

We set group-wide policies and practice corporate management to reduce our impact on the environment.

Results from Second Half of Fiscal 2003

We announced the Environmental Policy of Konica Minolta at the formation of our new holding company in August 2003, and formulated new targets for the second half of fiscal 2003 (from October 2003 to March 2004). Key results for this period include formulating our new greenhouse gas emissions reduction plan, aimed at preventing global warming, under which we have calculated CO₂ emissions from our products' life cycles for each of our new business domains. In terms of information disclosure, we have increased the number of sites that conducted "Community Environmental Briefings" or issued

"Site Reports." Four sites achieved "zero waste disposal" under our new rules. In addition, Konica Minolta Holdings, established as part of our corporate integration, acquired ISO 14001 certification.

Policy Areas		Mid-term Environmental Plan Objectives (Years mentioned in the table are fiscal years starting April 1)	Objectives
Environmental Management	Promoting consistent management and effective activities throughout the entire Group	2005: Complete group ISO 14001 certification for all Japanese companies in the Group 2005: Launch Konica Minolta's new environmental database system 2005: Establish new overseas environmental management system	Include Marunouchi site in multi-site ISO14001 certification
	Reducing the environmental impacts of products throughout their life-cycle (Eco-design)	2005: Utilize "environmentally sound design indicators"	Establish rules to calculate "product environmental efficiency" through life-cycle analysis
Creation and Provision of Environmentally Sound Products	Green Procurement	2006: 100% implementation of green procurement throughout Konica Minolta Group	Establishment of "Konica Minolta Green Procurement Guidelines"
	Preventing soil contamination	Ongoing: Review effectiveness and reevaluate measures at least once each year	<ul style="list-style-type: none"> Formulate new guidelines for soil contamination monitoring and response Review effectiveness and reevaluate measures for all remediation sites
Reducing Environmental Risks	Phasing out hazardous chemicals	(Atmospheric emissions) <ul style="list-style-type: none"> Dichloromethane (2006): 120 t Ethyl acetate (2006): 165.5 t Methanol (2006): 50 t Methyl ethyl ketone (2005): 22 t DMF emissions phased out (2004) (Amounts used) <ul style="list-style-type: none"> Chloroform phased out (2010) 1,2-Dichloroethane phased out (2010) RoHS-designated heavy metals (Pb, CrVI, Cd and Hg) phased out (2005) (Except items exempt in the RoHS Annex) Formalin phased out (2004) 	(Atmospheric emissions) <ul style="list-style-type: none"> Dichloromethane: 169 t Methanol: 100 t DMF: 10.5 t (Amounts used) <ul style="list-style-type: none"> Benzene phased out Phase out use of Chloroform as a photosensitive material 1,2-Dichloroethane: 8 t (excluding raw materials) Formalin phased out
	Reducing greenhouse gas emissions by business and common-function companies (through reductions in product life-cycles)	2010: Reduce greenhouse gas emissions for entire Konica Minolta Group by 6% (1990 benchmark)	<ul style="list-style-type: none"> Calculate 1990 (benchmark year) emissions for entire Konica Minolta Group Establish new emission reductions plans for each business company
Measures to Prevent Global Warming	Reducing greenhouse gas emissions from sites	2010: Reduce total greenhouse gas emissions from all Japanese sites by 7% (1990 benchmark; excludes Kobe and Kofu sites)	<ul style="list-style-type: none"> Recalculate CO₂ emissions for all sites using consistent criteria Formulate new reductions plans for each site
	Establishing a system for CO ₂ emissions trading within the Group	2008: Begin monetized trading of CO ₂ emissions within Konica Minolta Group	<ul style="list-style-type: none"> Establish rules for CO₂ emissions trading systems by Konica Minolta under holding company system Establish quantitative goals and indicators for introducing clean energy
	Reducing consumption of water resources	2007: Reduce water consumption at high water use sites by 20% (2002 benchmark)	Establish goals for reducing the use of water resources
Efforts Toward the Creation of a Society with Sound Material Cycles	Realizing "Zero Waste Disposal"	2004: Level 1 (*1) attainment at all 22 production sites in Japan 2007: Level 2 (*2) attainment at all 22 production sites in Japan	Level 1 (*1) attainment at 5 sites
	Active information-disclosure and communications with stakeholders	2005: Publish data on overseas manufacturing sites through the Internet	<ul style="list-style-type: none"> Hold "Community Environmental Briefings" at 1 more site Issue "Site Reports" for 2 more sites
Promoting Information Disclosure	Introducing integrated indices to evaluate environmental, economic and social factors	2004: Introduce "environmental management indicators" into evaluations of environmental operation	Establish "environmental management indicators", and set quantitative goals
	Utilize environmental accounting for management activities	2006: Introduce "Sustainability Accounting"	Establish rules for converting environmental impacts and risks into monetary values
Efforts Toward the Creation of a Sustainable Society			

Notes: *1: "Level 1" criteria: Recycle at least 90% of waste, reduce landfill to 5% of total waste, and reduce external fees for waste treatment by greater than 90% (1998 benchmark; 1999 for certain items).
*2: "Level 2" criteria: Reduce the volume of waste discharged externally by 30% per unit of sales (2001 benchmark).

