

# Chapter 4

# Platform Supporting Value Creation

## Basic Policy on Corporate Governance

### Basic Views

- Ensuring business supervisory functions by separating the supervisory and execution functions in order to increase the corporate value;
  - Election of an Independent Outside Director who can provide supervision from a shareholder perspective; and
  - Improvement of the transparency, integrity and efficiency of management through the above-mentioned points.
- Specifically, the Board of Directors and the three committees are composed as follows.

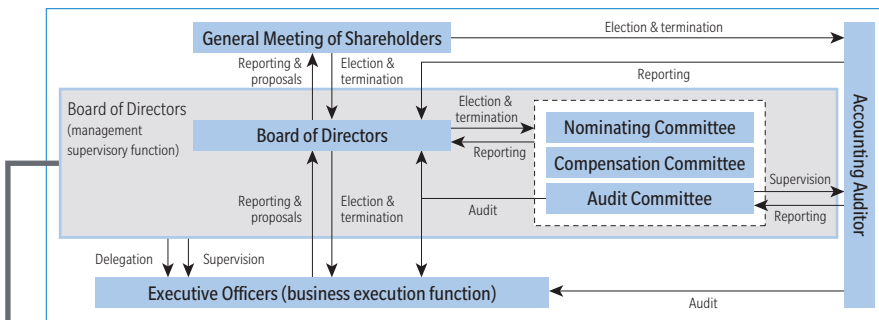
### 1) Board of Directors

- One-third or more of Directors are Independent Outside Directors, and Directors who do not concurrently serve as Executive Officers constitute the majority of the total number of Directors.
- The Chairman of the Board is selected from among Directors not concurrently serving as Executive Officers.

### 2) Nominating, Audit and Compensation committees

- Each committee is composed of around five members, and a majority of its members is Independent Outside Directors.
- The chairperson of each committee is selected from among the Outside Directors.
- The President & CEO is not selected as a member of the Nominating, Audit or Compensation committee.

## Structure of Corporate Governance Systems (As of June 30, 2020)



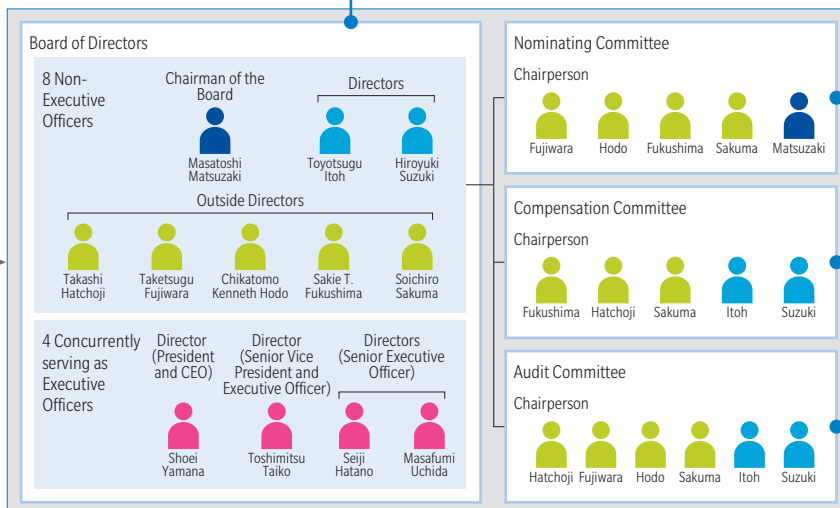
### Key characteristics of structure

- Setting the company with three committees structure to separate supervision and the execution of the management and perform highly effective oversight of business operations

### Key characteristics of the Board of Directors

- Chairman is not an Executive Officer
- Outside Directors are at least one-third of the Board of Directors
- All Outside Directors are Independent Directors
- Directors who are not concurrently Executive Officers are the majority of the Board of Directors

### Board of Directors and Three Committees



### Key characteristics of the three committees

- Chairperson are Outside Directors
- Directors who are concurrently Executive Officers are not allowed to be committee members

# Corporate Governance

## Basic Concept for Corporate Governance

The Company believes that corporate governance should contribute to sustainable corporate growth and increased corporate value over the medium to long term by encouraging appropriate risk-taking as part of management execution. On the other hand, the Company has established a corporate governance system from the standpoint of the supervisory side in the belief that setting up and managing a highly effective supervisory function is also necessary.

As part of its institutional design in accordance with the Companies Act, in 2003 the Company selected the “company with committees” system (now, a “company with three committees” system) and established a system that eliminated dependency on personal characteristics, thereby pursuing governance in a style specific to the Company.

The Basic Policy on Corporate Governance that was formulated in September 2015 defines the basic views regarding corporate governance.

## Compliance with the Corporate Governance Code

Konica Minolta complies with every principle of Japan’s Corporate Governance Code (revised on June 1, 2018) based on the above Basic Views, with the following exception.

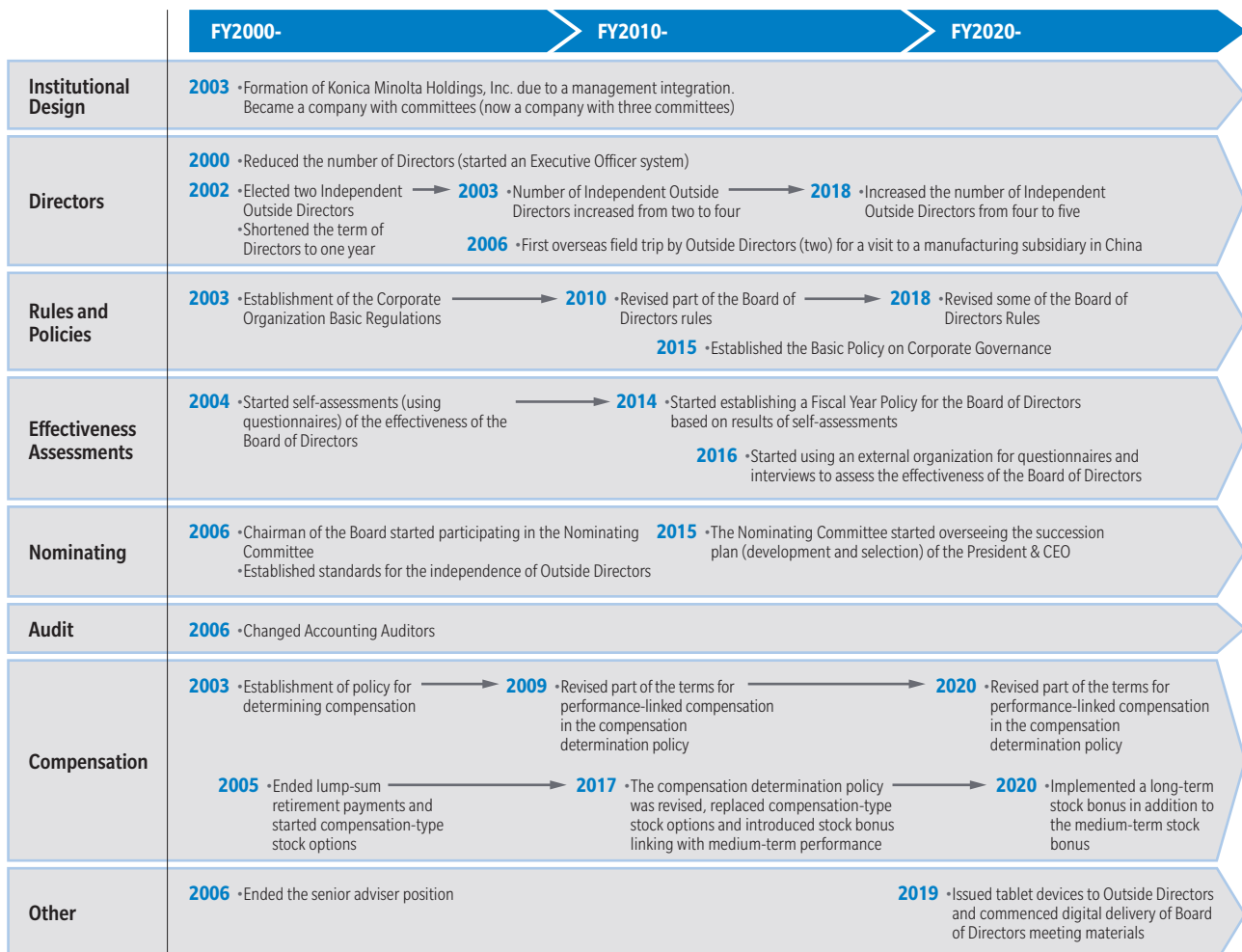
### Principle 4-11 Preconditions for Board of Directors and Kansayaku Board Effectiveness

<Regarding diversity, including gender and international aspects, and appropriate size>

The Company has paid due heed to “the board should be well balanced in knowledge, experience and skills in order to fulfill its roles and responsibilities,” and “it should be constituted in a manner to achieve both diversity and appropriate size,” as stipulated in the principle. However, while consideration of diversity naturally took into account gender and nationality, it was not realistic to commit to forming a Board of Directors that definitely realized the gender and nationality aspects while still achieving an appropriate size. In order to secure the effectiveness of the Board of Directors, the Company considers the credentials of a Director to be more important than their demographic characteristics.

