

Konica Minolta aims to establish itself as an innovative company that is constantly evolving and is vital to society by putting into practice its management philosophy, "The Creation of New Value." This is why the Group strives to contribute to the resolution of societal challenges by creating value that improves the quality of society through its business endeavors. Konica Minolta's CSR activities are guided by this management philosophy and vision, and are based on its Charter of Corporate Behavior. The Konica Minolta Group Guidance for the Charter of Corporate Behavior, which is shared globally, illustrates desirable behavior in each of the categories included in the Charter of Corporate Behavior as a basis for understanding and putting the Charter into practice. The Group Guidance articulates Konica Minolta's commitment to acting in compliance with international social norms such as the Universal Declaration of Human



Rights and the United Nations Global Compact, in which the company participates.

**The Global Compact's Ten Principles**

Human Rights	Principle 1:	Businesses should support and respect the protection of internationally proclaimed human rights; and
	Principle 2:	make sure that they are not complicit in human rights abuses.
	Principle 3:	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
Labour	Principle 4:	the elimination of all forms of forced and compulsory labour;
	Principle 5:	the effective abolition of child labour; and
	Principle 6:	the elimination of discrimination in respect of employment and occupation.
Environment	Principle 7:	Businesses should support a precautionary approach to environmental challenges;
	Principle 8:	undertake initiatives to promote greater environmental responsibility; and
	Principle 9:	encourage the development and diffusion of environmentally friendly technologies.
Anti-Corruption	Principle 10:	Businesses should work against corruption in all its forms, including extortion and bribery.

**Management Philosophy**  
The Creation of New Value

**Konica Minolta Group Charter of Corporate Behavior**

Corporations, in addition to being economic entities engaged in the pursuit of profit through fair competition, should be beneficial to society at large. For this reason, the Konica Minolta Group shall behave in a socially responsible manner and shall have all of its directors, officers and employees clearly acknowledge the spirit of this Charter of Corporate Behavior.

Senior management shall recognize that the fulfillment of the spirit of this Charter is its own role and responsibility, and shall take the initiative to ensure that all directors, officers and employees fully understand the Charter. In addition, the management shall constantly pay attention to the opinions of internal and external parties and shall promote the implementation of effective systems to secure ethical corporate behavior.

**1. Beneficial and safe products**

We shall strive to earn the confidence of consumers and clients through the development and provision of socially beneficial products and services with the utmost consideration for safety.

**2. Fair and transparent corporate activities**

We shall, in the pursuit of fair and transparent corporate activities, comply with laws and social regulations and act in accordance with international rules and the articles of incorporation.

**3. Communications with society and information disclosure**

We shall communicate with society at large and disclose corporate information fairly and adequately.

**4. Environmental protection**

We shall acknowledge the seriousness of global environmental issues and shall act voluntarily and affirmatively to protect the environment.

**5. Contribution to society**

We shall, with a global perspective, affirmatively make contributions to society while respecting local customs and cultures.

**6. Respect for employees**

We shall endeavor to make the lives of employees comfortable and fulfilling, provide a safe work environment, and respect each employee's personality and individuality.

**7. Responsible actions**

In the event of a violation of the principles of this Charter, in order to solve the problem senior management shall investigate the cause of the violation and develop reforms to prevent its recurrence in accordance with corporate compliance procedures. Prompt public disclosure of precise information and an explanation regarding the violation shall be made and responsibility for the violation shall be clarified. Strict and fair disciplinary action shall be taken including with respect to senior management where necessary.



### CSR Implementation System

At Konica Minolta, the executive officer responsible for CSR, who is appointed by the Board of Directors, carries the duties and authorities concerning the entire Group's CSR. Directly reporting to him is the CSR, Corporate Communications and Branding Division, which sees to the implementation of CSR management for the entire Group. This division also coordinates with corporate planning and management divisions within the Group to establish and monitor the progress of priority goals for CSR activities and to oversee the disclosure of information to the public.

