Messages from Outside Directors

Chairperson of the Board

Takuko Sawada
Outside Director, Chairperson of the Board

On appointment as Chairperson of the Board

On assuming the position of Chairperson of the Board of Directors in june 2025, I reaffirm my commitment to enhancing the effectiveness of governance to guide Konica Minolta's corporate value—underpinned by its cultivated technological expertise—toward the next stage of growth.

The corporate business environment is facing unprecedented uncertainty, driven by heightened geopolitical risks, supply chain disruptions, climate change challenges, and the diversification of societal values and behaviors. In these times, the role of the Board of Directors—as both a supervisory body and a forum for strategic discussion—is more important than ever. Throughout my career, I have been engaged in management and R&D across a diverse range of industries, including pharmaceuticals, chemicals, and digital technologies. I will leverage this experience to foster constructive and transparent discussions to contribute to Konica Minolta's sustainable growth and the enhancement of its corporate value over the medium to long term.

Assessment of the executive management

Under the Medium-term Business Plan 2025, which commenced in fiscal 2023, the executive management has steadily implemented management reforms that required tough decisions, especially in reviewing capital efficiency and profit structure, and in thoroughly carrying out the selection and concentration of businesses. Completion of management reforms by fiscal 2024 was a prerequisite for making fiscal 2025, the final year of the Medium-term Business Plan, the year we steer toward growth, so I commend the executive management for their efforts over the past two years.

On the other hand, no dividend was paid in fiscal 2024 due to a net loss, and we ask our shareholders for their continued patience. As the Company's PBR remains below 1.0, it is imperative to achieve a return that exceeds the cost of shareholders' equity (ROE of 8% or more) at the earliest possible stage to restore market confidence.

Following the selection and concentration of businesses undertaken in fiscal 2024, the Board of Directors will deepen its assessment of the intrinsic strengths and competitiveness of each business, as reflected in its market value. Particular attention will be given to the Industry Business, which is expected to play a central role in the Company's growth story. In addition to verifying the feasibility of its medium-term quantitative targets, it is important that the executive management takes appropriate risks for growth and that decision-making and monitoring of these risks are adequately conducted. We will further enhance the function of the Board of Directors as a forum for agile and strategic discussions on management strategies that consider both risks and opportunities. Furthermore, we monitor whether management decisions are made with a clear awareness of capital costs, whether resources are appropriately allocated to support the medium- to long-term growth, and whether the Company possesses the necessary capabilities to effectively execute its strategies.

It is also essential to further deepen discussions on the fundamental nature of the cost structure in the Business Technologies Business. In areas such as professional print and healthcare, we will continue to clarify the sources of the Company's competitive advantage.

Board of Directors Operations Policy for Fiscal 2025

To clarify the Company's future vision for medium- to long-term growth, fiscal 2024 was positioned as an "extraordinary year" during which the executive management committed itself to resolving legacy issues. In response, the Board of Directors aligned its priority accordingly, urging the same focus from management. The Board deliberately prioritized providing advice and engagement aimed at enhancing execution capabilities.

In contrast, in fiscal 2025, we aim to return to the Board of Directors' fundamental role: identifying and deepening discussions on Konica Minolta's sustainable competitive advantages as a manufacturing company. It will be essential to deepen constructive discussions on medium- to long-term growth strategies centered on technology and customer value, build consensus between executive management and the Board on the equity story that emerges through this process, and monitor the agreed-upon KPIs and milestones. We also recognize our responsibility to communicate a clear and consistent message to all stakeholders, including the capital markets. The capital markets are unlikely to grant us any further leeway.

Expectations for growth strategies grounded in experience and technological expertise

Over the years, I have served as a bridge between R&D divisions and management. Innovation is not merely a technological achievement; the key lies in how effectively it can be translated into value for the market and society. From this perspective, Konica Minolta's advanced fundamental technologies in areas such as imaging and materials hold significant potential to contribute to solving social issues such as the shrinking workforce and resource constraints.

Looking ahead, co-creation and collaboration with external partners will become increasingly vital to bring these technologies into real-world application. Drawing on my external perspective and understanding of how technologies are valued in ecosystem development, I will strive to serve as a driving force in converting Konica Minolta's strengths into market value. At the same time, I will aim to help the Company achieve true growth by fostering a corporate culture in which our people and organization can stay ahead of the rapidly evolving scientific and technological advances and environmental changes while proactively driving innovation with a sense of excitement.

