

Growing our business while solving social and environmental issues

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Since the integration of Konica and Minolta's management in 2003, sustainability has constantly been at our management's core

For Konica Minolta, sustainability means contributing to the realization of a sustainable society by solving social and environmental issues through its business activities, while growing as a company. In our view, we can achieve sustainable growth by solving social and environmental issues through economically rational business. Since the management integration in 2003, we have constantly positioned sustainability at the core of our management, seeking growth while helping to solve social and environmental issues based on this concept. In 2020, we evaluated the impact that social and environmental issues have on the Company from an opportunity and risk perspective with any eye toward creating a sustainable society that should be achieved in ten years, in 2030. By back-casting from there, we identified five material issues. We have maintained this basic approach in the new Medium-term Business Plan, which starts from fiscal 2023, and are pursuing the realization of material issues according to the new value creation process (see page 5 for details).

Achieving corporate growth by constantly cycling through the value creation process

In the new Medium-term Business Plan, we will continue to deploy and cycle through the value creation process by positioning "co-creation with customers" at the core. Our business is designed to create value by backcasting based on future social issues.

In this process, we especially focus on co-creation with customers through strengthening businesses. The source of our value creation is our close relationships with our customers and it increases the certainty that we remain profitable, and have a broad impact on society through those customers. We will provide even greater value to society by pursuing co-creation with our customers to address specific social and environmental issues, while further expanding business and achieving sustainable growth. Together with our customers, we seek to achieve a major social impact unachievable by our company alone by changing the industrial value chain focusing long-term on changes in end-users and society beyond our

customers. To this end, we will make greater use of our diverse human capital than ever before and integrate our technologies across businesses.

Achieving material issues through a new value creation process

Under the new process for value creation, we will achieve the following five material issues through our business activities: "Improving fulfillment in work and corporate dynamism," "Supporting healthy, high-quality living," "Ensuring social safety and security," "Addressing climate change," and "Using limited resources effectively."

For example, the vision of the Professional Print Business is to create a world where high value-added printed materials are efficiently used, and the environmental impact of printing is minimized by "shifting from analog to digital printing." Our digital printing system, which includes decorative printing, is labor saving, requires no high-skill to use, and enables remote operation, providing a substantial reduction in work time, and leading to a cleaner working environment at the printing site and a more creative and dynamic workplace. In addition, we seek to transform the entire printed materials supply chain, including our brand owner clients who pursue the potential of printing and the logistics sites that deliver printed materials. In the new Medium-term Business Plan, with the reduction of environmental impact now a global trend, we have set the digitalization of label printing, packaging printing, and textile printing as our areas of focus in the industrial printing field. Working together with our target customers, who are printing companies and brand owners that are strongly conscious of sustainability, we will grow our business through digitalization and create significant social and environmental value by focusing on manufacturing products that satisfy customers and can be used by professionals.

In the Healthcare Business, our mission is to "enable convenient and advanced medical care by advancing familiar modalities and IT services." We will contribute to "early diagnosis," "lower medical care costs," and "improved Quality of Life (QOL)" by advancing medical care through these two axes: 1) making the invisible visible through high-value-added imaging and enabling advanced medical care, and 2) supporting workflow reforms and greater operational efficiency in clinics using the power of medical IT.

Sustainability Strategy

This is how we will continue to be indispensable to our customers and society, we will maximize the use of our intangible assets, the source of our value creation, and co-create with our customers to not only contribute to society, but also to convert these assets into financial value and achieve business growth.

Toward business growth through environmental activities

Konica Minolta has extensive experience accumulated over the years to help it achieve its long-term vision. To reduce the environmental impact that we are responsible for, such as product lifecycle CO₂ emissions, we conduct Green Factory activities to promote energy-saving, decarbonization, and conserving energy in our production processes, and Green Products activities to promote the environmental friendliness of our products, such as reducing their environmental impact when our customers use them. We also conduct Green Marketing activities that link this kind of low-environmental-impact performance to sales. The Company has set up a system where all functions, including development, production, and sales, are each responsible for reducing product lifecycle CO₂ emissions.

We have also long been committed to helping reduce CO₂ emissions and resources beyond the product lifecycle. The previously mentioned “shift from analog to digital printing” promoted by the Professional Print Business eliminates the need for plates used in each process compared to conventional analog printing, and greatly reduces the work of adjusting color and position. The result is that customers can significantly reduce their CO₂ emissions and resource use. This is a further contribution to printing on media other than paper. In the textile industry, where environmental concerns have recently become increasingly important, the switch from screen printing to digital printing eliminates the need for cleaning water and energy for fixing, which are mainly responsible for the environmental impact of the dyeing process.

