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## Taking Pride in the Smiles of Employees and Their Families



### COMMITMENT

Konica Minolta constantly strives to ensure that all Group employees everywhere enjoy dynamically supportive work environments that help them make the most of their abilities and develop their potentials.

### APPROACH

We uphold fundamental personnel policies that emphasize respect for employees' human rights and privacy; abhor all types of discrimination, including that related to gender or nationality; and ensure all employees receive fair and equitable opportunities to use and develop their abilities.

We respect diversity, be it related to cultural values or other personal characteristics, and believe that the diversity of our workforce increases our competitive power.

We focus on ability and performance in our personnel policies and encourage employees to take up new challenges.

## 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.



We offer numerous educational and training programs to help employees develop.

We strongly advocate measures to ensure the safety and health of employees throughout the world.

## 2006 TARGETS

1. We will maintain performance-based personnel systems, including fair performance evaluation methods, while moving ahead with personnel rotation systems that facilitate the development of diverse employee potential.
2. We will continue to encourage employees to engage in their work with a confident and low-stress attitude while taking full advantage of opportunities to improve their work skills.
3. We will respond to Japan's rapid demographic graying, taking greater initiative in hiring and employing excellent workers regardless of their age.



People working at Konica Minolta enjoy innumerable opportunities. The Group does its utmost to meet the needs of employees seeking additional challenges and opportunities to increase their business contributions.

**Konica Minolta's Most Important Asset Is Its Human Resources**

Recognizing that its employees constitute its most important asset while being the main factor with the potential for increasing its corporate value, Konica Minolta places strong emphasis on personnel development programs. The Group's fundamental personnel policy states its objective of encouraging its employees to "always strive for continuous innovation with a customer-oriented approach, adhering neither to past successes nor established customs." The Group particularly values to ambitious employees who work hard to attain business targets. These are the kind of employees that have enabled the Konica Minolta Group to realize its current level of achievement, and they are expected to be a key means of propelling the Group's future evolution and development.

**Respect for Individuality Is Key to Helping Employees Realize Their Dreams**

Konica Minolta encourages employees to identify their dreams and then strive to realize them without fear of failure. We ask employees to "develop a passionate ambition and then change that within you that impedes the surmounting of challenges." Rather than being concerned with gender, race, or age, we focus on increasing the number of ambitious employees as this will increase Group vitality.

Reflecting this approach, Konica Minolta's personnel systems are designed to "increase employees' capabilities and motivation and respect and foster employees' continuous personal growth."

Accordingly, all Group employees' abilities and contributions are fairly assessed and then used as criteria for decisions regarding promotion. In short, we strive to give employees opportunities to realize their ambitions and judge them on the basis of their efforts and results. All this is designed to increase employee motivation and Group dynamism.

**Expanding and Developing the Workforce in China**

As the majority of Konica Minolta Business Technologies Inc.'s products is now manufactured in China, the Group has begun introducing a variety of initiatives at Chinese manufacturing sites with the goal of creating better workplaces, upgrading the capabilities of individual workers, and retaining and fully utilizing the potentials of top-notch personnel.

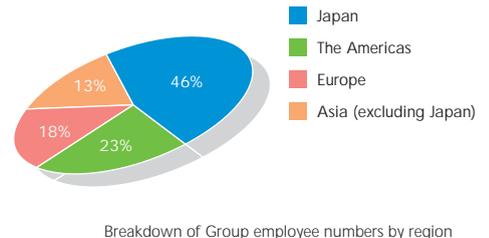
At Konica Minolta Business Technologies Manufacturing (H.K.) Ltd., we have increased local hiring and worked to attract superior staff through measures that include the allocation of greater managerial authority. We have also stepped up efforts regarding the approximately 5,000 workers at the Shelong Factory in China's Guangdong Province, which has been a Group partner for many years. In 2005, we augmented this factory's cultural and physical education programs as well as leisure-time educational programs, took additional measures to ensure rigorous compliance, introduced a worker counseling program, and otherwise strove to further enhance communications with workers.

In addition, the Group undertook numerous

2005 Performance



As of March 31, 2006, the Konica Minolta Group had 31,685 employees. The above figures are all as of March 31 of the relevant year, except for the 2002 figure, which represents the level as of September 30, 2003.



The graph above shows the proportion of Group employees in each geographic region of the world as of March 31, 2006. By country, the Group has the largest numbers of employees in Japan, followed by the United States, China, Germany, and France, in that order.



initiatives regarding newly established Konica Minolta Business Technologies (Wuxi) (see pages 7-10).

### Creating Safe and Pleasant Workplaces

Konica Minolta works conscientiously to create safe and pleasant workplaces, which it manages under a global occupational health and safety administration system. The Group has established uniform global administration standards and has combined these with additional standards based on the characteristics of individual sites to build systems for consistently managing occupational health and safety. In Japan, we are seeking to operate occupational health and safety administration systems based on the OHSAS 18001<sup>1</sup> standards and are continuing to supplement our Group standards and prepare for the start of audits to confirm compliance with all relevant standards. In China, the United States, and Europe, Konica Minolta gives business companies the task of progressively integrating the occupational health and safety administration systems of affiliated companies in their region into the Group's global system. To enable the monitoring of occupational health and safety conditions at diverse sites, Konica Minolta has developed and introduced a site self-assessment system, and the data from this system is used to draft future medium-term worker health and safety plans for the Group.

### Making Facilities and Processes Intrinsically Safe

To further increase the operational safety of each Konica Minolta manufacturing site, the Group uti-

lizes a thorough risk assessment and response system. This system entails the evaluation of all conceivable risks from diverse perspectives and the formulation of facility countermeasures and operational administration measures to prevent accidents and injuries should a potential risk become manifest. This system is now being implemented in Japan, and plans call for its introduction worldwide as a part of the Group's global occupational health and safety administration system.

In addition, although the safety equipment at our large-scale facilities and plants has always been subject to regular functional checks, in fiscal 2005 the strictness of such checks associated with fire and explosion hazards was increased and countermeasures augmented.

### Responding to Asbestos<sup>2</sup> Issues in Japan

In summer 2005, Japanese society considerably increased its attention to asbestos materials' potential impact on human health and Konica Minolta responded by conducting a detailed study of past and current situations related to potential worker health impairment and facilities and structures containing asbestos materials. The study found that there was no asbestos-caused health impairment or asbestos-related work processes currently or in the past. While the presence of asbestos in certain portions of the Group's buildings and facilities was confirmed, measurements found no problematic level of asbestos particles in the air. We plan to continue considering additional asbestos countermeasures in the future.

<sup>1</sup> OHSAS 18001: These occupational health and safety management systems guidelines are the only internationally recognized labor standards.

<sup>2</sup> Asbestos: A fibrous material with outstanding fireproofing and heat insulation characteristics and such other useful characteristics as durability, friction tolerance, and electrical insulating properties

 Germany—Konica Minolta Business Solutions Europe GmbH

 China—Konica Minolta Business Technologies (Wuxi) Co., Ltd.

 United States—Konica Minolta Business Solutions U.S.A., Inc.

 Japan—Konica Minolta Business Expert, Inc.



The Group has employees engaged in development, manufacturing, marketing, servicing, and other activities in approximately 40 countries.

Konica Minolta seeks to create a work environment in which workers are encouraged to express their dreams and innovative ideas and enthusiastically strive to realize those dreams and innovations. The Group believes this approach will support a high level of vitality in its corporate culture.