DNA.



- Fifty-five years have passed since the founding of the Company.
- We, the group that is in charge of the domestic market, have evolved by hearing voices from the market on the basis of our customer-centric approach and by exerting our enterprising nature that is a part of our DNA in looking to the future.
- As a result, we have achieved the outcomes mentioned in the earlier presentation on the Medium-Term Management Plan.

Increasingly Complicated and Serious Social Issues



- Social issues today are becoming more complicated and serious at an accelerating pace.
- Now we are looking back on the past 55 years of our operation to think about the next 50 years.
- Amid accelerating changes and increasing uncertainty, the Canon MJ Group is determined to continue solving an extensive range of future social issues together with its stakeholders.



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- To coincide with this resolution, we have declared ourselves as a *MIRAI Marketing Company*. This expression has been adopted as a symbol of the Group.
- In addition, we have established the Canon MJ Group's Purpose. We thought this was essential for looking to the future constantly as a *MIRAI Marketing Company*, and clarifying, under the corporate philosophy *Kyosei*, its significance of our presence in society to unite the aspirations of Group employees. We also felt we needed it to accelerate solutions to social issues by stepping up collaborative creation and cooperation with stakeholders.

The Canon MJ Group's Purpose



Bringing together hopes and ideas with technologies to create a future beyond imagining

- The Purpose is "*Bringing together hopes and ideas with technologies to create a future beyond imagining.*"
- "Hopes and ideas" refer to those held by customers and we will value them. We also place a high value on our own intrinsic drive.
- "Technologies" here refers not only to technologies themselves but also to know-how and knowledge. It also includes what is owned by our various business partners.
- With this Purpose, together with people sharing the same aspirations inside and outside the company, we hope to create something new that is unshackled from conventional thinking and to create a future beyond imagining.



Bringing together hopes and ideas with technologies
to create a future beyond imagining

想いと技術をつなぎ、
想像を超える未来を切り拓く

- We prepared a video clip that seeks to offer a deeper understanding of the concept behind the Purpose. Please take a look.
- To fulfill this Purpose, our employees will unite their aspirations and work to solve social issues together with our stakeholders.

Approach to Solving Social Issues



- We will now move on to look at specific measures towards the Purpose.
- With a view to achieving continuous growth from 2026 onwards, the Canon MJ Group will expand its existing businesses from a forecasting perspective and will step up actions towards new fields from a backcasting perspective based on increasingly complicated and serious social issues. In so doing, we will strive to solve social issues.

Approach to Solving Social Issues



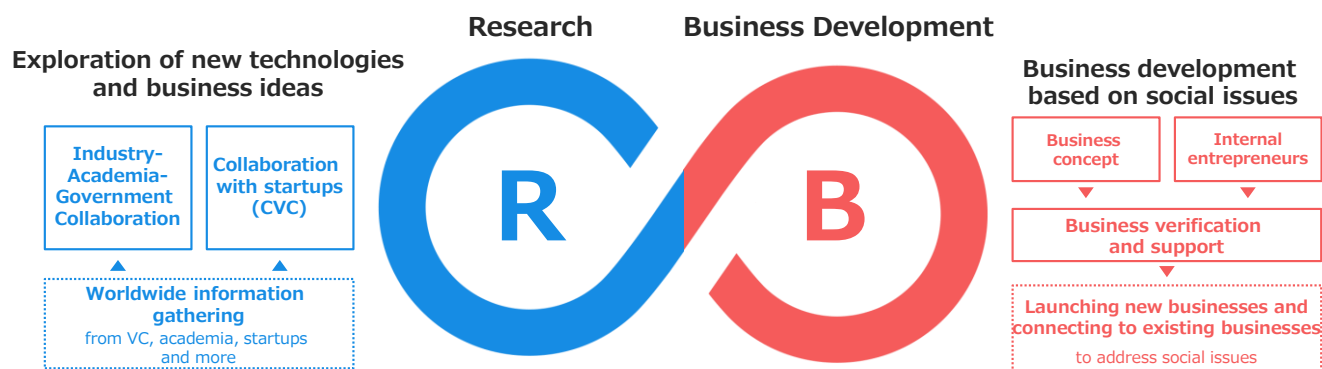
To increase actions in exploring new business areas with a future-oriented approach, establishing a specialized R&B organization