We are also trying to create new environmental contributions in the Industry Business domain, an area that we seek to strengthen in our Medium-term Business Plan for 2025. A specific example is the introduction of inkjet systems at the manufacturing sites of our Inkjet (IJ) component business. In the manufacturing process of electronic devices such as printed circuit boards and displays, special printing for flexible packaging, building materials, and solar cells, we seek to

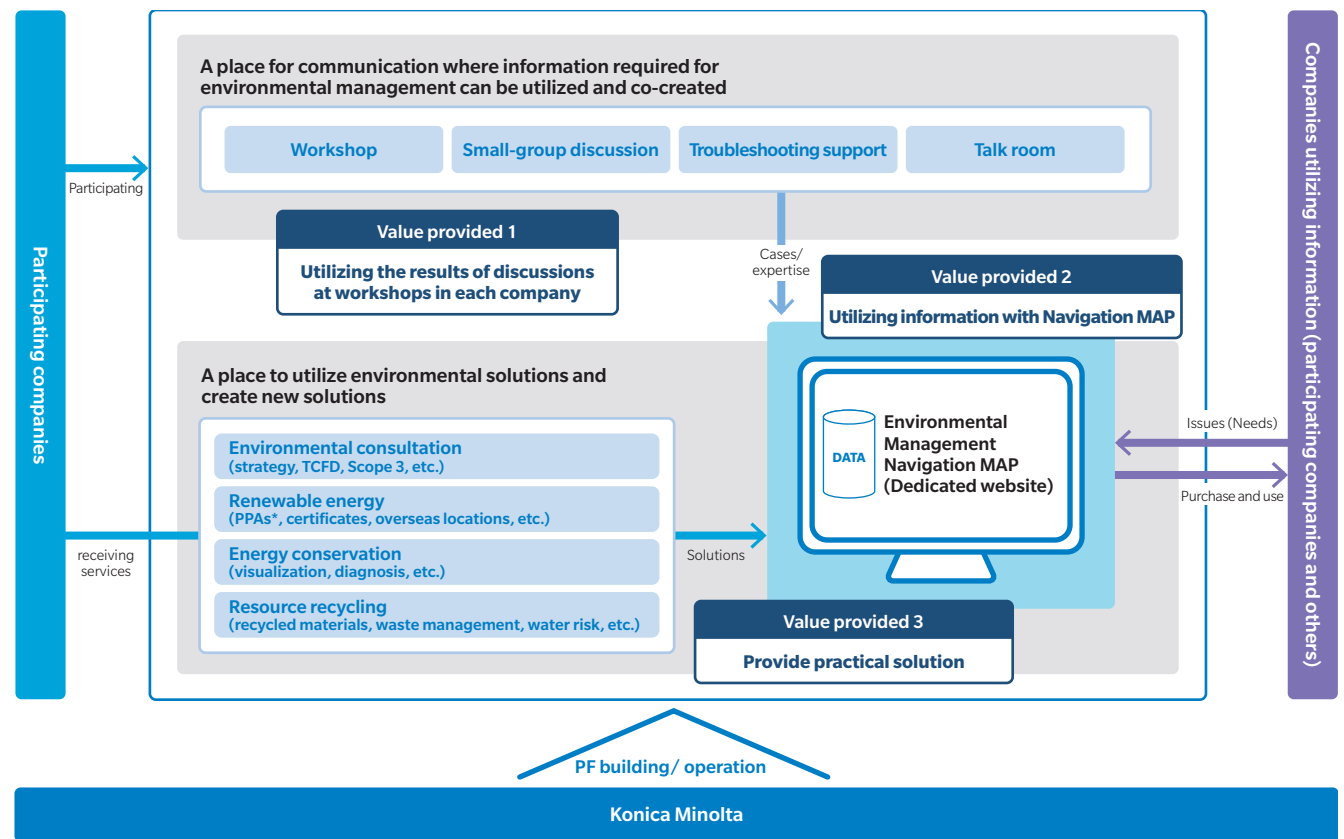
transform our customers’ workflows and achieve new manufacturing process by using inkjet printing technology. For example, in the solder resist manufacturing for printed circuit boards, the inkjet method can greatly simplify the process compared to the conventional process using the photographic development method. Not only are we improving the work environment at our customer’s companies through process reduction, but we also expect a significant reduction in

environmental impact through the elimination of VOCs (volatile organic compounds) and waste fluids.

