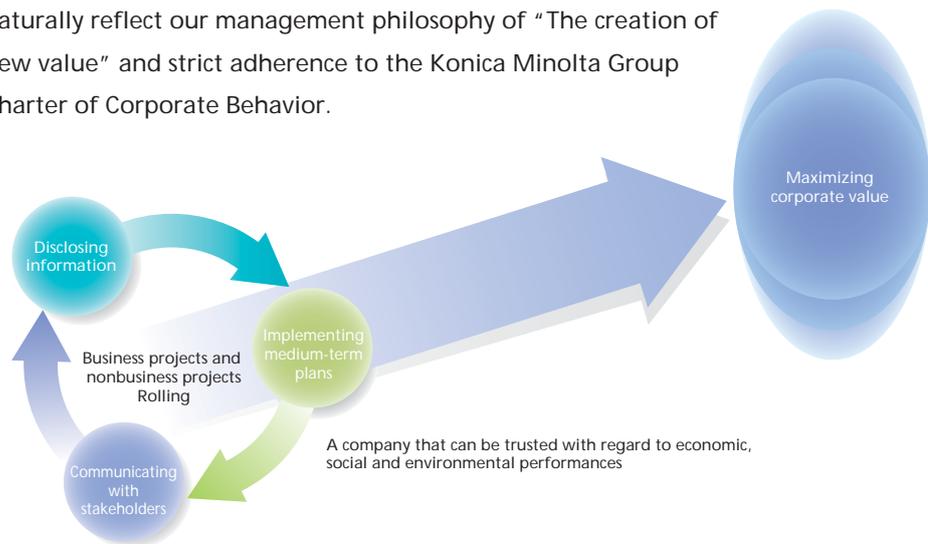


CSR at the Konica Minolta Group

CSR is the essence of our management, and our CSR activities naturally reflect our management philosophy of “The creation of new value” and strict adherence to the Konica Minolta Group Charter of Corporate Behavior.



Implementing World-Class CSR Management

In fiscal 2006, Konica Minolta's fourth year of operations since management integration, the Company began a new medium-term management plan aimed at business growth and corporate development. Putting in place “world-class CSR management” is key to our fundamental management strategy.

Our principal goal is to be “a trusted company that strengthens its global development with regard to economic, social, and environmental performances, and thereby achieves a sustained rise in corporate value.” Thus, the new fundamental management strategy emphasizes three objectives: (1) strengthening stakeholder engagement* measures, (2) reinforcing both quality management and environmental management, and (3) realizing continuous improvement in Group governance.

In accordance with its responsibilities as a global company, Konica Minolta published the first *Konica Minolta CSR Report* in fiscal 2005. This report communicates how the Group's “proactive efforts to fulfill its responsibilities to society are an effective means of realizing sustained growth in its corporate value.” Digest editions of the report were distributed in five languages—Japanese, English, German, French, and Chinese. In the report, we explain how our CSR activities are an integral part of Group management because they are rooted in our corporate philosophy and strict adherence to the Konica Minolta Group Charter of Corporate

Behavior. In addition, in the report covers the Group's diverse CSR activities, including social and environmental activities as well as a number of issues to be addressed in the future. As a global corporate citizen with operations expanding worldwide, the Konica Minolta Group believes promoting world-class CSR management to be important. I am confident that such activities will help reinforce the confidence of all our stakeholders and promote the Group's development.

Konica Minolta's strategy for its CSR programs requires cooperation throughout the Group. Under this strategy, we are working to strengthen our CSR activities related to economic, social and environmental performances while paying attention to and respecting cultural and other differences among Japan, the United States, and countries and regions in Europe, Asia, and elsewhere. Moreover, we are making it possible for every Group unit and employee to engage in CSR activities to help further enhance the trust and confidence that we enjoy worldwide.

*Stakeholder engagement: Listening to stakeholders' opinions and considering those opinions in management decision-making and corporate business activities

Officer responsible for CSR
Hiroshi Ishiko,
Senior Executive Officer



■ Management Philosophy

The creation of new value

■ Management Visions

An innovative corporation that continues to create inspiring products and services in the field of imaging

A global corporation that leads the market by advanced technologies and reliability

■ Corporate Message

The essentials of imaging

*The message represents our wish to be acknowledged as an essential company, by offering essential products, services and solutions to our customers in the world of imaging.



KONICA MINOLTA

Our symbol mark, "Globe Mark" resembling a globe, represents the limitless expansion of Konica Minolta and the new values it offers to customers around the world.

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, 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
2. Fair and transparent corporate activities
3. Communications with society and information disclosure
4. Environmental protection
5. Contribution to society
6. Respect for employees
7. Responsible actions

Corporate Governance

The Konica Minolta Group comprises Konica Minolta Holdings, Inc., which formulates and promotes the implementation of Group management strategies and supervises Group management activities, and business companies, which provide products and services directly to customers (please refer to page 38). Each business company strives for management efficiency and has the authority to establish and implement needed strategies.

In 2003, Konica Minolta Holdings, Inc. became one of the first Japanese companies to adopt the "Board with Committees" model. This model aims to ensure the highest levels of management fairness and transparency and requires that a company set up three committees within its board of directors (auditing, compensation, and nominating committees) that hold authority for management supervision and other tasks. Outside directors account for a majority of the members of each of these committees, and each committee is chaired by an outside director. Moreover, the CEO is not a member of any of these committees.

Compliance*

Konica Minolta maintains strict compliance not only with the laws and regulations of Japan and countries worldwide but with its own rigorous corporate ethics standards and internal policies and regulations. The Konica Minolta Group Compliance Conduct Guidelines constitute the foundation of the Group's high level of governance, and compliance is given the highest priority in every aspect of our corporate activities.

Compliance education and training courses in the countries where Konica Minolta has a presence ensure a strong awareness of the importance of compliance among employees of each Group company throughout the world. The Konica Minolta Group Charter of Corporate Behavior has been printed in nine languages (Japanese, English, Chinese, German, French, Spanish, Portuguese, Italian, and Russian) and is distributed to all Group employees. In addition, we have distributed Japanese- and Chinese-language compliance manuals that explain the compliance guidelines in practical terms and address country-specific laws and regulations. In North America and Europe, employees are given a *Code of Conduct* manual that offers concrete explanations of the behavioral standards with which employees are expected to comply and includes the aforementioned compliance conduct guidelines.



Roles of the committees:

- Nominating Committee**
Nominates board member candidates for election by the general shareholders' meetings
- Compensation Committee**
Determines the compensation of directors and executive officers
- Auditing Committee**
Performs management audits in place of the previous corporate auditors

*Compliance: Konica Minolta's concept of compliance refers to rigorous conformance with all relevant laws and regulations, the maintenance of strict corporate ethics, and adherence to internal regulations.



Scope of Compliance at the Konica Minolta Group