We have indicated in the corporate governance report\* that the Company is in compliance with all 11 general principles, principles, and supplementary principles for which the Tokyo Stock Exchange requires disclosure.

## Chronology of measures to establish a corporate governance framework and improve its effectiveness



\* Our Basic Policy on Corporate Governance and Corporate Governance Report are available on our website.  
<https://www.konicaminolta.com/us-en/investors/management/governance/index.html>

## Corporate Governance

### Governance Structure and Director Selection and Election

#### Board of Directors and Directors of the Board

##### 1. Director Candidate Selection Policy and Procedures\*

The Nominating Committee starts each year by performing reviews of the composition of the Board of Directors and committees and of the standards for the selection of Directors and committee members. By performing examinations from the standpoints of balance of career and skill, diversity and other factors, this committee aims to upgrade its selections of Director candidates. The following process is used to make selections.

##### Board of Directors

- 1) The Nominating Committee examines the objectives of the composition of the board and then confirms a proposal for the total number of Directors, the number of Outside Directors, and the number of Inside Directors who do and do not concurrently serve as Executive Officers.
- 2) Confirmation of Directors who will resign due to standards for the number of years as a Director or age and expected number of new Outside Director and new Inside Director candidates.

##### Outside Directors

- 3) To select Outside Director candidates, after the Nominating Committee confirms the selection process, the members of this committee determine the careers and skills that will be required of new Outside Directors in order to enable them to be a good match with Outside Directors to be reelected. The purpose is to receive beneficial oversight and advice concerning management issues at the Company.
- 4) The Nominating Committee Chairperson asks for a broad range of recommendations for candidates, based on information from Nominating Committee members, other Outside Directors and the President & CEO. To provide reference information, the Board of Directors Office distributes to Nominating Committee members etc. a candidate database, centered on "chairmen" of excellent companies, that includes information about independence, age, concurrent positions and other characteristics of candidates.
- 5) The Nominating Committee takes into consideration the items listed below in order to narrow down the number of candidates, from the recommended individuals obtained through the preceding process in order to determine an order of priority.
  - Selection standards for Directors
  - Standard for independence of Outside Directors
  - Balance of career and skill required for Outside Directors and diversity
- 6) Using the order of priority for candidates, the Nominating Committee Chairperson and Chairman of the Board visit and approach the candidates to serve as an Outside Director.

##### Inside Directors

- 7) Draft proposals for Inside Director candidates are determined by discussions between the Chairman of the Board and the President & CEO, while placing emphasis on the following points.
  - Election standards for Directors
  - Roles of Directors who do and do not concurrently serve as Executive Officers

- Required skills, experience and other characteristics of Directors who do and do not concurrently serve as Executive Officers

- 8) The Nominating Committee uses the draft proposals to examine the candidates.

\* Specific details regarding the policies and procedures for selecting Director candidates are on our website.

<https://www.konicaminolta.com/us-en/investors/management/governance/01-01.html#anc-02>

#### 2. Roles Outside Directors are expected to play and the reasons for their election

##### 1) Expected roles

- To participate in important decisions made by the Board of Directors and supervise the decision-making process
- To submit advice about the establishment of management policies and plans and about reports concerning business operations by using their experience and knowledge
- To oversee conflicts of interest among the Company, its shareholders, senior executives and others
- To supervise management to protect ordinary shareholders and to reflect the interests of shareholders from the standpoint of ordinary shareholders, which is independent from senior executives and special stakeholders
- To supervise management as members of the Nominating, Audit and Compensation Committees

\* The Company, under the rules of the Nominating Committee, in principle, limits the period in office of Outside Directors to four years (reappointment limit). This rule is based on the concern that the objectivity of these Directors may decline as the length of time in office increases

##### 2) Reasons for election

Name	Reasons of Election
Takashi Hatchoji *	At Hitachi, Ltd., Mr. Takashi Hatchoji was involved for many years in the management of the electronics manufacturing business, including promotion of global management and business transformation. He has extensive experience and a broad range of knowledge as a corporate executive. The Company believes that Mr. Hatchoji can contribute to the maintenance and upgrading of corporate governance.
Taketsugu Fujiwara *	Mr. Taketsugu Fujiwara has been in charge of management of a comprehensive chemicals maker for years at Asahi Kasei Corporation, which diversified from chemicals and textiles to electronic materials, pharmaceuticals, and housing. His duties at Asahi Kasei included fostering businesses through mergers and acquisitions. He has extensive experience and a broad range of knowledge as a corporate executive. Therefore, the Company believes that Mr. Fujiwara can contribute to the maintenance and upgrading of corporate governance through his activities at the Board of Directors and the committees.
Chikatomo Kenneth Hodo *	Mr. Chikatomo Kenneth Hodo has been in management of a company providing business consulting and IT services for years at Accenture Japan Ltd. He has extensive experience and a broad range of knowledge as a corporate executive. Therefore, the Company believes that Mr. Hodo can contribute to the maintenance and upgrading of corporate governance through his activities at the Board of Directors and the committees.
Sakie Tachibana Fukushima *	Ms. Sakie Tachibana Fukushima served as Member of the Board of Korn/Ferry International (Global Headquarters) and head of its Japanese subsidiary for many years. She also served as outside director of many Japanese companies. In addition to extensive experience as a corporate executive and a broad range of experience and knowledge about the management of human resources, she has an extensive range of knowledge about corporate governance. Therefore, the Company believes that Ms. Fukushima can contribute to the maintenance and upgrading of corporate governance through her activities at the Board of Directors and the committees.
Soichiro Sakuma *	At Nippon Steel Corporation and Nippon Steel & Sumitomo Metal Corporation (currently Nippon Steel Corporation), Mr. Soichiro Sakuma was involved for many years in management in the manufacturing sector and was in charge of main head office functions, including general administration, human resources, environment, and IT, handling primarily legal, internal control, and auditing operations. He has extensive experience and a broad range of knowledge as a corporate executive. Therefore, the Company believes that Mr. Sakuma can contribute to the maintenance and enhancement of corporate governance through his activities on the Board of Directors and the committees.

\* Every Outside Director has been designated an "independent director" as each of them meets the independence standards established by the Company's Nominating Committee, is not a business executive or other significant person at a major supplier or customer or a major shareholder of Konica Minolta, and will not represent conflicts of interest with ordinary shareholders concerning his role as an outside director.

### 3. Operations of Board of Directors

In principle, the Board of Directors meets once a month. Outside Directors receive materials in advance that detail agenda items in order to familiarize them with the agenda and facilitate lively discussions at meetings of the Board of Directors. Executive Officers in charge may also occasionally conduct preliminary briefings on important management decisions.

In addition, the seating configuration changes at each Board meeting, except for the Chairman of the Board and the President & CEO, in an effort to encourage communication among board members and enliven the proceedings.

#### 1) FY2019 Board of Directors and the Three Committees

Meetings held in fiscal 2019 by the Board of Directors and the three committees, as well as attendance rates\* for each, are given below. As of the end of fiscal 2019, 100% of Board of Directors meetings and meetings of the three committees were attended by five Outside Directors: Kimikazu Noumi, Takashi Hatchoji, Taketsugu Fujiwara, Chikatomo Kenneth Hodo and Sakie T Fukushima.

\* Directors are asked to maintain an attendance rate of at least 80%.

#### Board of Directors and Three Committees meetings held

	Board of Directors	Nominating Committee	Audit Committee	Compensation Committee	Total
Times held	12	6	13	7	38
Participation by all Directors (%)	100	100	100	100	100
Participation by Outside Directors (%)	100	100	100	100	100

#### 2) Major Agenda Items Discussed by the Board of Directors in FY2019

- Situation report and review concerning progress made by business divisions and the corporate departments\* towards the final year of the medium-term business plan (FY2017-2019)
- Situation report on discussions concerning the next medium-term business plan (FY2020-2022)
- Situation report on efforts concerning the bio-healthcare business
- Report on the status of efforts and progress concerning new businesses
- Review report on the concept for and review of cross-shareholdings
- Report on approach to preparing securities reports
- Report on risks material to management and business
- Fiscal 2020 management plan outline approval and baseline budget report
- Operating policy report for the fiscal 2020 ordinary general meeting of shareholders

\* Status of efforts concerning sustainability, talent management, IR, etc.

#### 3) Training for Directors

Konica Minolta conducts training for and provides information to Directors in accordance with the following policies.

#### Director Training Policies

In accordance with the Director Election Standards, the Nominating Committee selects candidates for election as Director who have the qualities needed to be a Director. The Company confirms whether new Directors require training judging from each individual's knowledge, experience and other characteristics. If training is needed, the Company provides suitable opportunities to receive this training.

