

# Canon's Growth Strategy and Sustainability

**We will contribute to the sustainability of the global community and our planet through the growth of the Canon Group**

## Canon's Characteristics



## Key Strategies of Phase V of the Excellent Global Corporation Plan

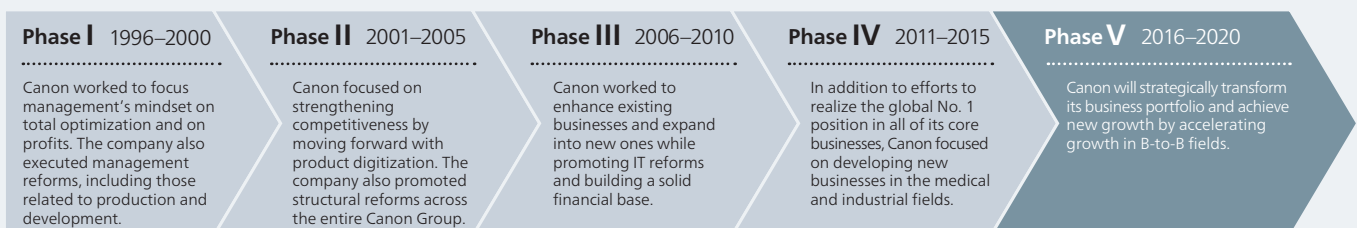
1. Establish a new production system to achieve a cost-to-sales ratio of 45%
2. Reinforce and expand new businesses while creating future businesses
3. Restructure global sales network in accordance with market changes
4. Enhance R&D capabilities through open innovation
5. Complete the Three Regional Headquarters management system capturing world dynamism
6. Cultivate globally competent human resources capable of performing duties while maintaining an all-encompassing perspective of the world map
7. Re-instill the Canon Spirit as a foundation for new growth

The Canon Group has been promoting the Excellent Global Corporation Plan since 1996 in an effort to achieve medium- to long-term growth across the entire Canon Group. At the same time, Canon has contributed to the sustainability of society and the environment with the advanced technological strengths, global business deployment, and diverse, specialized human resources that it has cultivated through the diversification and

globalization of its business operations.

From 2016, Canon will embark on Phase V of the Excellent Global Corporation Plan, confident in its strategy to foster growth amid the changing social and economic tides of recent years. At the heart of this management strategy are two holistic themes of materiality for sustainability that Canon will address in its efforts to provide solutions to the issues facing the global society.

## The Excellent Global Corporation Plan



Materiality

## For Society

*Creating new value and solving social issues*

We will contribute to solving issues facing the global community by reinforcing and expanding businesses with high social demand, such as healthcare, security and industrial robots.

Committed to becoming a truly excellent company admired and respected around the world

Materiality

## For the Earth

*Protection and conservation of the global environment*

We will reduce environmental impacts across the entire product lifecycle in an effort to realize a society that supports both enriched lifestyles and the global environment.

# 2020

Management Targets

Net sales

¥ **5** trillion or more

Cost-to-sales ratio

**45** % or less

Operating profit ratio

**15** % or more

Net income ratio

**10** % or more

Shareholders' equity ratio

**70** % or more

(Based on exchange rates of US\$1= ¥125, €1=¥135)