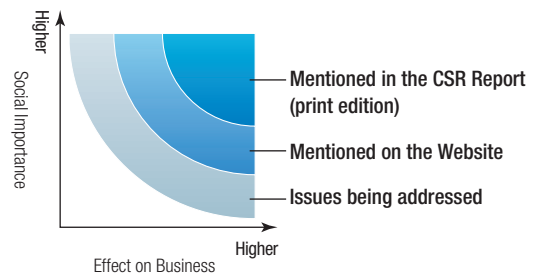
Corporate Social Responsibility Operations, an organization under the direction of the executive officer responsible for environmental management, safety, and quality control, oversees these important themes across CSR activities.

It holds meetings of management committees in each of these three areas to create Group policies, construct systems, and manage progress. It also provides information and supports policy measures in close coordination with other divisions. Every week, the head of the CSR, Corporate Communications and Branding Division submits a report on the progress of CSR activities to the executive officer responsible for CSR, in which policy measures are reviewed and proposals made. The Management Council and other bodies also meet in a timely fashion to discuss matters of importance and keep CSR front and center in management.

### Establishing Priority Goals for CSR Activities

In establishing its priority goals for CSR activities, Konica Minolta endeavored to understand the issues that are most important to stakeholders by analyzing feedback obtained by communicating with them in a variety of ways. It also considered international guidelines related to CSR, including the UN Global Compact and ISO26000. Further, it summarized and organized risks and opportunities considered when formulating business plans in each business field. Based on the results, the Group selected the issues that are very important to society and have a great impact on its business and established them as its priority goals.

The CSR Report (print edition) outlines the specific measures being taken and the progress on the goals that are considered most important to stakeholders.



### Konica Minolta's Inclusion in Socially Responsible Investment Indexes

Konica Minolta was included in both the World and Asia Pacific categories of the Dow Jones Sustainability Index (DJSI) 2013 issued by U.S.-based Dow Jones and Swiss-based RobecoSAM. The company has also been included in the FTSE4Good Global index, one of the world's best-known SRI indexes, for 11 years straight.

Konica Minolta has received high marks from various other SRI research companies, such as inclusion in the Morningstar Socially Responsible Investment Index (MS-SRI), the Silver Class rating in the RobecoSAM Sustainability Yearbook 2014, the Prime rating for CSR by oekom research AG, and Forum Ethibel's Ethibel Pioneer and Ethibel Excellence investment universe (as of March 31, 2014).



