

Konica Minolta's management attaches paramount importance to the strengthening of corporate governance, management oversight and the clear separation of supervisory and executive functions. Planning enhancements and further expanding corporate governance functions will put transparent management into practice in a fair manner. By increasing corporate value derived from superior results, we will reward our fellow shareholders in keeping with their expectations.

To achieve these objectives as a Group and to establish the most suitable structure, Konica Minolta shifted to a holding company system, and chose a board-with-committees system, comprising the Nomination Committee, the Compensation Committee, and the Auditing Committee. In the case of Konica Minolta, each committee is chaired by an outside director, consists of a majority of out-

side directors, and does not include the representative executive officer. The Company has appointed four directors from outside the Company. These directors have no direct interest in Konica Minolta.

Furthermore, to strengthen the audit system, the Corporate Audit Division was established with the aim of fulfilling internal audits. The Corporate Audit Division has sole responsibility for Group internal audits, and forms the structure through which the Auditing Committee can pursue an effective and relevant audit function. To maintain the highest standards of compliance, we introduced the Konica Minolta Group Compliance Guidelines. In addition, we appointed an executive officer responsible for compliance and established a Compliance Promotion Office and a Compliance Committee.

## Konica Minolta Holdings' Corporate Governance System

