

# Expert Opinion of Konica Minolta's CSR Report

**We asked Yoshinao Kozuma, Professor of Economics at Sophia University, to give us some feedback on this report. His comments are presented below. We will use this feedback to improve our future CSR activities and the CSR report next year.**



**Yoshinao Kozuma**  
Professor, Faculty of Economics,  
Sophia University

## 1. Management Structure Reorganized

The Konica Minolta Group's CSR management stands out in that the Group has articulated a long-term vision, established a roadmap, and developed an organizational structure to carry it out. This is an essential process for getting things done systematically, and the way in which the Group goes through that process step by step shows the strategic approach it takes to CSR management.

Development of the organizational structure has made progress in recent years. In April 2013, following last year's strengthening of the CSR implementation system, the Group revamped the conventional structure of holding business companies under the umbrella of a pure holding company, reorganizing the structure to integrate those business companies into a single company. A new growth model is being established against the backdrop of a market environment that is shifting toward a more sustainable world, and it is impressive that the newly-formed Konica Minolta, Inc. has earnestly embarked on the path to creating new value. I very much anticipate future accomplishments to emerge from this determination.

## 2. Management Scope Being Expanded

In addition to the fact that CSR management is being carried out with a medium- to long-term view, the development of the underlying value chain is another matter in which the Group has made marked progress in recent years. This year the Group calculated its CO<sub>2</sub> emissions across the value chain and disclosed the estimates with itemized data following the "Scope 3" GHG standard. So far, Konica Minolta has been expanding the reach of its CSR management across the value chain, including implementing CSR surveys of the supply chain and establishing plans to reduce CO<sub>2</sub> emissions throughout the product lifecycle. The disclosure of Scope 3 data is an initiative of high social concern, and Konica Minolta's leadership deserves praise.

The itemized data reveals that approximately 70% of CO<sub>2</sub> emissions are generated outside the Group's business areas and are spread across the value chain. In that sense, it is clear that CSR management encompassing the entire value chain, including other environmental and social issues, has become an absolute requirement.

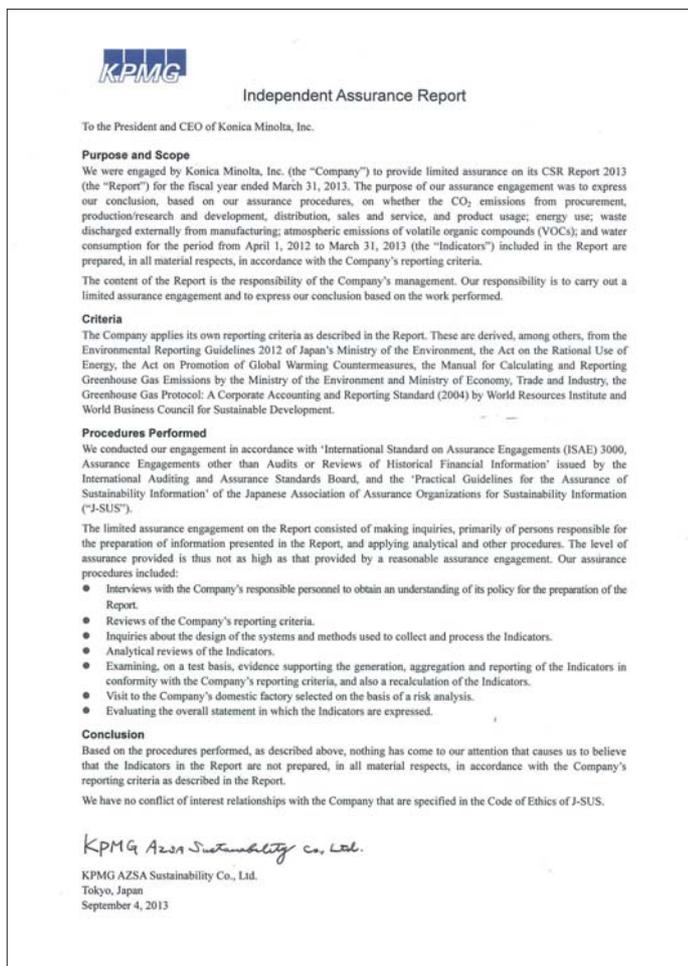
## 3. Transparency Improved

Human resources data, which had been a pending issue, was disclosed in a summary format for the first time this year. This was a major step forward, contributing to improved transparency. The disclosure has become an ambitious initiative, as it included information such as the number of regular and non-regular employees in and outside Japan and the rate of localization of top management of overseas subsidiaries (including the percentage of women)—a disclosure of a kind that is yet to be generally widespread among Japanese companies.

I would like to see the Group push this further and strive for total information management on a consolidated basis. The Konica Minolta Group is a global company in which nearly three-fourths of sales come from outside Japan, and so further detailing of employee information on a consolidated basis is desired. I hope that the Group will continue to strengthen its future initiatives using key performance indicators for CSR management.

# External Assurance

Konica Minolta engaged KPMG AZSA Sustainability Co., Ltd. to provide assurance on whether its CO<sub>2</sub> emissions from procurement, production/research and development, distribution, sales and service, and product usage; energy use; waste discharged externally from manufacturing; atmospheric emissions of volatile organic compounds (VOCs); and water consumption have been measured, gathered and disclosed in accordance with the criteria set by the Group.



Period: March to June 2013

On-site audit of Konica Minolta Tokyo Site, Hino



## Comments on the Assurance Process

Naomi Sugo, KPMG AZSA Sustainability Co., Ltd.

Until now, Konica Minolta has disclosed Scope 3 emissions associated with the procurement of raw materials, distribution, and product use and has worked at reducing emissions associated with distribution and product use based on targets set for those areas. Now, the Group has ascertained and disclosed Scope 3 emissions for other categories, as well. I hope that the Group will disclose information in the future on initiatives it takes against the newly ascertained Scope 3 emissions.

This year, the Group disclosed its goals and performance related to the sales ratio of green products. I think that the data

quantitatively show that green product initiatives help to create both social and corporate value.

Meanwhile, although the CSR Report 2013 explains the Group's process for defining the report content, the material aspects identified in that process were not clearly listed. The GRI guidelines, revised in May 2013, now require organizations that wish to publish compliant reports to disclose not only the process for determining report content but also the material aspects and boundaries identified. I hope that the Group will consider disclosure methods in the future that provide increased transparency regarding material aspects in reporting.