- For new Independent Outside Directors, the Company provides information about the group's structure, business activities and finances as well as information about the medium-term business plan and its progress and other subjects. These new Directors also receive basic information about the Company's businesses and corporate-level functions.
- For Independent Outside Directors, the Company arranges visits to the development, manufacturing, sales, service and other operations of every business unit. The Executive Officer of each business unit provides the Directors with the latest information about that business.
- New Inside Directors were provided opportunities to attend governance training held by external institutions. Additionally, Outside Directors and Inside Directors were given information on various seminars and given opportunities to attend.

#### Board of Directors activities in fiscal 2019

- **Field trips in Japan (factories and sales offices, including at subsidiaries)**  
Two trips with the cumulative participation of three Outside Directors
- **Field trips outside Japan (factories and sales offices, including at subsidiaries)**  
One trip with the participation of two Outside Directors
- **Internal presentations (Value Creation Forums)**  
Seven Outside Directors participated in internal presentations (Value Creation Forums) across four business domains
- **Executive Officer conference (discussions concerning strategy and issues)**  
All five Outside Directors participated as observers (one conference)
- **Outside trade show**  
A total of three Outside Directors participated in two outside trade shows

#### 4) Supporting System for Outside Directors

The Board of Directors Office functions as a secretariat for the Board of Directors, Nominating Committee and Compensation Committee and has a similar function to that of the Audit Committee Office that is the secretariat for the Audit Committee. The members of the Board of Directors Office provide assistance for the Outside Directors to help enable the board and its three committees to function properly. Members of this office also distribute the document in advance concerning agenda items to Outside Directors, and create proposals and plans for visits to Company facilities and accompany Outside Directors as needed as part of activities to provide information to these Directors. The objectives are to enable Outside Directors to thoroughly discuss subjects at the Board of Directors meetings and to enable these meetings to take place with no difficulties.

#### Executive Officer System and Executive Officers

##### 1. Election of Executive Officers

- 1) The Board of Directors uses a fair, timely and appropriate method to select people who have the capabilities to serve as Executive Officers. These individuals must be able to create new value for the Group and earn the support of internal and external stakeholders. Standards for making these judgments about capabilities are defined in "Standards for the Selection of Executive Officers". These standards

## Corporate Governance

include qualification standards. Individuals must have the ability and experience for the internal and external management of the Group's business operations. Qualification standards also take into consideration knowledge about specialized fields and technologies, an individual's age when the time for renewing the appointment comes, and other items. In addition, the Board of Directors selects individuals with a strong commitment to ethics, the ability to put customers first, the ability to drive innovation, strong motivation to achieve goals, and other characteristics.

- 2) To select new Executive Officers, candidates who have completed senior executive candidate training must do the first stage of the selection process, which involves submitting documents and completing an interview. Next, an assessment is performed in order to reach a highly objective and appropriate decision. This process includes input from both an external perspective and from the perspective of people at the Group who frequently interact with these candidates as part of their jobs. An evaluation conference, which consists of the President & CEO and the Executive Officer responsible for personnel, is held to examine the results of this process. This results in the selection of candidates to become Executive Officers.
- 3) To determine the new team of Executive Officers, the President & CEO selects from the list of Executive Officer candidates the individuals who are believed to be well suited to serve as Executive Officers. Next, a proposal for the selection of Executive Officers for the new fiscal year is prepared and submitted to the Board of Directors with a list of the duties for each Executive Officer.
- 4) Prior to the submission of this proposal to the Board of Directors, the Nominating Committee performs oversight of the whole process, including a confirmation that a suitable process was used.
- 5) The Nominating Committee considers observing the character of Executive Officer candidates is an important matter and utilizes opportunities such as attending meetings of the Board of Directors and reporting to informal gatherings of Directors. After receiving the proposal for the selection of Executive Officers mentioned above from the President & CEO, the Nominating Committee discusses the content of the proposal, creates a summary of its conclusions regarding matters such as the appropriateness of candidates and training issues, and provides these as feedback to the President & CEO.
- 6) The Board of Directors takes the "Standards for the Selection of Executive Officers" into full consideration when deciding whether or not to dismiss an Executive Officer.

### 2. Executive Officers

The Executive Officers perform decision-making and business execution, as entrusted by the Board of Directors. The content of this business execution is subject to the oversight of the Board of Directors and to audits by the Audit Committee, which enhances effectiveness, validity, legality and soundness of the management.

The Board of Directors appoints the Company's Executive Officers and selects the Representative Executive Officer and the President, as well as other Executive Officers in positions of responsibility, from among these Officers. The division of executive duties is also determined by the Board. The Representative Executive Officer and President and other Executive Officers perform decision-making on and execute the business entrusted by the Board.

### Evaluation of Effectiveness of the Board of Directors

In 2003, the Company became a company with committees (now a company with three committees). To determine if the corporate governance system is functioning as intended, the Company started performing self-assessments in 2004 concerning the Board of Directors' effectiveness. Self-assessments have been performed every year since then in order to make improvements. In fiscal 2016, the Company outsourced interviews and questionnaires to an external organization to enhance objectivity by incorporating the viewpoints of third parties and to clarify issues not noticed in the existing self-evaluations.

The Company now has a PDCA cycle that covers assessments, the analysis of results, the establishment of policies for the operation of the Board of Directors in the next fiscal year, and the creation and implementation of a plan for the board's operations, while the Company reviews the details of the self-evaluation questionnaire yearly. The PDCA is used as a tool to continuously improve the effectiveness of the Board of Directors.

In fiscal 2019, in order to confirm whether or not the Company's corporate governance is realizing sustainable corporate growth and increased corporate value over the medium to long term, which are its goals, the Company went back to the basics and endeavored to ascertain the status of the practical response towards and issues concerning each principle of the Corporate Governance Code (hereinafter, the "CG Code").

#### ■ Survey schedule

The fiscal 2019 evaluation of effectiveness was performed as follows.

April 2020	Distribution and return of self-evaluation questionnaires
May 2020	Processing of questionnaire results Holding of informal gatherings of Directors, exchanging of opinions based on details after processing
June 2020	Explanation of Board of Directors Operations Policy (Fiscal 2020) by the Chairman of the Board (at the Board of Directors meeting immediately after the Ordinary General Meeting of Shareholders)

#### ■ Results of Board of Directors Effectiveness Assessment

Directors were given an opportunity to exchange opinions, after which their answers to multiple choice and free response questions were processed and analyzed. They were then evaluated as follows.

##### a) Rules and responsibilities of the Board of Directors

The attendance rate of each Director at the meetings of the Board of Directors and the meetings of the three committees shall be 100%. As indicated in General Principle 4 of the CG Code, the Board of Directors recognizes fiduciary responsibility from shareholders and accountability to shareholders, and takes appropriate action for the common interests of the Company and its shareholders. Specifically, in achieving balance regarding Executive Officers and Directors concurrently serving as Executive Officers (primarily the Board of Directors and CEO, who provide supervision), the Board of Directors is able to have constructive discussions regarding the overall direction of management (corporate strategy, etc.).

However, further action is needed to support the Board of Directors regarding swift and resolute decision-making by Executive Officers and Directors concurrently serving as Executive Officers. This includes support for further enhancing risk analysis to ensure appropriate risk-taking by Executive Officers and Directors concurrently serving as Executive Officers.

#### **b) Roles and responsibilities of Independent Outside Directors and other items**

The Board of Directors prizes being able to have constructive discussions in an open and unrestricted manner. Independent Outside Directors carry out highly effective supervision of Executive Officers and Directors concurrently serving as Executive Officers and Directors, while also giving advice from the viewpoint of sustainable corporate growth and increased corporate value based on their personal knowledge. It has been confirmed that a trial run of the "Meeting of Independent Outside Directors," which the Company's Basic Policy on Corporate Governance stipulates must be held when deemed necessary, will be held.

#### **c) Information acquisition, support systems and training to vitalize deliberations**

The advance distribution of materials pertaining to meetings of the Board of Directors was improved with regard to timing and digitization, but further improvements are anticipated. Support for information provision is being provided, such as through participation at factory inspections in Japan and overseas, the "Value Creation Forum" (an internal announcement event for each business), and individual follow-up meetings with the responsible Executive Officer in response to requests from Directors.

#### **d) Roles and responsibilities of the three committees**

In addition to deciding the details of proposals to select Directors, the Nominating Committee oversees the CEO's succession plan. The Board of Directors and Nominating Committee evaluate Executive Officers and Directors concurrently serving as Executive Officers, and human resources affairs in general. However, a suggestion was made to re-examine CEO dismissal standards in the interest of objectivity, transparency, and timeliness.

The Audit Committee oversees the building of the Company's internal control system and risk management system, as well as these systems' operational status, serving a protective role.

The Compensation Committee designs and revises the remuneration system for Executive Officers and Directors concurrently serving as Executive Officers as a sound incentive, and determines remuneration amounts. However, a suggestion was made to re-examine these areas of oversight in light of significant changes to the management environment.

