

Overview of CSR Activities in Fiscal 2007 and Future Challenges

Putting the Konica Minolta Group Charter of Corporate Behavior into practice is the foundation of the Group's CSR activities. Below is an overview of fiscal 2007's CSR activities and of future challenges.

		Fiscal 2007 activities
Environmental protection	Fighting global warming	<ul style="list-style-type: none"> ● Succeeded in reducing CO₂ emissions throughout the product life cycle¹ to 582,000 tons compared to the target of 705,000 tons for fiscal 2007. ● Succeeded in reducing CO₂ emissions from all Group sites in Japan to 264,000 tons compared to the target of 320,000 tons for fiscal 2007. ● Succeeded in reducing CO₂ emissions from all production sites in the U.S., Europe and Asia (excluding Japan) to 80,000 tons compared to the target of 95,000 tons for fiscal 2007.
	Creating a recycling-based society	<ul style="list-style-type: none"> ● Succeeded in reducing total waste from all production sites worldwide to 23,900 tons as a result of the Group's Zero Waste Activities², which failed to achieve the target of 20,500 tons for fiscal 2007. In Japan, the figure was 13,700 tons, which failed to achieve the target of 13,500 tons. In U.S., Europe, and Asia (excluding Japan), the figure was 10,300 tons, which failed to achieve the target of 7,000 tons.
	Reducing chemical risks	<ul style="list-style-type: none"> ● Succeeded in reducing total atmospheric VOC emissions (per risk conversion,³ as compared to fiscal 2000 level) for all production sites worldwide by 89%, which failed to achieve the target of 90% for fiscal 2007.
Beneficial and safe products		<ul style="list-style-type: none"> ● Started formulating a system for quantitatively evaluating the quality that is expected by customers in a variety of business fields, with the aim of increasing customer satisfaction.
		<ul style="list-style-type: none"> ● Reviewed product components and the assembly processes in light of product safety and reinforced the system further to ensure an increased level of safety.
		<ul style="list-style-type: none"> ● The color MFP (multi-functional peripheral) bizhub C650/C550 earned the Agency for Natural Resources and Energy Director-General's Award, which is one of the 2007 Energy Conservation Grand Prizes.
		<ul style="list-style-type: none"> ● The color MFP bizhub C650/C550/C451 earned the Fall 2007 "Pick of the Year," an award honoring the most outstanding office products and given by the Buyers Laboratory Inc. (BLI).⁴
Fair and transparent corporate activities		<ul style="list-style-type: none"> ● Implementing compliance education programs, addressing the different priorities of issues in Japan, North America, and Europe.
		<ul style="list-style-type: none"> ● Creation of a group procurement policy to pursue customer satisfaction and fulfill social responsibilities.
		<ul style="list-style-type: none"> ● Continued work from 2006 to establish a system to ensure compliance with the Financial Products Transaction Law⁸ and to ensure financial reporting with even greater reliability.
Communication with society and information disclosure		<ul style="list-style-type: none"> ● Implemented programs to proactively disclose information, in order to give shareholders and investors a better understanding of Konica Minolta's corporate activities.
		<ul style="list-style-type: none"> ● Actively promoted communication with customers through exhibitions featuring Konica Minolta products and services.
		<ul style="list-style-type: none"> ● Published the Global Group Magazine for all group employees worldwide as a tool to promote communication, as well as share information.
		<ul style="list-style-type: none"> ● Maintained close communication with suppliers through the Procurement Collaboration System.
Contribution to society		<ul style="list-style-type: none"> ● Enthusiastically supported the pink ribbon campaign to promote early detection and early treatment of breast cancer.
		<ul style="list-style-type: none"> ● Adopted various community-based CSR programs, ranging from support for the education of young people, to environmental and cultural activities.
Respect for employees		<ul style="list-style-type: none"> ● Implemented employee-focused measures such as ensuring a comfortable working environment, developing human resources, and support for childcare.

¹ CO₂ emissions throughout the product life cycle: Sum of CO₂ emissions generated from manufacturing of products in production sites, the distribution of shipped products, and the use of purchased products by customers.

² Zero Waste Activity: An initiative to promote recycling of waste to reduce the amount of landfill disposal.

³ Risk conversion: Konica Minolta's own method of obtaining an index for risk management, where the risk posed by the effects of atmospheric VOC emissions is defined as the sum of direct human health risk and air pollution risk.

⁴ Buyer's Laboratory Inc.: A private corporation in the U.S. offering ratings for business-use office equipment products. The company's reporting is highly credible and widely accepted because it is based on rigorous, practical testing that is carried out over a number of months in an independent manner.

⁵ Universal design: Designing products, buildings, and spaces accessible to everyone, regardless of age, sex, or disability.

Page	Future Challenges
P.19–20 P.22 P.23	<ul style="list-style-type: none"> ● Establish and promote a new Environmental Vision, which will seek to capitalize on the existing three key areas—fighting global warming, creating a recycling-based society, and reducing chemical risks—and build on these with the participation of all employees.
P.25 P.26 P.26–28	<ul style="list-style-type: none"> ● Pursue a greater focus on providing products and services with customers in mind. ● Enhance product safety by strengthening supervision at the development and design stages, in addition to monitoring product safety at the production stage. ● Promote universal design⁵ and information security⁶ features.
P.30 P.31 P.32	<ul style="list-style-type: none"> ● Promulgate more thorough compliance based on the Konica Minolta Group Charter of Corporate Behavior. ● Promote thorough compliance programs that address the different priorities of issues in different regions. ● Advance CSR throughout the supply chain.⁷ ● Continue on the work to upgrade the internal control system to ensure reliability of financial reporting at a higher level.
P.34 P.35–36 P.36 P.37	<ul style="list-style-type: none"> ● Strengthen stakeholder⁹ engagement¹⁰ in order to win the trust of stakeholders.
P.40 P.41–44	<ul style="list-style-type: none"> ● Enhance and develop social contribution programs that contribute to addressing issues at the global and community levels.
P.46–48	<ul style="list-style-type: none"> ● Foster personnel in line with the Group's business growth strategies.

⁶ Information security: Today's network society faces enormous risks from unauthorized access, virus infections, information leaks and so forth. Information security means the protection of customer information by providing products with built-in security functions such as user authentication and auto-deletion of data.

⁷ Supply chain: The system of organizations, people, technology, activities, information, and resources involved in moving a product or service from supplier to customer. The concept goes beyond the corporate framework and covers material and parts suppliers and outside distributors.

⁸ Financial Products Transaction Law: Recent years have seen increasing emphasis on corporate internal control in response to frequent misconduct by companies. In Japan, the Financial Products Transaction Law (aka "Japanese SOX Law") was enacted in 2006 to ensure the reliability of corporate financial reporting. It took effect in 2008.

⁹ Stakeholder: Any party interested in the Group's business activities, including customers, suppliers, shareholders, employees and local residents.

¹⁰ Stakeholder engagement: Listening to stakeholders' opinions and considering those opinions in management decision-making and corporate activities.