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- As a practical engine for achieving this, we launched a new specialized organization from this January that plays both research and business development (R&B) functions, which are in other words a search function and a new business creation function. We gathered members with different experience and skills from inside and outside the company to form this new organization.
- The R&B organization is a specialized organization for constantly tackling new fields with a future-oriented approach.
- It will strive to step into, for example, healthcare technologies and food technologies, or other new business areas that are not an extension of the Canon MJ Group's existing businesses.

R&B Initiatives

Creating new businesses through open innovation by connecting technologies and needs



Establishing a corporate venture capital fund to create a better future together with startups

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- Next, I will be talking about specific R&B initiatives.
- In terms of its research function, the organization will construct a worldwide network of open innovation through collaboration between the industrial, academic, and governmental sectors and cooperation with startups in order to strengthen the business development function. It will thus search for technologies and business ideas that will develop into new businesses.
- In its business development function, it will strive to create businesses in new fields on the basis of social issues with a future-oriented approach. In this process, it will use the open innovation network in addition to assets we have cultivated.
- In parallel, it will connect with the existing businesses from the perspectives of business compatibility and use of resources in the hope that this will lead to the expansion of these businesses.
- The major objective of launching a specialized body for R&B is to strengthen the business creation function of the overall Group by carrying out a combination of these two functions.
- We have pushed ahead with open innovation by means such as venture capital investment, M&A, and collaborative creation with other companies.
- However, to further accelerate the conventional initiatives and to address social issues that are becoming increasingly complicated and serious, we need to bring on board more partners from a broader point of view.
- Under this situation, we will be setting up a corporate venture capital fund to engage in dialogues with startups and to create a better future with everyone.

Establishment of a Corporate Venture Capital Fund

Canon Marketing Japan MIRAI Fund

- This new fund is named Canon Marketing Japan MIRAI Fund. This name embodies our aspiration to accelerate the creation of future markets.

Investment Area



Human perspectives

Well Being



Life Purpose

Creating services that empower anyone to experience the vitality to live in good health through spiritual enrichment



Work-in-Life

Achieving work-in-life that can be enjoyed by anyone by eliminating the limitations such as space and time



Human Potential Enlargement

Creating a society in which anyone can pursue a lifestyle that suits them by expanding the various abilities that humans possess



Industrial perspectives

Business Transformation



Emerging Industries

Creating new industries using innovative technologies that solve social issues



Regional Regeneration

Visualizing and rediscovering regional value, and creating region-driven businesses