#### **e) Composition and operation of the Board of Directors**

The number of Board of Directors members and the broad diversity among them are appropriate for the goals of the Company's governance. The Chairman of the Board's agenda item selection is generally appropriate, and open discussions are facilitated. Furthermore, the secretariat's support system was confirmed to be generally appropriate. In order to enhance the oversight of global management by the Board of Directors going forward, the Company will consider creating opportunities to report to those responsible for overseas subsidiaries.

#### **(f) Governance in general [Ensure the rights and equality of shareholders; Proper cooperation with stakeholders other than shareholders; Ensure proper information disclosure and transparency; and Dialogue with shareholders]**

Ensuring the rights and equality of shareholders, proper cooperation with stakeholders other than shareholders, and dialogue with shareholders have all, to a certain extent, been evaluated as appropriate. However, the Company will further enhance oversight concerning efforts aimed at "diversity that reflects people's experience, skills, and attributes, which differ throughout the Group," "sound ethics in business activities in addition to the corporate culture we wish to create," "the disclosure of non-financial information and the provision of information beyond that required by laws and regulations," and "expectations from shareholders about the Company" as they are regarded as matters of discussion for the meetings of the Board of Directors.

#### **(g) Tackling of matters stipulated in the fiscal 2019 Board of Directors policies**

Implementation was confirmed for matters stipulated in the operation policies, such as the deepening of strategy discussion regarding the process for formulating the next medium-term business plan. Furthermore, the improvement of explanations and materials at meetings of the Board of Directors by Executive Officers and Directors concurrently serving as Executive Officers led to substantial discussions.

#### **■ Outline of Board of Directors Management Policies for Fiscal 2020**

Based on the assessment of the Board of Directors' effectiveness and discussions held during informal gatherings of Directors, the Chairman of the Board established a management policy for the Board's activities in fiscal 2020 and explained the following main points of the policy immediately after the Ordinary General Meeting of Shareholders.

- Maintain and improve the quality of questions at Board of Directors meetings
- Support the executive team's endeavors and facilitate swift and resolute decision-making
- Further the Board of Directors' agenda
- Supplement the Board of Directors and take measures to enhance the Board's effectiveness
- Translate opinions aimed at improving Board effectiveness into official measures

#### **■ Compensation for Directors and Executive Officers**

#### **■ Compensation Policy and Directors' Compensation System**

The Company, which has adopted a "company with three committees" system, has established a Compensation Committee. Outside Directors account for the majority of members of the committee, which is chaired by an Outside Director to ensure transparency and to determine compensation in a fair and appropriate manner.

The Company's Directors' compensation system is

## Corporate Governance

intended to incentivize Directors and Executive Officers to strive for the continuous medium- to long-term improvement of the Group's performance in line with management policies in order to meet shareholder expectations, and to contribute to optimizing Group value. The Company aims for a level of compensation that enables it to attract and retain talented people that will take responsibility for the Company's development.

In keeping with these aims, the Compensation Committee has established a policy for determining the individual compensation entitlement of Directors and Executive Officers as set out below, and determines the amount, etc. of individual compensation entitlement of Directors and Executive Officers in line with this policy.

At Compensation Committee meetings on March 24 and May 25, 2020, resolutions were passed to partially revise policies for determining individual-based compensation for Directors and Executive Officers. These resolutions went into effect in FY 2020.

### ■ Guidelines on Officer Ownership of Konica Minolta Shares

To encourage an even greater focus on boosting earnings results and the Company's share price from the perspective of shareholders, Konica Minolta has established guidelines on ownership of Konica Minolta shares for Inside Directors and Executive Officers.

#### ■ Revised Compensation Policy

##### 1) Compensation system

- Compensation packages for Directors (excluding Directors concurrently serving as Executive Officers) exclude a short-term performance-based cash bonus because Directors have a supervisory role, and consist of a base salary component in the form of a base salary and stock bonus. The stock bonus consists of the medium-term stock bonus (non-performance-linked) and long-term stock bonus. Also, Outside Directors only receive a base salary, inclusive of a remuneration according to their roles.
- Compensation packages for Executive Officers consist of a base salary, an annual performance-based cash bonus, which reflects the performance, and a stock bonus. The stock bonus consists of a medium-term stock bonus (performance-linked) and long-term stock bonus.

2) The total amount of individual compensation entitlement and base salary are set at a level appropriate to each individual's position, with that value taken into account based upon objective data, evaluation data and other data collected at regular intervals, etc.

3) The amount of the annual performance-based cash bonus is determined based on the individual's level of performance for the fiscal year (consolidated operating profit) and the degree of attainment of annual performance targets, as well as on the progress of each Executive Officer's key operational measures. The amount based on the degree of attainment of annual performance targets is determined in the 0% to 200% range of the standard amount of compensation. The targets are major consolidated performance indicators (operating profit, operating profit ratio operating cash flows and KMCC-ROIC\*) associated with results of operations. Executive officers' key operational measures include those related to non-financial indicators, such as ESG (environmental, social and governance).

\* KMCC-ROIC is ROIC to calculate annual performance-based cash bonus, defining invested capital as assets that can be separately managed and improved by each business segment.

##### 4) Details of the stock bonus plan are as follows:

- In the medium-term stock bonus plan (non-performance-linked) for Directors, the Company's shares are distributed to Directors after the end of the medium-term business plan according to their roles and years of service. The plan is aimed at incentivizing efforts to improve shareholder value over the medium-term and promoting holdings of the Company's own shares.
- In the medium-term stock bonus (performance-linked) for Executive Officers, the Company's shares are distributed to Executive Officers after the end of the medium-term business plan in the 0% to 200% range. The plan is aimed at incentivizing attainment of the targets in the medium-term business plan and promoting holdings of the Company's shares. The medium-term targets are major consolidated performance indicators (operating profit, operating cash flows and KMCC-ROIC) associated with the medium-term management policy.
- In the long-term stock bonus plan for Directors (Non-executive Inside Directors) and Executive Officers, the Company's shares are distributed post-retirement according to individual position, role, and years of service. The plan is aimed at incentivizing efforts to improve shareholder value over the long-term.
- The standard number of shares is set by the position of each Director or Executive Officer in the first year of the medium-term business plan.
- Certain portions of shares are distributed in cash.
- Company shares obtained as stock bonuses shall in principle be held for one (1) year after the date of retirement.

5) The standard for compensation to the President & CEO is a 50:25:25 mix of "base salary," "annual performance-based cash bonus" and "stock bonus." For the Executive Officers other than the President & CEO, the "base salary" ratio is set higher than that for the President & CEO. In addition, the ratio of "medium-term stock bonus" (performance-linked) and "long-term stock bonus" in "stock bonus" is 60:40.

6) Compensation for non-Japan residents may be handled in different ways from the above-mentioned treatment according to legal and other circumstances.

7) When the Board of Directors determines that corrections must be made to financial statements after their release due to a material accounting error or fraud, the Compensation Committee considers corrections to performance-based bonuses and limits payment or requests the return of said bonuses when necessary.

8) The Company reviews levels, composition, and other matters concerning compensation in a timely and proper manner in accordance with changes in the management environment.

## Amount of compensation paid to Directors and Executive Officers for the fiscal 2019

	Total (million yen)	Base salary		Performance-based cash bonus		Stock bonus	
		Persons	Amount (million yen)	Persons	Amount (million yen)	Persons	Amount (million yen)
Directors	Outside	63	6	63	-	-	-
	Internal	159	4	127	-	-	31
	Total	222	10	190	-	-	31
Executive Officers	615	24	525	24	55	24	34

### Notes

- The number above includes one Outside Director and one Inside Director, both of whom resigned at the date of the 115th Ordinary General Meeting of Shareholders held on June 18, 2019. At the end of the period (March 31, 2020), the Company has five (5) Outside Directors, three (3) Inside Directors (not concurrently holding Executive Officer posts) and twenty-four (24) Executive Officers.
- In addition to the four (4) Inside Directors shown above, the Company has another four (4) Inside Directors who concurrently hold Executive Officer posts, and the compensation to these Directors is included in compensation to Executive Officers. As to one (1) Executive Officer, who resigned at the date of the 115th Ordinary General Meeting of Shareholders and assumed the post of Director, was separately counted as Executive Officer and Director in the table and compensation was also set forth separately as the portion as Executive Officer and that as Director.
- Regarding the performance-based cash bonus, the amounts which should be recorded as expense in fiscal 2019 are stated.
- Regarding the stock bonus, the amounts which were recorded as expense in fiscal 2018 are stated, based on a calculation of future share allocations according to estimated points to be allotted to Directors (excluding Outside Directors) and Executive Officers as part of their compensation.

The following individual received compensation of 100 million yen or more in fiscal 2019.

(Millions of yen)

Position and name	Company classification	Total	Base salary	Performance-based cash bonus	Stock bonus
Executive Officer* Mr. Richard K. Taylor	Consolidated subsidiary Konica Minolta Business Solutions U.S.A., Inc.	147	91	56	-

\* Mr. Taylor received this compensation from consolidated subsidiary Konica Minolta Business Solutions U.S.A., Inc.

