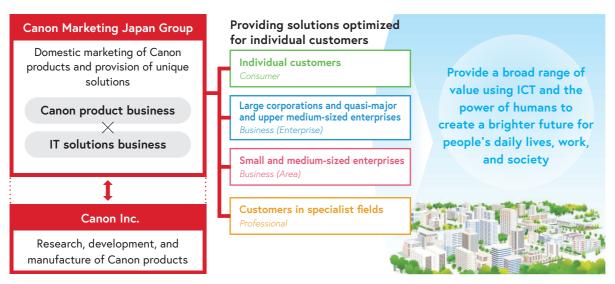
# What is the Canon MJ Group?

# We Combine the Canon Product Business and the IT Solutions Business to Resolve Social Issues

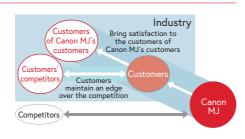
Based on the Canon Group's Kyosei corporate philosophy, the Canon MJ Group will unite with all of its stakeholders in realizing a society where all of humanity can enjoy a long life, work, and live happily together. We promote sustainability

management by combining the Canon product business and the IT solutions business to offer a more extensive range of solutions and resolve the issues of society through our



# We Always Base Our Thinking on the Customer and Act from the Customer's Standpoint

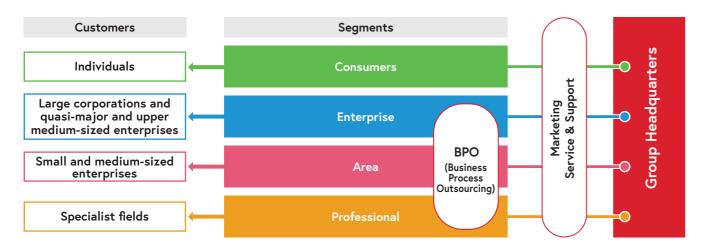
We take a scrupulously customer-centric approach in order to resolve the issues faced by our customers and to provide maximum value. As a practical way of always ensuring we stay customer centric, we follow the rule of placing the customer as the subject of our sentences. For example, rather than making us the subject by stating "Canon MJ will...," we begin with "The customer's issues are..." By using the customer's viewpoint based on the external environment they face, we will provide solutions that can truly meet their needs in order to bring them satisfaction and put them in a superior competitive position.



### **Customer-Based Organization Structure**

In order to propose the best possible solutions to the increasingly diverse and sophisticated needs of our customers, we have established a market- and customer-based sales structure that is divided into four segments. The marketing

and service and support functions, which are not included in the four segments, provide support to each segment while strengthening our products and services and enhancing productivity along the value chain.



# Strengths of the Canon MJ Group

## Brand

High-quality Canon products and customer trust amassed through years of business



## Technical Capabilities

A large team of skilled systems engineers and service engineers, and unique technologies cultivated through our IT solutions business

capabilities	
Systems engineers	Approx. <b>4,000</b>
Service engineers	Approx. <b>1,400</b>
Research and utilization of mathematical technologies	Over <b>60</b> years
Research and utilization of automated program creation technologies that contribute to low-code development platforms	Over <b>40</b> years
Number of registered pater	ts <b>1,230</b>

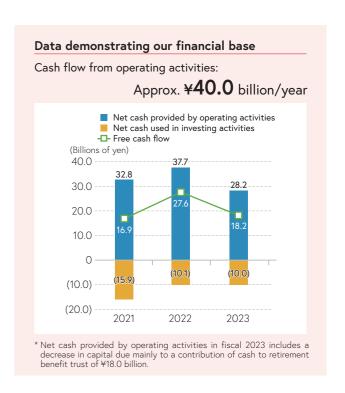
### Customer Base

Extensive customer base encompassing individual customers, corporate customers from large corporations to small and medium-sized enterprises, customers in specialist fields, and more



### Financial Structure

Robust financial base and ability to generate ample cash



# The Current State of the Canon MJ Group (Financial and Non-Financial Highlights of Fiscal 2023)

# Financial Highlights Operating income ¥609.5 billion ¥52.5 billion (3.6% YoY increase) (5.1% YoY increase) Operating margin ROE 8.7% 8.6% (0.5% YoY decrease) (0.1% YoY increase) Percentage of IT solutions net sales IT solutions sales ¥268.9 billion (11.4% YoY increase) (3% YoY increase) Payout ratio



Reduction in GHG emissions (Scopes 1 and 2)

¥4.279

Record high since stock listing (December 28, 2023)

(42.2% YoY increase)

Recycling rate

(10% YoY increase)

8.4% reduction

**99.9**% or higher

(vs. fiscal 2021)

(7 consecutive years)



Percentage of Group employees taking paid leave

Number of employees receiving DX certification/ DX business certification standard level or higher

Number of registered patents

66.9%

5,742

1,230



Share of Nomination and Remuneration Committee members that are Outside Directors

Share of Special Committee members that are Outside Directors

(As of January 29, 2024)

(As of January 29, 2024)

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Corporate Governance

Since fiscal 2019, the Canon MJ Group has published a comprehensive integrated report that links financial information, such as results and business strategies, to non-financial information previously published

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In Integrated Report 2023, we introduce the Canon MJ Group's ability to create value over the medium to long term as it pursues the realization of its 2025 Vision and the Canon Group's corporate philosophy of Kyosei. We consider this document an important communication tool for deepening understanding of the Group among our various stakeholders.

Detailed financial information is available on the Company's website and in its securities report. The website also details sustainability activities

#### Reporting Period

This report covers fiscal 2023, the year ended December 31, 2023, and also includes details of activities and information for years prior to and after this period.

Canon Marketing Japan Inc. and domestic and overseas Group companies (some information includes that of parent Canon Inc.)

#### Notation in This Report

ESG Data ....

This integrated report includes the following abbreviations. Canon Marketing Japan Group → Canon MJ Group Canon Marketing Japan Inc. → Canon MJ Canon IT Solutions Inc. → Canon ITS Canon System & Support Inc. → Canon S&S IT solutions → ITS Multifunction Peripheral → MFP

#### Reference Guidelines for Integrated Reports (as of December 31, 2023)

The Integrated Reporting Framework of the International Financial Reporting Standards (IFRS) Foundation

Guidance for Integrated Corporate Disclosure and Company-Investor Dialogues for Collaborative Value Creation of the Ministry of Economy, Trade and Industry (METI)

# Disclaimer regarding Forward-Looking Statements

This integrated report contains forward-looking statements about the performance and management plans of the Canon MJ Group. All forward-looking statements are based on management's assumptions in light of information available to the Company at the time of

The following factors may therefore influence actual results. These factors include consumer trends in Japan as well as other major global markets; private capital expenditures; currency fluctuations, notably against the U.S. dollar; materials prices; and political turmoil in certain countries and regions.