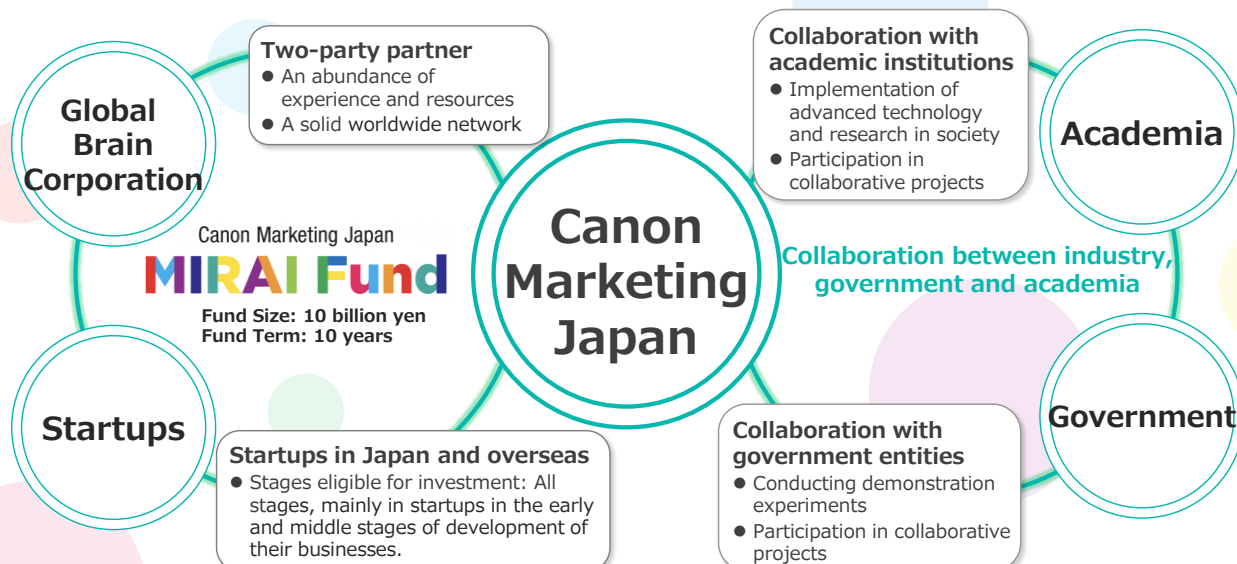


Business Revitalization

Disrupting existing industrial structures to create new competitive strength through co-creation

- In the process of studying the scope of investment, we assumed social issues in areas not confined to those of our existing businesses. We imagined social issues with a future-oriented approach and output a significant volume of views and ideas on what the world we wish to create.
- Consequently, we organized our ideas broadly into two types of perspectives. One is human perspectives and the other is industrial perspectives.
- Traditionally, the Canon MJ Group has leveraged the strength of marketing for solving social issues and for cultivating new markets in the B2C and B2B sectors.
- We see these two kinds of perspectives as best suited to our initiatives for new markets by utilizing the marketing strength and organizational capabilities that we have cultivated.
- Canon Marketing Japan MIRAI Fund has settled on six areas from these two perspectives. It will invest widely in startups holding the latest technologies and business ideas related to these areas in a bid to accelerate collaboration towards business creation based on future social issues.
- From human perspectives, we will consider working with startups in the area of healthcare technologies, for example, with a view to creating personalized health and medical care.
- From industrial perspectives, we will seek to collaborate with startups in the domain of food technologies, for example, that strive to stimulate the food industry.
- We will revise these investment areas regularly to continue creating new businesses that will help solve social issues in a future-oriented approach.
- We are eager to work hand-in-hand with startups sharing the same aspirations to accelerate the implementation of advanced technologies in society.

Acceleration of Open Innovation



**Carrying out open innovation with stakeholders
aspiring to co-create a future filled with hope and joy**

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- Canon Marketing Japan MIRAI Fund emphasizes strategic returns. We have chosen the form of a two-party partnership for two purposes. One is to make swift investments in startups that will lead to new business creation. The other is to seek support from experts in fund management.
- We are joined by Global Brain Corporation as a partner. It has extensive experience and resources as well as a solid global network.
- We will work with startups in Japan and beyond at all stages and make active use of the Canon MJ Group's customer base, sales channels and other assets to proceed towards the implementation of advanced technologies in society.
- We will also address collaboration between industry, academia and government in order to carry out broader open innovation. Together with universities, other educational institutions and the government sector, we will seek to introduce new technologies in society and take steps to solve latent social issues with the aim of creating a sustainable society.
- At present, in a joint research project with the University of Tokyo, we are also working with the Tokyo Metropolitan Government to accelerate innovation. Please stay tuned, as we will be presenting details about this in the future.
- At the time of undertaking initiatives in new business areas, one key factor is that a wide variety of human resources play active roles.
- Canon MJ Group has long been working intensively to develop innovation experts by operating an internal entrepreneur program and dispatching staff to venture capital companies, where they are training to become venture capital specialists.
- We are also actively recruiting more outside personnel owning a wide variety of career backgrounds and experience.
- In the future, we will work harder to develop personnel for innovation, increase dialogues with startups and step up collaboration among industry, academia and government in a bid to expand the circles of collaborative creation and to forge a future filled with hopes and joy together.

MIRAI Marketing Company



Bringing together hopes and ideas with technologies
to create a future beyond imagining

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- Thank you for your continued support for the future of the Canon MJ Group.
- This concludes my presentation. Thank you very much.