## Konica Minolta Executive compensation structure

Directors	Inside (not concurrently serving as Executive Officers)	Base Salary	Medium-term stock bonus (non-performance- linked)	Long-term stock bonus	
	Outside	Base Salary			
Executive Officers	President	Base Salary 50%	Annual performance- based cash bonus 25%	Medium-term stock bonus (performance- linked) 15%	Long-term stock bonus 10%
	Vice president and Executive Officers, Senior Executive Officers, Executive Officers	Base Salary 51-55%	Annual performance- based cash bonus 29-25%	Medium-term stock bonus (performance- linked) 12%	Long-term stock bonus 8%



## Corporate Governance

## Indicators for performance-based bonuses, reasons for the selection of these indicators, and method for determining the amount of performance-based bonuses

**Annual performance-based cash bonus**

(1) Overview of composition (items, evaluation indicators, etc.)

Item	Portion according to performance level	Portion according to attainment of performance targets					Portion according to personal appraisal
		Corporate divisions*/core business divisions				New business divisions	
Assessment index and others	Operating profit	Operating Profit 25%	Operating profit ratio 25%	Operating cash flow 25%	KMCC-ROIC 25%	Individual divisions targets	Reflects progress of each Executive Officer's key measures
	Linked with Group consolidated performance result level	Linked with Annual performance target achievement rate				Linked with individual target attainment rate	

\* The corporate divisions include management affairs divisions of Konica Minolta, Inc. and those with group-wide horizontal functions.

(2) Indicators and the reasons for the selection of these indicators

- The indicator for the level of performance results portion is the amount of Group consolidated operating profit. It was judged that operating profit is the most appropriate indicator for determining the responsibility for performance that should be taken on by Executive Officers with the aim of realizing sustainable growth and enhanced corporate value by achieving higher levels of operating profit.
- For corporate departments and core business departments, operating profit, operating profit ratio, operating cash flows, and KMCC-ROIC are the indicators used to calculate the portion according to attainment of performance targets. These indicators attach strong significance to the Company's sustainable growth and the enhancement of medium- to long-term corporate value. Operating profit amounts are determined with the goal of strengthening the earning power of the core business, operating profit ratio for realizing a shift to a highly profitable system, operating cash flows for allowing timely and appropriate development of strategies and procurement of underlying capital, and KMCC-ROIC for improving the efficiency of invested capital. Each indicator is evenly weighted at 25%. For new business departments, the indicators are individual targets set by each business unit in light of the business's characteristics and fiscal key measures.
- For the portion according to personal appraisal, factors such as progress of each Executive Officer's key operational measures are used as indicators. Matters are evaluated from a different perspective from the level of performance results portion and the portion according to attainment of performance targets.

(3) Methods for determining the amount of compensation

- The amount paid for the level of performance results portion is calculated by multiplying a value determined according to the amount of Group consolidated operating profit by a number of points set for each position. Said value is decided in accordance with a table formulated in advance.
- For corporate departments and core business departments, the amount paid for the portion according to attainment of performance targets is calculated by multiplying the annual performance target attainment rate (calculated based on the weighting of each indicator) by a set amount for each position. The respective business's consolidated performance is factored into the payment for Executive Officers responsible for the core business department, and the Group's consolidated performance is factored into the payment for those responsible for the corporate department.  
In addition, payment for Executive Officers responsible for new business departments is calculated by multiplying that business department's individual target attainment rate by a set amount according to position. The payment rate varies from 0% to 200% depending on target attainment level.
- The amount paid for the portion according to personal appraisal is calculated by multiplying the total of the standard amounts determined for the level of performance results portion and portion according to attainment of performance targets by an appraisal value (value in the range of -30% to +30%) for each Executive Officer stipulated in a proposal drafted by the President & CEO.
- The payment amounts in the three items listed above will be discussed and settled by the Compensation Committee.

**Medium-term stock bonus (performance-linked)**

(1) Overview of composition (items, evaluation indicators, etc.)

Item	Medium-term stock bonus (performance-linked)		
	Group consolidated operating profit (Cumulative total for 3 years from FY2020 to FY2022)	Group consolidated operating cash flow	Group consolidated ROIC (3 year average from FY2020 to FY2022)
Assessment index	40%	30%	30%
Linked with attainment rate of medium-term business plan targets			

(2) Indicators and the reasons for the selection of these indicators

Operating profit, operating cash flows, and ROIC are set as the indicators (all on a Group consolidated basis) with the aim of sustainable growth and enhancement of medium- to long-term corporate value. Operating profit is determined with the goal of strengthening the earning power of the core business, operating cash flows for allowing timely and appropriate development of strategies and procuring the underlying capital, and ROIC for improving the efficiency of invested capital over the medium to long term. These indicators have been weighted at 40%, 30% and 30%, respectively.

(3) Methods for determining compensation levels

- Compensation levels are calculated by adding the cumulative operating profit target attainment rate over the period of the medium-term business plan multiplied by 40% to the cumulative operating cash flows target attainment rate for the same period multiplied by 30%, and adding that result to the average ROIC target attainment rate for the same period multiplied by 30%. This total is then multiplied by a number of points set per position accumulated over the same period, with one point equaling one share that will be transferred as compensation. The payment rate varies from 0% to 200% depending on target attainment rate. (Rather than a simple raising of the upper limit (previously 150%), this is done to create a more dynamic relationship between the target attainment rate and payment rate for the sake of further encouraging performance target attainment.)
- Points set per position is calculated by dividing the amount of resources allocated per position by a reference stock price.
- The reference stock price is the average price (weighted average) paid by the trustee entrusted by the Company, the trustor, when purchasing the number of shares in the Company required to pay the stock bonus on the stock market.
- The number of shares transferred listed above will be discussed and settled by the Compensation Committee

## Group Auditing System

As a company with three committees, the Company has an Audit Committee. Subsidiaries in Japan have Corporate Auditors. The Company also has a Corporate Audit Division, which performs internal audits of the entire Group.

The Company's Audit Committee, Corporate Audit Division, and the Corporate Auditors of subsidiaries in Japan each preserve their independence as auditors, while cooperating with each other to make audits more efficient and effective. The Company has signed an audit contract with KPMG AZSA LLC to make it the Accounting Auditor, and is being audited. The Audit Committee holds periodic meetings with the Accounting Auditor, and works so the Accounting Auditor can perform an appropriate and rigorous accounting audit, while confirming the system so the Accounting Auditor can perform its work appropriately, based on audit policies and audit plans.

### Audit Committee System and Roles

The Audit Committee is comprised of six Directors, four of whom are Outside Directors. It has established its own office, the Audit Committee Office. Staffed with full-time employees, this is an independent office that assists with the activities of the Audit Committee.

The Audit Committee evaluates the legality and validity of management decisions made by Directors and Executive Officers, monitors and validates internal control systems, reviews the methods and results of Accounting Auditor audits, and determines the election, dismissal, or non-reappointment of Accounting Auditors.

### Corporate Audit Division System and Roles

The Corporate Audit Division is responsible for internal audits for the entire Konica Minolta Group. Overseen directly by the Representative Executive Officer, this division oversees the internal auditing function for the entire Group and performs internal audits of the Company and its subsidiaries. Audits use the risk approach for efficiency to increase operational effectiveness and efficiency, financial report reliability, and compliance with laws and regulations. There are also follow-up audits to confirm that actions have been taken concerning items requiring improvements that were identified during audits.

Major subsidiaries also have their own internal audit departments. These departments strengthen the internal audit function of the entire Group while working with the Konica Minolta Corporate Audit Division.

## Policy for Cross-shareholdings

### Approach Towards Cross-Shareholdings

In principle, the Company will not hold listed stocks as cross-shareholdings except in cases where it recognizes there is significance or justification for ownership. Significance or justification for ownership will be judged from the results of yearly examinations conducted on each based on whether there are expectations of collaboration with the issuers and business synergies, as well as on whether the benefit and risk of holding said stock are appropriate to its capital cost. Consequently, stock where there is little significance or

justification for ownership will be sold while taking into account the proper stock price, market conditions, and other factors. Five stocks judged to be lacking in significance were sold in fiscal 2019 (proceeds were ¥1,411 million).

### Standards for Exercising Voting Rights on Cross-Shareholdings

The execution of voting rights is an important means of communicating with investees, and the Company exercises its voting rights related to all cross-shareholdings. In exercising these rights, the Company checks each proposal and, rather than making a uniform judgement on whether to approve or reject it based on formulaic or short-term standards, makes a judgement from the perspective of whether the proposal will lead to continuous growth and a medium- to long-term increase in corporate value for the Company and the investee, based on sufficient consideration of said investee's management policy, strategies, and the like. Judgement on whether to approve or disapprove a proposal includes careful consideration of the following items that may have a significant impact on shareholder return in particular.

- Transfer of important assets
- Shareholdings structure change due to mergers or acquisition of 100% ownership
- Third-party allotments through favorable issuances
- Introduction of measures to defend against hostile takeovers

### Investment shares held for purposes other than pure investment\*

	Stocks (name)	Total carrying amount (million yen)
Unlisted shares	23	2,240
Shares other than unlisted shares	26	14,554

\* Konica Minolta categorizes the investment stocks it holds as follows.