The Relationship between Konica Minolta and Stakeholders		Targets and Results
Stakeholders	Tools and Opportunities for Communication	Important Theme
<p><b>Customers</b></p> <p>▶ P29</p> <p>Konica Minolta does business around the world. The major customers of Konica Minolta's main business operations are corporations, government agencies, and hospitals.</p>	<ul style="list-style-type: none"> <li>● Providing customer service via websites and call centers</li> <li>● Providing product information via websites and newsletters</li> <li>● Conducting customer satisfaction surveys</li> <li>● Exchanging information via visits to customers</li> <li>● Exchanging information at showrooms and trade shows</li> <li>● Holding seminars</li> </ul>	<p>Assuring product safety and preventing quality-related problems</p> <hr/> <p>Increasing customer satisfaction</p>
<p><b>Business Partners</b></p> <p>▶ P33</p> <p>Konica Minolta procures raw materials, parts and components from different companies depending on the type of business. Over 90% of these suppliers are located in Japan, China, and elsewhere in Asia.</p>	<ul style="list-style-type: none"> <li>● Holding suppliers' meetings</li> <li>● Procurement Collaboration System</li> <li>● Conducting CSR surveys (self-assessment questionnaires)</li> </ul>	<p>Promoting CSR across the supply chain</p>
<p><b>Shareholders and Investors</b></p> <p>▶ WEB</p> <p>Konica Minolta has 26,191 shareholders. The breakdown highlights relatively high ownership by institutional and foreign shareholders; foreign shareholders own a combined stake of 45%, while Japanese financial institutions own 37% (as of March 31, 2014).</p>	<ul style="list-style-type: none"> <li>● Shareholders' meetings</li> <li>● Briefings for investors</li> <li>● Visits to investors</li> <li>● Briefings for business analysts and institutional investors</li> <li>● Annual reports</li> <li>● IR website</li> </ul>	<p>Enhancing communication with shareholders and investors</p>
<p><b>Employees</b></p> <p>▶ P35</p> <p>Konica Minolta employs 40,401 people worldwide. Of those, 30% are in Japan, 21% are in Europe, 19% are in North America, and 30% are in China and elsewhere in Asia, and others (Figures are based on total regular employees of consolidated companies, as of March 31, 2014).</p>	<ul style="list-style-type: none"> <li>● Interactive intranet</li> <li>● Group journal</li> <li>● Employee attitude surveys</li> <li>● Dialogue with labor unions</li> <li>● Offering internal help line systems</li> <li>● Exchanging opinions during inspection tours of production sites by senior staff</li> </ul>	<p>Leveraging and developing diverse human resources</p> <hr/> <p>Promoting occupational health and safety</p>
<p><b>Local and Global Communities</b></p> <p>▶ P39</p> <p>Konica Minolta operates in some 45 countries across the globe, and acts as a responsible member of every community where it operates.</p>	<ul style="list-style-type: none"> <li>● Activities that contribute to local communities</li> <li>● Community briefings and invitational events</li> <li>● Sending speakers to lectures and places of education</li> <li>● Industry group activities</li> <li>● Environmental reports and websites</li> </ul>	<p>Implementing social contribution activities around the world</p>
<p><b>Global Environment</b></p> <p>▶ P17</p> <p>As a manufacturer, Konica Minolta engages in various operations that impact the environment, for instance generating CO<sub>2</sub> emissions, which contribute to climate change, using materials derived from petroleum, which is a dwindling natural resource, and affecting ecosystems in various ways.</p>	<ul style="list-style-type: none"> <li>● CSR reports, environmental reports, and websites</li> <li>● Community briefings and explanatory meetings</li> <li>● Collaboration with research institutions</li> </ul>	<p>Green products</p> <hr/> <p>Green factories</p> <hr/> <p>Green marketing</p>

\*1 **Serious product-related accidents:** Accidents in which products put the lives of product users at risk or cause serious bodily injury and those in which property other than the products is damaged seriously  
 \*2 **Quality problem index:** An index created by Konica Minolta based on the costs related to quality problems that arise in the process of creating products or those involving products on the market