Reference materials



Canon MJ Group's Purpose, Story and Symbol Mark

Purpose

Bringing together hopes and ideas with technologies to create a future beyond imagining

Symbol Mark



This mark symbolizes the Purpose.

The individual circles that differ in size and color represents diverse hopes, ideas and technologies.

The infinite ring of these circles evokes the image of the endless circulation of the new future.

Story

Each person imagines a different future. It is here that their hopes and ideas lie.

We are committed to making these hopes and ideas reality. That is why we seek to deeply understand our customers. It is why we work with a wide range of partners to bring together these hopes and ideas with various technologies. And why we create a constant stream of value that satisfies customers' expectations.

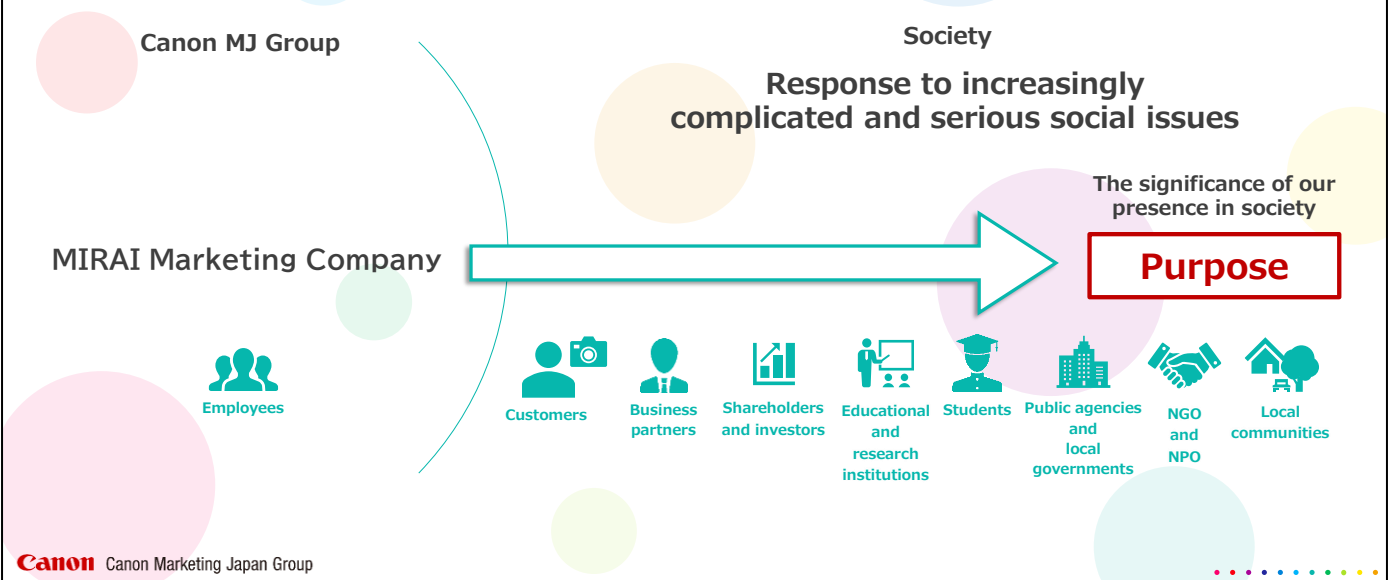
Imagining the future beyond where customers are headed, we continue to hone our skills. And, harnessing our technologies, skills, knowledge, and the power of our people, we challenge ourselves to do the impossible. We are creating a future full of hope and joy by providing value that satisfies what customers truly desire.

And it is all for one purpose: to witness the spectacle of a future beyond imagining with our customers.

Canon MJ Group's Purpose
Bringing together hopes and ideas with technologies to create a future beyond imagining

Together with Stakeholders

- ▶ By stating our “purpose (significance of our presence in society)”, we aim to further refine ourselves and extend the scope of social issues we can solve together with stakeholders.



Website

- Purpose



<https://canon.jp/corporate/en/purpose>

- R&B



<https://canon.jp/corporate/en/rb>

- CVC



<https://canon.jp/corporate/en/rb/mirai-fund>



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