- Stocks held for "pure investment": stocks held solely for share price fluctuation or dividends
- Stocks held for "purposes other than pure investment": stocks held based on the judgment that so doing will, in addition to the above, help improve corporate value by strengthening corporate cooperation and business synergy with the stock issuer

## Dialogue with Shareholders and Investors

Based on its Policy for Constructive Dialogue with Shareholders, Konica Minolta actively engages in IR activities with the purpose of achieving sustainable growth and improving corporate value over the medium-term through constructive dialogue with its shareholders and investors. In addition to disseminating information through various IR tools on the Konica Minolta website and other places, the Company strives to create opportunities for direct dialogue with investors and analysts through a variety of briefings and meetings, where the Company shares information about its management policies and strategies.

Corporate Governance

Main Opportunities for Dialogue with Shareholders and Investors

	FY2019 Opportunities
General Meeting of Shareholders	<ul style="list-style-type: none"> <li>•Attendants: 38</li> <li>•Percentage of voting rights exercised: 81.27%</li> </ul>
Institutional Investor Meetings	<ul style="list-style-type: none"> <li>•Meetings held: 259</li> <li>•Companies: 106</li> </ul>
Analyst Meetings	<ul style="list-style-type: none"> <li>•Meetings held: 80</li> <li>•Analysts: 18 companies</li> </ul>
Briefings for Investors and Analysts	<ul style="list-style-type: none"> <li>•Briefings held: 10</li> <li>•Visitors: 481</li> </ul>
Individual Investor Briefings	<ul style="list-style-type: none"> <li>•Briefings held: 2</li> <li>•Visitors: 284</li> </ul>

Compliance

Group Compliance Promotion System

Compliance is the highest priority for Konica Minolta, Inc. in all of its corporate activities, and as such a compliance promotion structure has been established to supervise the Group overall.

At Konica Minolta, the Chief Compliance Officer, who is appointed by the Board of Directors, determines important matters for the promotion of the Group’s compliance and is responsible for promoting and overseeing compliance activities such as anti-corruption measures and personal information protection. In order to execute these duties, the Chief Compliance Officer reports directly to the President & CEO of Konica Minolta, Inc., who has ultimate responsibility for Group compliance. The Chief Compliance Officer convenes the Group Compliance Committee, which is composed of officers responsible for compliance from corporate departments in charge of Group-wide functions.

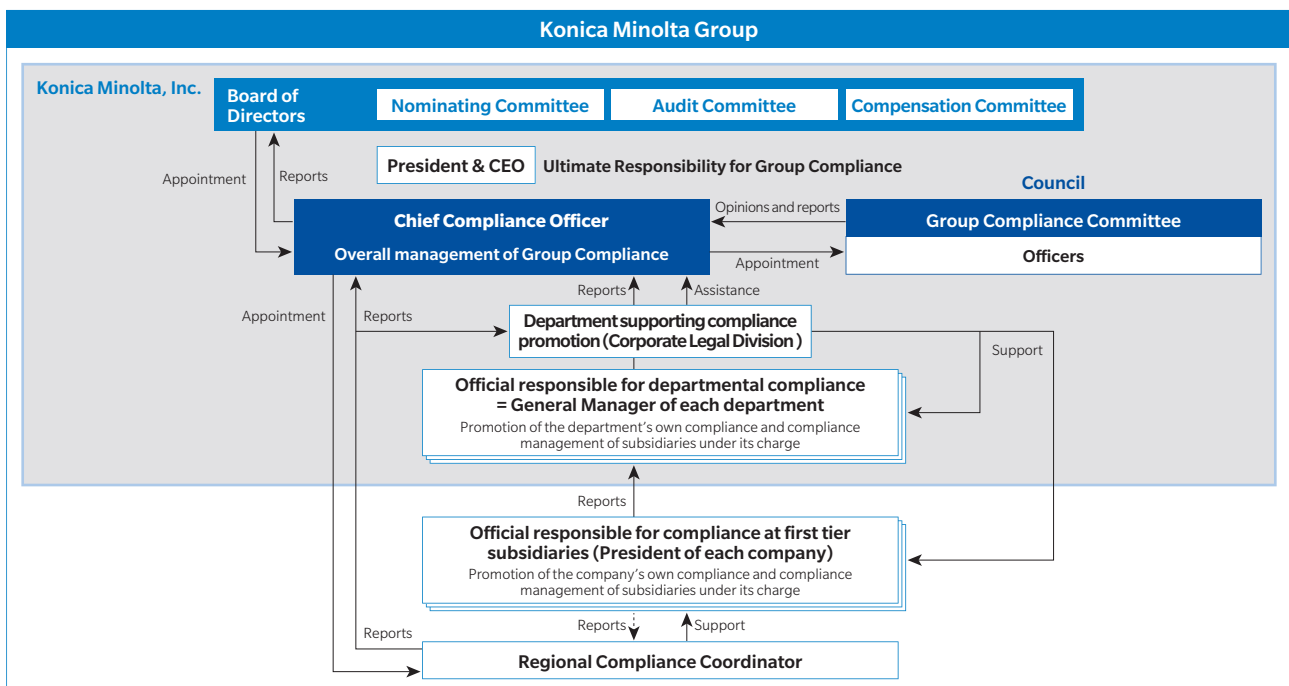
The Executive Officer in charge of compliance assigns a regional compliance coordinator in Europe, North America, China, and South East Asia, and each coordinator supports compliance promotion activities in each area, working with the presidents of subsidiaries on these activities according to the circumstances of each region.

Whistleblowing System

Konica Minolta works to maintain and improve upon its internal whistleblowing system. We have a support desk in Japan that allows group employees to inform or speak with the President & CEO, the Executive Officer and the General Manager of the Corporate Legal Division in charge of compliance, or an outside lawyer about compliance-related problems via various means such as telephone, email, and letters. We also have support desks for reporting and consultation that covers all regions in North America, Europe, China, and Southeast Asia. When a whistleblowing report is received, we investigate the claims and ask the department involved to take prompt action, taking care to cause no disadvantage to the reporter. The Group’s Executive Officer in charge of compliance regularly reports the content of these whistleblowing reports to the Audit Committee.

In fiscal 2019, in recognition of our skillfulness in developing and administrating our internal reporting system, we were certified as a business of self-declaring conformity with the whistleblowing compliance management system under the jurisdiction of the Japanese Consumer Affairs Agency. In order to improve awareness of compliance, we obtain Compliance Promotion Declarations from all management members and employees at Konica Minolta and our Japanese and overseas subsidiaries. We also take this opportunity to inform everyone about our whistleblowing system.

Group Compliance Promotion System



## Risk Management

### Risk Management System

Konica Minolta, Inc. has established a management system in which the President & CEO is responsible for risk management and crisis management.

The Executive Officers are responsible for managing various risks including strategic risks, financial risks, risks pertinent to environmental regulations and hazard risks. They identify and evaluate risks and develop and monitor countermeasures in their respective spheres of management.

In addition, the Risk Management Committee, chaired by an Executive Officer appointed by the Board of Directors, is convened periodically and additionally as required. The Committee examines the risks identified, as well as the countermeasures in place, and checks to ensure that the risk management system is functioning effectively, making revisions where necessary. The activities of the Risk Management Committee are periodically reported to the Audit Committee.

To address crises capable of arising from a range of risks, we respond and release information with speed and accuracy, while building systems that minimize the impact on our business and society.

The Crisis Management Committee, chaired by the Executive Officer for crisis management appointed by the Board of Directors, discusses and formulates crisis countermeasures and procedures for action.

At the same time, with an eye to assessing situations in times of crisis and facilitating prompt decision-making, we have put in place an emergency contact system alongside a system to enable the President & CEO to take leadership when serious incidents occur. A prime example of this is our efforts to

respond to COVID-19, which appeared in 2019. We swiftly established an internal provisional system headed with the Executive Officer in charge of crisis management as the Crisis Management Committee Chairperson, all under the President & CEO who has overall responsibility.