	Fiscal 2013 Targets	Fiscal 2013 Results	Fiscal 2014 Targets
	1. Number of serious product-related accidents*1: 0 2. Quality problem index*2: 80% reduction compared to fiscal 2008 <ul style="list-style-type: none"> <li>Complete product safety education for all target personnel</li> <li>Visualize quality risk management throughout the product lifecycle</li> <li>Achieve management indicators for strengthening customer relationship management established for each business (e.g., loyalty measurements)</li> </ul>	1. Number of accidents: 0 2. Quality problem index: 77% reduction <ul style="list-style-type: none"> <li>Completed education for all target personnel</li> <li>Shared quality problems that occurred anywhere in the Group and cross-deployed countermeasures</li> <li>Established KPI (depending on business characteristics, e.g. satisfaction, willingness to continue purchasing, advisability to others, call center's rate of issue resolution) for all businesses and achieved target for willingness to continue purchasing, which is an important item</li> </ul>	1. Number of serious product-related accidents: 0 2. Improve the quality of products, sales and service throughout the product lifecycle*3
	<ul style="list-style-type: none"> <li>Incorporate CSR procurement into supplier evaluations within ISO9001 quality management system and start operating it</li> <li>Continue training examiners in all business divisions</li> <li>Establish management system for compliance with conflict minerals regulations</li> </ul>	<ul style="list-style-type: none"> <li>Finished incorporating CSR procurement into supplier evaluations within ISO9001 quality management system in all business divisions and started operating it</li> <li>Provided CSR procurement education to 143 persons, including education to examiners</li> <li>Continued examining suppliers and completed examinations of 36 suppliers</li> <li>Joined the EICC to step up CSR procurement activities</li> <li>Established management system for compliance with conflict minerals regulations</li> <li>In the Business Technologies Business, conducted a conflict minerals survey in conjunction with briefing sessions held for suppliers</li> </ul>	<ul style="list-style-type: none"> <li>Audit Group production sites and suppliers</li> <li>Support suppliers' independent initiatives</li> <li>Clarify incentives for suppliers</li> <li>Establish and promote a conflict minerals compliance policy</li> <li>Expand scope of initiatives</li> </ul>
	<ul style="list-style-type: none"> <li>Enhance website for individual investors</li> <li>Hold briefings for individual investors</li> </ul>	<ul style="list-style-type: none"> <li>Renewed website for individual investors</li> <li>Released three-minute corporate introductory video</li> <li>Won gold prize in the Gomez IR website ranking</li> <li>Won a Daiwa Internet IR Excellence Award</li> <li>Held briefings 12 times at branches of securities companies</li> <li>Exhibited at the Tokyo Stock Exchange IR Festa 2014 and held briefings in the booth and in the hall. Directly explained the Group's business, strategies, and shareholder return policy to about 500 people.</li> </ul>	<ul style="list-style-type: none"> <li>Actively disseminate information and encourage understanding of TRANSFORM 2016, the new medium-term management plan (both institutional and individual investors)</li> <li>Expand effective contents and practice PR to encourage individual investors to purchase Konica Minolta stock</li> <li>Feed individual investors' opinions back and disseminate information that helps make Konica Minolta a more attractive investment choice</li> </ul>
	<ul style="list-style-type: none"> <li>Roll out Group-wide platform for human resources development and deployment</li> <li>Expand business leader development program to manager-level personnel and offer program in different regions</li> </ul>	<ul style="list-style-type: none"> <li>Started regional business leader development program in China</li> <li>Established the Global Strategy Council, an organization to make use of the knowledge and views of senior personnel at affiliated companies in group management</li> <li>Established Konica Minolta With You, Inc., a subsidiary that supports the independence of persons with disabilities by employing them</li> </ul>	<ul style="list-style-type: none"> <li>Promote globally shared HR policies based on a platform for human resources development and deployment</li> <li>Instill principles and promote the development of a system for carrying out worldwide human resources development and deployment</li> </ul>
	1. Number of serious accidents*4: 0 2. Frequency rate of accidents causing absence from work: 0.1 or less <ul style="list-style-type: none"> <li>Reduce risk of accidents during working hours and prevent recurrences of similar accidents</li> <li>Continue making fundamental facility improvements</li> </ul>	1. Number of serious accidents: 0 2. Frequency rate of accidents causing absence from work: In Japan: 0.32, Outside Japan: 0.06 <ul style="list-style-type: none"> <li>Evolution of risk assessment: Expand persons subject to education and enhance identification of and countermeasures to non-regular work risk</li> <li>Introduced examples of internal accidents and examples from other companies, and enhanced prevention of recurrence of similar accidents through 4M5E method-based analysis of the causes of accidents causing absence from work</li> </ul>	1. Number of serious accidents: 0 2. Frequency rate of accidents causing absence from work: 0.1 or less <ul style="list-style-type: none"> <li>Enhance cultivation of a culture of safety: involvement of senior management in safety, safety management in the workplace, and raising the safety awareness of individuals</li> <li>Improve global health and safety management</li> <li>Enhance intrinsic safety of equipment (risk reduction)</li> </ul>
	▶P.40 Typical examples of fiscal 2013		
	▶P27		

\*3 Product lifecycle: All process from product planning through procurement and production to sales and service

\*4 Serious accidents: 1. Death, diseases that require or may require long-term care, injuries that cause or may cause disabilities, and specific communicable diseases

2. Accidents that cause three or more employees at one time to suffer on-the-job death, injuries or diseases (including accidents that do not cause absence from work)