Key Issues and Policies for Fiscal 2004 and Beyond

Key issues for our new mid-term environmental objectives include efforts to prevent global warming and the promotion of information disclosure.

We believe that preventing global warming is a pressing issue for the manufacturing industry. At Konica Minolta, our efforts are organized around two pillars: targets for total emissions by site, and targets for total emissions for the Konica Minolta Group, including reducing CO₂ emissions throughout our products' life cycles.

To achieve our goal of communicating our environmental efforts

thoroughly to those outside the Group, we will continue to disclose relevant data, and will expand dialogs with stakeholders. Although the total number of our facilities has increased through our corporate integration, we will continue to undertake thorough on-site inspections and actions, and will consistently implement our environmental measures. We will work to find the best methods and best ways forward, based on facts—that is, based on concrete information from our factories, our products, and the world around us.

Fiscal Year 2003 - Second Half			Fiscal Year 2004 Objectives
	Results	See Page(s)	
	<ul style="list-style-type: none"> Expanded the scope of ISO 14001 certification to include Marunouchi site Continued operation of multi-site ISO 14001 certification expanded in first half of 2003, and prepared for further expansion of the scope of certification 	10 ~ 11	Expand scope of group ISO 14001 certification to include more affiliates in Japan (excludes sales companies)
	<ul style="list-style-type: none"> Investigated introduction of optimal life-cycle analysis-based indicators for comprehensive evaluation of Konica Minolta Group products 	14 ~ 15	Finalize suitable "environmentally sound design indicators"
	Investigated the creation of new "Konica Minolta Green Procurement Guidelines"		Establish and implement new "Konica Minolta Green Procurement Guidelines"
	<ul style="list-style-type: none"> Formulated new guidelines for soil contamination monitoring and response Reviewed effectiveness of measures for all remediation sites 	16 ~ 17	<ul style="list-style-type: none"> Manage sites following new guidelines for soil contamination monitoring and response Review effectiveness of efforts for all target sites at least once each year.
	<p>(Atmospheric emissions)</p> <ul style="list-style-type: none"> Dichloromethane: 161 t Methanol: 97 t DMF: 3.5 t <p>(Amounts used)</p> <ul style="list-style-type: none"> Benzene phased out Completed development of technologies to phase out chloroform as a photosensitive material 1,2-Dichloroethane: 4 t Completed development of technologies to phase out formalin 		<p>(Atmospheric emissions)</p> <ul style="list-style-type: none"> Dichloromethane: 169 t Phase out emissions of DMF <p>(Amounts used)</p> <ul style="list-style-type: none"> 1,2-Dichloroethane: 8 t (excluding raw materials) Phase out use of formalin
	<ul style="list-style-type: none"> Calculated benchmark for Konica Minolta Group Set targets to be attained by 2010 for each manufacturing company 	18 ~ 19	Establish new plans for greenhouse gas reductions for each of our business and common-function companies
	<ul style="list-style-type: none"> Recalculated CO₂ emissions for all sites using consistent criteria Set targets to be attained by 2010 for each site 		<ul style="list-style-type: none"> Establish new plans for reductions in energy use for each site Conduct third-party audits of emissions for each site
	<ul style="list-style-type: none"> Conducted reviews of most effective trading rules Decided to include clean energy in evaluations of introductions of new facilities and equipments, based on indicators of both economic efficiency and effectiveness 		Arrange emissions registers for each of our business and common-function companies
	Established the goal of reducing water use in 2007 by 20% (compared to 2002 benchmark)	20 ~ 21	Propose and begin implementation of specific plans for reducing water use for each of our sites
	Level 1 (*1) attained by 4 sites		Level 1 attainment at 8 sites (all sites) in Japan
	<ul style="list-style-type: none"> "Community Environmental Briefing" newly held at Odawara site "Site reports" for Kobe site and Kofu site initiated 	22 ~ 23	Disclose information on all Japan sites within the Group through the Internet
	Investigated evaluation of environmental performance and built a framework		Introduce a system of environmental performance indicators
	Established rules for converting environmental impacts and risks into monetary values	36	Introduce environmental investment criteria for use with new capital investments