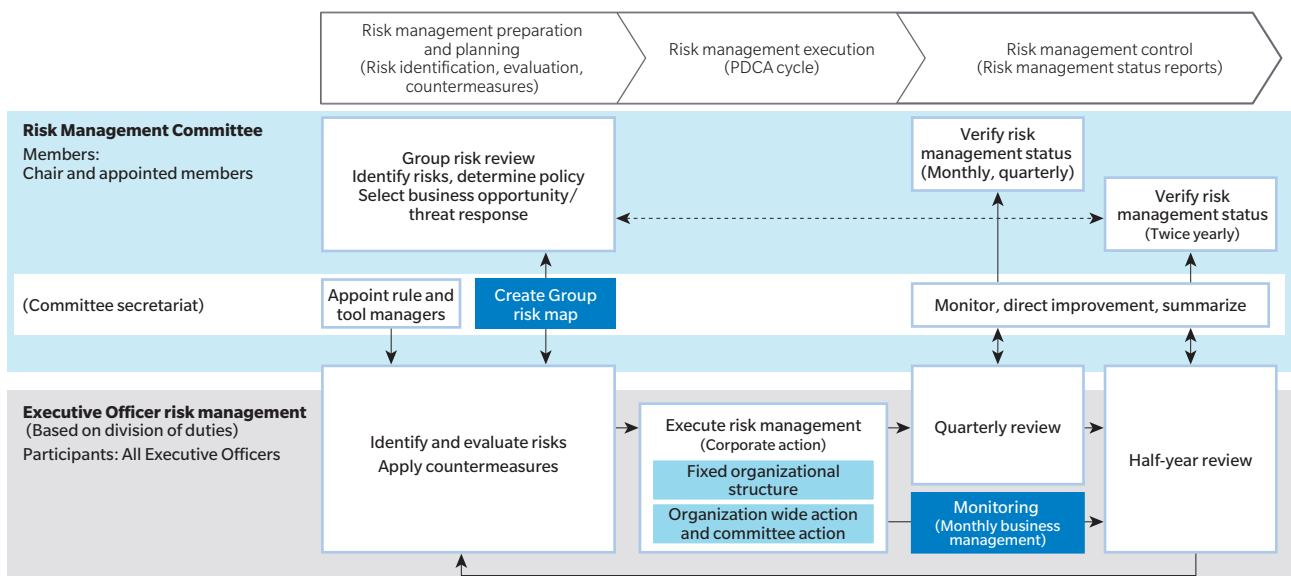
### Risk Management Process

The Risk Management Committee reviews management risk items in seventeen categories, which include subcategories and further subcategories. It conducts monthly and quarterly monitoring, reviews the status of countermeasures, and applies the PDCA process to improve risk measures.

The Risk Management Committee also annually identifies specific material risks to the Group that it deems especially critical to management. The committee chair appoints committee members (Executive Officers) to lead the risk management of risks considered important to monitor from a companywide perspective and monitor the monthly progress of the Group's countermeasures.

All risks are plotted based on quantitative assessments of the potential degree of impact and occurrence frequency into a comprehensive Group Risk Map. These maps are updated and pertinent countermeasures are discussed twice a year, with the committee chair convening the committee as deemed necessary.

### Risk Management Process



## Corporate Governance

### Management Members



Front row (from left): Fukushima, Fujiwara, Yamana, Matsuzaki, Hatchoji, and Hodo  
Back row (from left): Uchida, Hatano, Taiko, Sakuma, Itoh, and Suzuki

#### Masatoshi Matsuzaki

Chairman of the Board

April 1976	Joined Konishiroku Photo Industry Co., Ltd.
November 1997	General Manager of Development Group No. 2, Color Business Machines Development Div., Business Machines Headquarters of Konica Corporation
May 1998	General Manager of Development Center No. 1, System Technology Development Div., Business Machines Headquarters of Konica Corporation
October 2003	Director of Konica Minolta Business Technologies, Inc.
April 2005	Executive Officer of the Company, and Representative Director and President of Konica Minolta Technology Center, Inc.
April 2006	Senior Executive Officer of the Company, and Representative Director and President of Konica Minolta Technology Center, Inc.
June 2006	Director and Senior Executive Officer of the Company, and Representative Director and President of Konica Minolta Technology Center, Inc.
April 2009	Director, President & CEO, and Representative Executive Officer of the Company
April 2014	Director and Chairman of the Board (positions which he continues to hold)

#### Shoei Yamana

Director (President & CEO)

April 1977	Joined Minolta Camera Co., Ltd.
July 1996	General Manager of Management Planning Div. of Minolta Co., Ltd.
January 2001	CEO of Minolta QMS Inc.
July 2002	Executive Officer, General Manager of Management Planning Div., Deputy General Manager of Image Information Products General Headquarters, Image Information Products Company of Minolta Co., Ltd.
August 2003	Senior Executive Officer of the Company, and Executive Officer and General Manager of MFP Operations and Deputy General Manager of Image Information Products General Headquarters, Image Information Products Company of Minolta Co., Ltd.
October 2003	Senior Executive Officer of the Company, and Managing Director of Konica Minolta Business Technologies, Inc.
April 2006	Senior Executive Officer of the Company
June 2006	Director and Senior Executive Officer of the Company
April 2011	Director and Senior Executive Officer of the Company, and Representative Director and President of Konica Minolta Business Technologies, Inc.
April 2013	Director and Senior Managing Executive Officer of the Company
April 2014	Director, President & CEO, and Representative Executive Officer of the Company (positions which he continues to hold)

#### Takashi Hatchoji

Director (Outside Director)

April 1970	Joined Hitachi, Ltd.
June 2003	Vice President and Executive Officer of Hitachi, Ltd.
April 2004	Senior Vice President and Executive Officer of Hitachi, Ltd.
April 2006	Representative Executive Officer, Executive Vice President and Executive Officer of Hitachi, Ltd.
April 2007	Director of Hitachi Research Institute
June 2007	President and Representative Director of Hitachi Research Institute
April 2009	Representative Executive Officer, Executive Vice President and Executive Officer of Hitachi, Ltd.
June 2011	Director of Hitachi, Ltd.
June 2015	Advisor of Hitachi, Ltd.
June 2016	Retired from Advisor of Hitachi, Ltd. (position which he continues to hold)
June 2017	Director of the Company (position which he continues to hold)

#### Taketsugu Fujiwara

Director (Outside Director)

April 1969	Joined Asahi Chemical Industry Co., Ltd.
June 1998	President and Representative Director of Asahi-Schwebel Co., Ltd.
June 2000	Director of Asahi Chemical Industry Co., Ltd.
June 2003	Senior Executive Officer of Asahi Kasei Corporation
October 2003	President of Asahi Kasei Chemicals Corporation
April 2009	Vice-Presidential Executive Officer of Asahi Kasei Corporation
June 2009	Director, Vice-Presidential Executive Officer of Asahi Kasei Corporation
April 2010	President and Representative Director of Asahi Kasei Corporation
April 2014	Vice Chairman and Director of Asahi Kasei Corporation
June 2014	Vice Chairman of Asahi Kasei Corporation
June 2015	Standing Counsellor of Asahi Kasei Corporation
June 2018	Counsellor of Asahi Kasei Corporation (position which he continues to hold)
June 2018	Director of the Company (position which he continues to hold)

**Chikatomo Kenneth Hodo**

Director (Outside Director)

September 1982	Joined Accenture Japan Ltd
September 2005	Representative Director of Accenture Japan Ltd
April 2006	Representative Director and President of Accenture Japan Ltd
September 2015	Director and Chairman of Accenture Japan Ltd
September 2017	Director and Senior Corporate Advisor of Accenture Japan Ltd
July 2018	Senior Corporate Advisor of Accenture Japan Ltd (position which he continues to hold)
June 2018	Director of the Company (position which he continues to hold)

**Soichiro Sakuma**

Director (Outside Director)

April 1978	Joined Nippon Steel Corporation
April 2009	Director (under the Executive Management System) of Nippon Steel Corporation
April 2012	Managing Director (under the Executive Management System) of Nippon Steel Corporation
June 2012	Managing Director (Member of the Board) of Nippon Steel Corporation
October 2012	Managing Director, Member of the Board of Nippon Steel & Sumitomo Metal Corporation
April 2014	Representative Director and Executive Vice President (in charge of General Administration, Legal, Internal Control & Audit, Business Process Innovation, Human Resources and Environment) of Nippon Steel & Sumitomo Metal Corporation
April 2018	Director of Nippon Steel & Sumitomo Metal Corporation
June 2018	Senior Advisor of Nippon Steel & Sumitomo Metal Corporation
April 2019	Senior Advisor of Nippon Steel Corporation (position which he continues to hold)

**Hiroyuki Suzuki**

Director

April 1979	Joined Minolta Camera Co., Ltd.
July 1997	Senior Managing Director, Minolta MBK Digital Studio, Inc.
April 2004	General Manager, China Sales Promotion Office, MFP Overseas Sales Department, Konica Minolta Business Technologies, Inc.
June 2006	General Manager in charge of Audit Committee Office of the Company
June 2009	General Manager, Corporate Audit Division of the Company
April 2012	Executive Officer, General Manager, Corporate Audit Division of the Company
June 2019	Director of the Company (position which he continues to hold)

**Seiji Hatano**

Director (Senior Executive Officer)

April 1982	Joined the Mitsubishi Bank, Ltd.
June 2011	Resigned the Bank of Tokyo-Mitsubishi UFJ, Ltd.
July 2011	Joined the Company
April 2013	Executive Officer and General Manager, Corporate Strategy Division of the Company
April 2014	Senior Executive Officer and General Manager, Corporate Strategy Division of the Company
June 2014	Director, Senior Executive Officer and General Manager, Corporate Strategy Division of the Company
April 2016	Director, Senior Executive Officer and General Manager, Management Planning Division of the Company
April 2017	Director and Senior Executive Officer in charge of Management Planning, Administration, and Risk Management of the Company
April 2018	Director and Senior Executive Officer in charge of Administration, Accounting, Financial Affairs, and Risk Management of the Company (position which he continues to hold)