Accelerating decarbonization by collaborating with suppliers and partners

One of our distinctive initiatives to reduce the environmental impact outside of the product lifecycle is our “Carbon Neutral

Environmental Digital Platform



* PPA: Power Purchase Agreement

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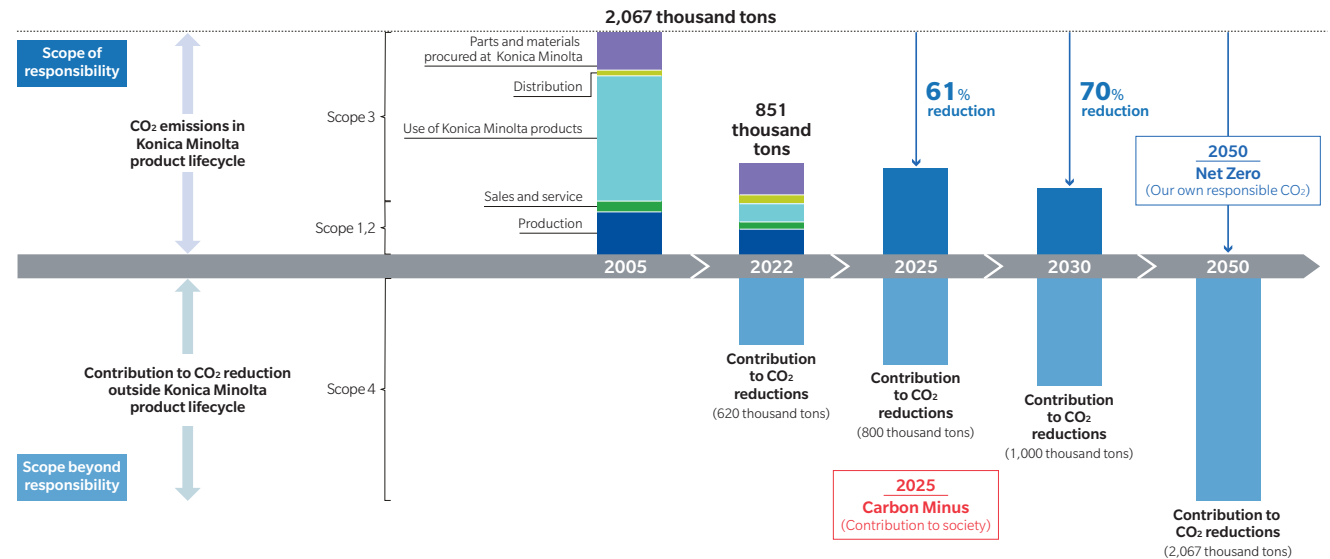
Partner Activity” that supports the reduction of CO₂ emissions at suppliers. In the past, environmental and energy specialists had to visit procurement sites to provide support, which limited the number of companies that could be served to three or four per year. However, Konica Minolta has developed a system that automatically performs energy conservation diagnosis, which enables us to collaborate with about ten suppliers per year. Support for these CO₂ reductions will result in a spillover effect on environmental impact reductions outside of our own procurement, thereby contributing to reducing our environmental impact outside our scope of responsibility. In recent years, creating a more sustainable supply chain has become an important issue, so we are taking steps to decarbonize the entire supply chain by leveraging our long years of experience and increased efficiency through DX.

The Environmental Digital Platform launched in fiscal 2020 is another of our priority initiatives. Launched as an ecosystem for reducing environmental impact, the Environmental Digital Platform was started with 16 companies, but the number of participating companies had expanded to 86 as of July 2023. The platform seeks to promote the creation of innovation through collaboration and co-creation among companies and to solve environmental issues on a global scale by raising operational efficiency through workshops and sharing knowledge on the themes of Net Zero and the circular economy and by pooling and capitalizing on knowledge from different industries.

