Material Issue 6

Diversity

Being “Inclusive and Collaborative” is one of Konica Minolta’s core values. This not only means adapting to the diversifying needs of customers and society, but also creating an environment that enables employees from diverse backgrounds to use their skills to their full potential.

Our Concept

Making the Most of Employee Diversity to Create New Value

One of Konica Minolta’s strengths as a global company is that employees of different national origins, races, beliefs, cultures, languages, genders, ages and expertise work together in regions all over the world. It is this employee diversity that leads to innovative thinking and original ideas, thus generating new value that helps to resolve issues for customers and society.

This kind of value creation is the very embodiment of “Inclusive and Collaborative,” one of the six values that makes up the Konica Minolta Philosophy. This value refers to the power and teamwork generated by embracing diverse people and ideas. Konica Minolta strives to live up to this value, respecting diversity and promoting inclusion to create value that leads to progress for customers, society, and individuals.

Konica Minolta not only has a very diverse workforce, but also takes a wide range of measures to create an environment where employees can exercise their own unique skills while supporting each other and performing at a high level. Recently, in support of these measures, Konica Minolta has focused on promoting the performance of its female employees and training global leaders. These efforts are paying off with the generation of new value.

### Key Action

**Offering Career Development Programs**

Collaborative and Inclusive are Konica Minolta’s core values. In 2014, the company recorded 31,368 active employees, including 11,964 employees in Japan, 12,696 employees in Asia (excluding Japan) and other countries, and 8,848 employees in the US. A total of 11,964 female candidates participated in a six-month support program at Konica Minolta, Inc., and about 7,000 employees were involved in the mentoring of female employees. These initiatives help foster the career development of female employees, supporting them in maximizing their level of achievement. Konica Minolta, Inc. implements various programs to support the career development of female employees, such as support for Women Graduates. For example, manager candidates are selected based on their job performance, and the supervisors of these candidates attend briefings on leadership training. In addition, employee and leadership training is provided. In fiscal 2016 and beyond, action plans are being established and initiatives pursued to achieve targets, and these are reviewed every six months. The company understands that women should not limit their access to any career path,

### Main Initiatives in Fiscal 2015

- **Actively hiring new female graduates (Target for fiscal 2016: 30% female hiring rate)**
- **Appointing female managers (Target for fiscal 2017: 5.0% ratio of female managers)**
- **Mentoring female employees**
- **Establishing and implementing employee development plans based on dialogue with each employee**
- **Selective training of manager candidates**
- **Establishment of training plan (support for each division and staff)**
- **Off-JT programs offered (mentor systems, leadership training)**

### Selective Training of Manager Candidates

- **8,848 employees in the US**
- **11,964 employees in Japan**
- **12,696 employees in Asia (excluding Japan) and other countries**
- **9,824 employees in Europe**

In order to support its female employees in line with Japan’s Act on Promotion of Women’s Participation and Advancement in the Workplace, Konica Minolta, Inc. implements various programs to ensure that women can work in an environment where they can pursue their access to any career path.
Supporting Women’s Career Building

**Background and Issues**

Gender equality is an important topic in today’s global community. Companies are expected to create workplaces where employees with high potential can perform to the best of their abilities, regardless of gender. In Japan, women’s participation in the workplace is still generally inadequate in the industry overall. Konica Minolta recognizes that proactive support is essential and is taking steps to address this.

**Vision**

Konica Minolta believes that employee diversity is a source of growth. The company takes measures to create an environment where women can perform to their full potential. In order to support its female employees, Konica Minolta does not limit itself to simply ensuring that they can continue working through various life events, but also aims to expand their access to any career path they want to pursue.

**Key Measures and KPIs**

- Establishing and implementing individual development plans based on dialogue with each employee
- Mentoring female employees
- Appointing female managers (Target for fiscal 2017: 5.0% ratio of female managers)
- Actively hiring new female graduates (Target for fiscal 2016: 30% female hiring rate)

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**Main Initiatives in Fiscal 2015**

**Offering Career Development Programs for Women**

Konica Minolta, Inc. implements various programs to foster the career development of female employees, supporting them in maximizing their level of achievement.

For example, manager candidates are selected among female employees at the senior staff level. A training plan for the next several years is devised for each employee and leadership training is provided. In addition, the supervisors of these candidates attend briefings on measures to promote women’s job performance, and the candidates participate in a six-month support program.