**Sakie Tachibana Fukushima**

Director (Outside Director)

June 1980	Joined Braxton International
September 1987	Joined Bain & Company, Inc.
August 1991	Joined Korn/Ferry International-Japan
September 2000	Regional Managing Director of Korn/Ferry International-Japan and Member of the Board of Korn/Ferry International (Global Headquarters)
May 2009	Chairman and Representative Director of Korn/Ferry International-Japan
July 2010	President and Representative Director of G&S Global Advisors Inc.(position which she continues to hold)
June 2019	Director of the Company (position which she continues to hold)

**Toyotsugu Itoh**

Director

April 1979	Joined Konishiroku Photo Industry Co., Ltd.
October 2003	General Manager, Production Technology Center, Production Technology Headquarters of Konica Minolta Business Technologies, Inc.
April 2005	Vice President (in charge of Corporate Planning, Quality, Environment, Technology) of Konica Minolta Business Technologies (WUXI) Co. Ltd.
June 2011	Director, General Manager, Manufacturing Technology Center of Konica Minolta Technology Center, Inc.
April 2013	Executive Officer, General Manager, Corporate Production Operation Division of the Company
April 2015	Senior Executive Officer, General Manager, Corporate Production Operation Division in charge of Group Production Engineering of the Company
April 2016	Senior Executive Officer in charge of Management Quality Improvement of the Company
June 2018	Director of the Company (position which he continues to hold)

**Toshimitsu Taiko**

Director (Senior Vice President and Executive Officer)

April 1986	Joined Minolta Camera Co., Ltd.
June 2012	Director, General Manager, Corporate Planning Division, General Manager, Business Innovation Division of Konica Minolta Business Technologies, Inc.
April 2013	CEO of Konica Minolta Business Solutions U.S.A., Inc.
April 2015	Executive Officer, CEO of Konica Minolta Business Solutions U.S.A., Inc.
April 2016	Executive Officer, General Manager, Business Technologies Business, Business Planning Headquarters of the Company
April 2017	Executive Officer, General Manager, Professional Printing Business Headquarters of the Company
April 2018	Senior Executive Officer, lead officer responsible for Business Technologies Business, General Manager, Office Business Headquarters of the Company
June 2018	Director and Senior Executive Officer, lead officer responsible for Business Technologies Business, General Manager, Office Business Headquarters of the Company
April 2020	Director and Senior Vice President and Executive Officer, lead officer responsible for Business Technologies, and responsible for Corporate Planning, Investor Relations and Corporate Communications of the Company (position which he continues to hold)

**Masafumi Uchida**

Director (Senior Executive Officer)

April 1983	Joined Konishiroku Photo Industry Co., Ltd.
April 2012	General Manager in charge of Production Technology Division, Konica Minolta Business Technologies, Inc.
April 2013	Deputy General Manager, Production Headquarters of the Company
April 2015	General Manager, Corporate Social Responsibility Operations of the Company
April 2016	Executive Officer, General Manager, Environment Management and Quality Promotion Division, and in charge of Business Technologies Quality Assurance of the Company
April 2018	Senior Executive Officer, General Manager, Quality Headquarters and in charge of Promotion of Sustainability of the Company
April 2019	Senior Executive Officer responsible for Technologies and General Manager, Quality Management Headquarters of the Company
June 2019	Director and Senior Executive Officer responsible for Technologies and General Manager, Quality Management Headquarters of the Company
April 2020	Director and Senior Executive Officer responsible for Technologies of the Company (position which he continues to hold)

## Corporate Governance

### Executive Officers (Listed in Japanese alphabetical order by name at the time of appointment or promotion) As of October 1, 2020

Title	Name	Current Position and Responsibilities at the Company
President & CEO, Representative Executive Officer	Shoei Yamana*	Responsible for Diversity Enhancement
Senior Vice President and Executive Officer	Kiyotaka Fujii	Division President of Healthcare Business Headquarters and Chairman and CEO, Konica Minolta Precision Medicine, Inc.
Senior Vice President and Executive Officer	Toshimitsu Taiko*	Lead Officer responsible for Business Technologies and Responsible for Corporate Planning, Investor Relations and Corporate Communications
Senior Executive Officer	Seiji Hatano*	Responsible for Business Management, Accounting, Financial and Risk Management
Senior Executive Officer	Noriyasu Kuzuhara	Division President of Material & Component Business Headquarters and General Manager, Corporate R&D Headquarters
Senior Executive Officer	Yuji Ichimura	Responsible for Digital Transformation, DX Branding and Public Relations
Senior Executive Officer	Masafumi Uchida*	Responsible for Technologies
Senior Executive Officer	Hajime Takei	Division President of Digital Workplace Business Headquarters and Responsible for BIC (Business Innovation Center) and One KM Business Promotion
Executive Officer	Ken Osuga	Representative Director and President, Konica Minolta Japan, Inc.
Executive Officer	Atsuo Takemoto	General Manager, Manufacturing and Procurement Headquarters
Executive Officer	Richard K. Taylor	CEO Konica Minolta Business Solutions U.S.A., Inc.
Executive Officer	Takaji Ito	Deputy General Manager, Manufacturing and Procurement Headquarters and General Manager, Manufacturing Operations
Executive Officer	Toshiya Eguchi	Responsible for IoT Service Platform Development, Imaging-IoT Solution Business and Visual Solutions Business
Executive Officer	Koji Sugie	General Manager, Quality Management Headquarters
Executive Officer	Tetsuya Matsueda	General Manager, Legal Division and Responsible for Intellectual Property, Compliance and Crisis Management
Executive Officer	Kazumi Atago	Company Secretary and General Manager, Secretarial Division
Executive Officer	Hitoshi Kamezawa	General Manager, Sensing Business Unit
Executive Officer	Jean-Claude Cornillet	President, Konica Minolta Business Solutions France S.A.S.
Executive Officer	Keiji Okamoto	President, Konica Minolta Business Solutions Europe GmbH
Executive Officer	Yoshihiko Hirota	General Manager, R&D Headquarters, Business Technologies
Executive Officer	Toshitaka Uemura	Division President of Professional Print Business Headquarters
Executive Officer	Kazuhiro Kobayashi	Division Vice President of Healthcare Business Headquarters and General Manager, Healthcare Business Unit
Executive Officer	Shinichiro Oka	Responsible for Human Resources

\* Indicates the officer also holds a position as Director

## Independent Valuation of Konica Minolta's Management, with Its Focus on Achieving Sustainable Growth

ESG investment, which involves selecting and investing in companies that make outstanding achievements with respect to areas such as human resources, the environment, and corporate governance, as well as corporate finance, has been garnering attention around the world in recent years.

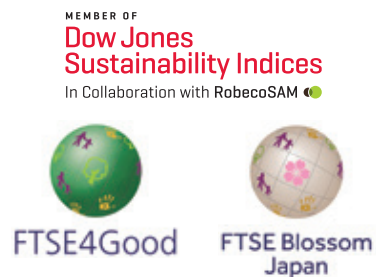
Konica Minolta has been included in several international ESG investment indexes. The Company has been included in the World Index (since 2012) and Asia

Pacific Index (since 2009) of the Dow Jones Sustainability Index issued by U.S.-based S&P Dow Jones Indices and Swiss-based RobecoSAM<sup>1</sup>. The Company has also been included in the FTSE4 Good Index Series (since 2003).

For the second consecutive year, the Company was also selected as one of the Global 100 Most Sustainable Corporations in the World by Canada based Corporate Knights in conjunction with the World Economic Forum, an annual global economics meeting held in Davos.

### ■ Inclusion in Prominent Japanese/Foreign Indices

November 2020	Included in the Dow Jones Sustainability World Index for 9 years running, and in the Asia-Pacific Index consecutively since 2009
July 2020	Maintained inclusion in the FTSE4Good Index Series for the 17th consecutive year
July 2020	Inclusion in four investment indexes—the FTSE Blossom Japan Index, the MSCI Japan ESG Select Leaders Index, the MSCI Japan Empowering Women Index, and the S&P/JPX Carbon Efficient Index—by the Government Pension Investment Fund (GPIF), the world's largest pension fund, since the fund was established



### ■ Evaluations by International ESG Rating Agencies

March 2020	Achieved a Gold rating consecutively since 2016 in EcoVadis' sustainability survey
February 2020	Acquired a rating of A- in CDP's climate change score. CDP is an international NGO that undertakes activities to bring about a sustainable economy.
January 2020	Received Silver Class distinction from S&P Global Inc. in SAM Sustainability Award 2020



### ■ Various management surveys in Japan

August 2020	Selected as a Digital Transformation Stock (DX Stock) 2020 as a company engaged in strategic IT activities
March 2020	For the fifth time and three years in a row, named in the Health and Productivity Stock Selection
December 2019	Received the highest award (the Grand Prix award) at the Nikkei SDGs Management Grand Prix
May 2019	Placed first in the general manufacturers ranking in the 22nd Nikkei Environmental Management Survey

