

7

Responsible Actions

In the event of a violation of the principles of our Charter of Corporate Behavior, 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.

Risk Management Committee

If a management crisis arises, the Group's top managers will voluntarily deal with that situation. Previously, crisis countermeasures were handled by the Crisis Management Committee, but Konica Minolta has further increased the capabilities of this unit, which was reorganized as the Risk Management Committee in October 2005. The new system appropriately measures the risks associated with each company in the Group from a global perspective and provides for top managers to reconfirm whether appropriate countermeasures have been taken with respect to each type of risk. In fiscal 2005, risk assessments were performed by each business company in the Group.

Audit Committee Performance

In fiscal 2005, the Audit Committee performed an evaluation study of the Group's current internal control systems and presented the Board of Directors with a report recommending the creation of a risk management system and a corporate information disclosure system. After the board passed a resolution for the creation of these systems, the Group established the Risk Management Committee (left) and the Corporate Information Disclosure Committee (See page 19).



Protecting Those Who Report on Noncompliance

If a Konica Minolta employee discovers a case of noncompliance, the employee can submit a report without fear of repercussions. The Group has established a help-line infrastructure in Japan that enables noncompliance reporting by telephone, e-mail, ordinary mail, and other media. Reports may be addressed to the compliance committees of individual Group companies, and employees may also report or consult directly with top executives or a compliance officer. In fiscal 2005, more than ten noncompliance reports were made, and the investigations and remediation measures taken in response to the reports were implemented with due attention to ensuring that the reporters suffered no repercussions.

Responsible Action with Regard to Products

As a manufacturer, Konica Minolta must pay particularly great attention to product safety-related information. If an accident related to a Konica Minolta product occurs anywhere in the world, the Group will place relevant information in its Emergency Accident Database within 24 hours of the initial report. Accident information that relates to product quality control issues is considered particularly important, and this information is expeditiously sent to the quality assurance departments and other managers, including top executives. Reflecting the Group's emphasis on responsible action, top executives will themselves quickly devise means of resolving the problem.