**Number of Female Managers and Ratio at Konica Minolta, Inc. (as of April 2016)**

<table>
<thead>
<tr>
<th>Number of female managers</th>
<th>Percentage of female managers</th>
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<tbody>
<tr>
<td>49</td>
<td>3.4%</td>
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**Action Plan**

<table>
<thead>
<tr>
<th>Plan duration</th>
<th>April 2016 – March 2018</th>
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</thead>
<tbody>
<tr>
<td>Numerical targets</td>
<td>5% ratio of female managers</td>
</tr>
<tr>
<td>Description of initiatives</td>
<td>Selective training of manager candidates in Performance Grade 3</td>
</tr>
<tr>
<td></td>
<td>• Selection of targets in spring evaluation and rolling</td>
</tr>
<tr>
<td></td>
<td>• Establishment of training plan (support for each division and staff)</td>
</tr>
<tr>
<td></td>
<td>• Off-JT programs offered (mentor systems, leadership training)</td>
</tr>
<tr>
<td>Timing of initiatives</td>
<td>Implemented as needed from 2016 spring evaluation</td>
</tr>
</tbody>
</table>
Globalizing Human Resources

Background and Issues
As the globalization of business continues to accelerate, incorporating a global perspective in management is essential to meeting the needs of diverse customers around the world. Companies like Konica Minolta seek to hire, promote and maximize the skills of employees with diverse viewpoints and backgrounds in order to accurately identify the issues faced by different countries and regions.

Vision
Konica Minolta hires and trains individuals with diverse backgrounds. The company aims to address the needs of customers globally and to create new value that goes beyond previous concepts by building dynamic networks of employees and promoting collaboration among people with different strengths and experiences.

Key Measures
• Proactively hiring and training non-Japanese employees in Japan
• Developing human resources based on global standardized evaluation criteria
• Sharing a global perspective through the Global Strategy Council

Main Initiatives in Fiscal 2015

Hiring of Global Human Resources in Japan
Konica Minolta proactively hires non-Japanese employees and Japanese people with experience living outside Japan, in hiring new graduates in Japan. These global human resources are intended to strengthen the ability of the company’s workforce to perform in the international community. Numerical targets are not set, but Konica Minolta is gradually increasing these hires up to a total of 20% of the workforce. The company makes the most of the diverse perspectives and skills that these individuals possess to bring new energy to its business.

Hiring of Global Human Resources in Fiscal 2015
(Joining in April 2016)

<table>
<thead>
<tr>
<th>Number of non-Japanese employees newly hired in Japan</th>
<th>Percentage of non-Japanese employees of new hires in Japan</th>
</tr>
</thead>
<tbody>
<tr>
<td>8</td>
<td>8.0%</td>
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</tbody>
</table>

Dynamically Deploying Global Human Resources
Konica Minolta is building a platform consisting of a framework, tools, and concepts to train and make the most of its global human resources. Through this platform, a single human resource management system will be created to include North America, Europe, China and other regions in Asia. Globally standardized evaluation criteria will be used to assess executives and match employees with job opportunities.

Konica Minolta organizes a Global Strategy Council—a collegial body composed of top managers from both in and outside of Japan—to ensure that the knowledge and perspectives of executives from Group companies outside of Japan are incorporated in the management of the Group. In fiscal 2015, Konica Minolta, Inc. management held invigorating discussions on medium- and long-term management issues with three executives from Group companies outside of Japan. In fiscal 2016, the number of participants from outside Japan was increased to six in order to encourage even more lively discussions.

Most recently, Konica Minolta, Inc. appointed one non-Japanese corporate executive in fiscal 2016 to accelerate the globalization of management.

Global Strategy Council
**Business Innovation Centers:**
Aiming to Leverage Diversity and Create New Business

Konica Minolta established the Business Innovation Centers (BICs) as organizations dedicated to creating new businesses in fiscal 2014. The BICs bring together the experiences and knowledge of diverse employees around the world and translate these into the development of innovative businesses.

The BICs operate in the five major regions around the world—North America, Europe, Asia Pacific, China and Japan, and are made up of employees recruited locally. The directors who are responsible for running the centers all have impressive specialist experience from outside of the company.

Based on this system, the BICs are developing innovative solutions to help meet customer needs, while collaborating with research institutions such as universities and venture capital companies. Currently, there are approximately 100 projects underway, each tailored to the market characteristics of its region and premised on market changes.

**BIC Managers in the Five Major Regions around the World**

**Europe**

Dennis Curry
Professional experience in creating innovation centres
- Director, Account Strategy & Enterprise Innovation (Hewlett-Packard Development Company, L.P.)
- CTO (North Atlantic Treaty Organization)

**Asia Pacific**

Rachel Goh
Entrepreneurial corporate leader with 32 years of IT Solutions
- VP, Business Applications (Singapore Telecommunications Limited)
- Director, Application Services (Hewlett-Packard Development Company, L.P.)

**North America**

Ekta Sahasi
Professional business incubation experience at e-Commerce
- Director, R&D & Innovation Products (PayPal Pte. Ltd.)
- Senior Manager, Research Lab & Innovation Program (eBay Inc.)

**China**

- Tao Xiong, Yongjun Chen, Yaojing Wang
This team has a broad range of expertise in marketing strategy formulation and new business development with diverse experience at Shanghai Galileo Navigation Industry, Komatsu (China) and NS Solutions (Shanghai).

**Japan**

Takashi Hakii
Professional experience in IT business start-ups/Internet entrepreneur
- Director, Supply Chain Management (PricewaterhouseCoopers Consultants Co., Ltd.)
- Founder/CEO (TRICORN Corporation)
- Founder/CEO (JOLLYROGER Corporation)