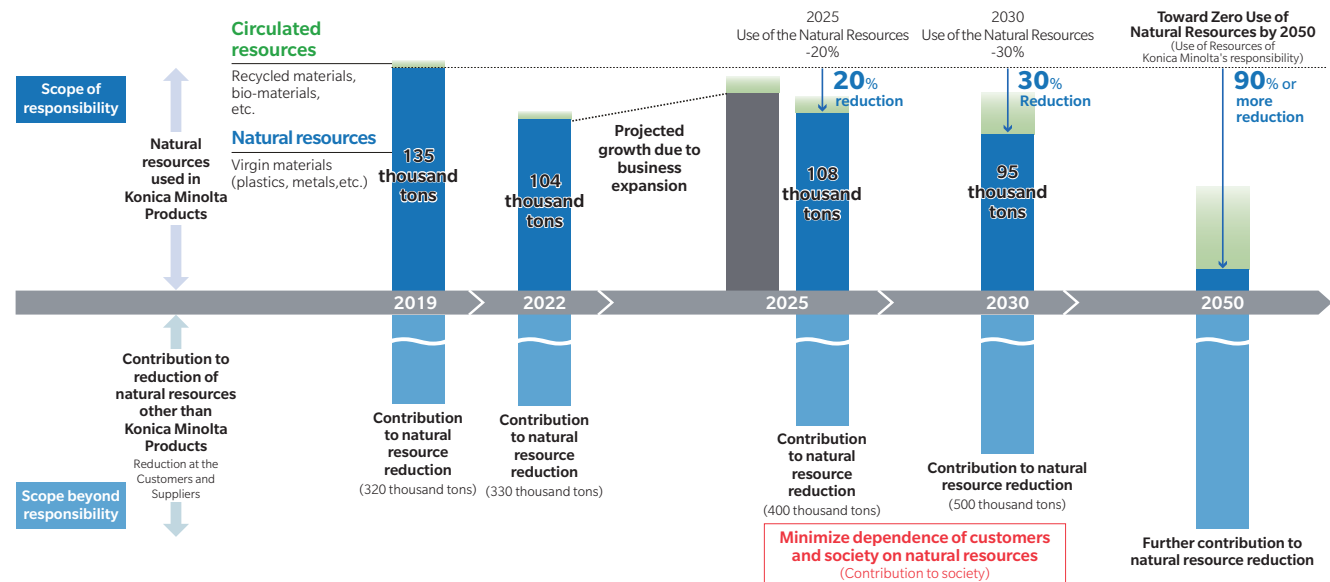
Aiming for Net Zero CO₂ and zero use of natural resources by 2050

Based on the above initiatives, we have formulated Eco Vision 2050, our long-term environmental vision that includes the unique concept of Carbon Minus in our environmental management. Carbon Minus seeks to not only reduce the lifecycle environmental impact of products within the scope of our responsibility, but also to contribute to the reduction of environmental impact that we are not responsible for, and to create a state wherein this reduction exceeds the emissions generated by Konica Minolta, through collaboration with customers and suppliers. We believe that this approach and our initiatives embody the concept of environmental management of

Environmental New Target: Net Zero CO₂ emissions by 2050



Environmental New Target: Toward zero use of natural resources by 2050



* Natural resources: Resources that require new drilling or mining, such as crude oil or mineral resources and are generally synonymous with depletable resources.

Sustainability Strategy

“growing our business by solving environmental challenges and also creating new businesses,” which has resulted in our non-financial activities being highly assessed by various stakeholders.

At the same time, the transition to a decarbonized and recycling-oriented society in the global market is occurring at a rapidly increasing pace, making it necessary to speed up our efforts a notch to maintain our non-financial activities at an effective level. Therefore, we have also re-examined our long-term environmental vision which consists of non-financial indicators in our new Medium-term Business Plan.

With regard to climate change, we had previously set the goal of reducing product lifecycle CO₂ emissions, which is within the scope of our responsibility, by 80% from the fiscal 2005 level by 2050, but we have now set the goal of achieving Net Zero emissions by 2050. This shows our intention to adapt our business to a decarbonized society. In addition, we have decided to push forward our goal of achieving Carbon Minus emissions from 2030 to 2025, wherein our contribution to CO₂ reductions outside the scope of our responsibility exceeds the emissions within the scope of our responsibility. With society shifting significantly to decarbonization, we seek to demonstrate the value of contributing to society through our business by showing that our contribution exceeds our own emissions, and that this will drive our business growth.

We have also set two long-term targets to reduce resource use for 2050, which are divided into, 1) resources within the scope of our responsibility and, 2) contribution to resource reductions. For resources within the scope of our responsibility, we will reduce our resource use and replace it with circulated resources to achieve zero use of natural resources. We will also maximize our contribution to reducing global resources in products other than our own. In parallel with a decarbonized society, we will create new businesses and achieve growth by building a recycling-oriented society.

Further advancing our sustainability management

The President and CEO has overall responsibility and authority for the Company’s sustainability management. As the person responsible for the Corporate Planning Headquarters, I promote the Group’s sustainability management and report on the state of our progress at board meetings and receive advice and feedback.

I am proud of the leadership we have shown in our ongoing sustainability efforts, especially in the environmental field. On the other hand, I recognize that our sustainability initiatives do not necessarily generate profits, or they do generate profits, but they are invisible to investors and other stakeholders, and this is a major issue. Making progress towards resolving this issue is a major goal of our Medium-term Business Plan.

As General Manager of the Corporate Planning Headquarters, I will lead the Company to ensure that the new value creation process has spread to and is incorporated in each and every business and employee, and that the management team including the Board of Directors, fully supports these activities.

Sustainability Management System