Chairperson of the Nominating Committee

Masumi Minegishi
Outside Director
Chairperson of the Nominating Committee

Nominating Committee supervision in selecting a successor to the President and CEO

Since 2003, Konica Minolta has adopted the governance structure of a Company with Committees (now a Company with Three Committees), under which the chairpersons of all three statutory committees are selected from among Outside Directors. The Nominating Committee, composed of a majority of Independent Outside Directors, leads the succession planning for Outside Directors to ensure that the Board of Directors, which decides on executive officer appointments, is not biased by internal logic.

In supervising and advising on the selection of a successor to the President and CEO, we place importance on ensuring transparency and objectivity. The Nominating Committee begins its supervision and advice by redefining the ideal leadership profile with a view to the future business environment and portfolio. The President and CEO is then asked to clarify the qualities required of candidates, and the Skills Matrix is used to visualize their experience and capabilities. The Nominating Committee receives reports from the President twice a year on the process of selecting and training candidates, and provides ongoing supervision and advice. The candidate list is reviewed flexibly in response to changing circumstances, while intensive training and evaluation are conducted in parallel, with consideration given to the timing of succession.

In addition, we evaluate the qualities essential for a top executive, such as a strong commitment to results and the ability to articulate a future vision, and link these to the compensation system. Background, experience, and qualitative assessments (such as the ability to empower talent and unify teams, and the capability to respond effectively on-site in overseas operations) are also emphasized. By creating opportunities for interaction between Outside Directors and potential successors, we strive to ensure that the Board of Directors is able to pass a resolution on the selection of the President and CEO based on multifaceted understanding and shared conviction.

Through this series of processes, the Nominating Committee fulfills its supervisory function in a strategic and consistent manner.

Assessment by the supervision side of President Taiko's reappointment

The reappointment of President Taiko was comprehensively assessed from the following three key perspectives.

The first is the ability to implement key measures. In fiscal 2024, President Taiko was highly evaluated for fulfilling his accountability by carefully communicating the necessity of special measures that temporarily adversely affected profits both internally and externally, and for successfully completing management reforms such as global workforce optimization and business selection and concentration.

Second is the continuity of management reforms. We have determined that the continued leadership of the president—who has consistently led the Medium-term Business Plan since fiscal 2023—is essential from the standpoint of ensuring both continuity and execution of these reforms.

Third is his leadership and organizational influence. Mr. Taiko has shifted toward a management approach that sets challenging yet achievable goals and steadily delivers results, earning trust both internally and externally. Over the past three years since assuming the presidency, he has led a transformation that has clearly marked a break from the past, and his approach has been positively received by employees. However, from fiscal 2025 onward, the Company will shift from resolving legacy issues to entering a new phase focused on establishing a foundation for growth. Going forward, President Taiko's ability to steer the Company onto a path of sustainable growth will be put to the test, and his true value as a leader will once again be evaluated as he leads the launch of new businesses, a challenge even greater than clearing past burdens.

Assessment of the Executive Management

Since assuming the presidency in fiscal 2022, President Taiko has addressed multiple structural issues. In April 2024, the Company transitioned from its previous multilayered executive structure to a new framework that consolidates responsibilities under the direct supervision of the President. This shift has clarified management functions and accelerated decision-making. Through the Board of Directors and its committees, I have consistently advocated for the clear delineation of responsibilities across all levels of execution and for rigorous evaluation based on that clarity. Although it will take some time for this approach to permeate the entire Group, I have observed a clear shift in the President's management style regarding responsibility and evaluation at the Executive Officer level compared to when I joined the Board in 2022. As a global company, Konica Minolta will be further strengthened as this management approach becomes firmly embedded throughout the organization.

From another perspective, themes such as the promotion of globally competitive talent, building a pipeline of female executives, and appointing individuals based on merit rather than seniority have been repeatedly discussed by the Nominating Committee. In particular, for female talent in the engineering field, where the recruitment pool is limited, not only system development but also transformation of the corporate culture itself is essential for nurturing future leaders over the medium to long term.

A company or organization is never a finished product. In a constantly changing environment, we must position ourselves as a perpetually evolving entity and continuously adapt and advance our governance framework. We believe that this is the essential mission entrusted to the supervisory function, including our Nominating Committee.

Our Directors and Executive Officers As of June 2025

List of Directors

Name and title	Toshimitsu Taiko Director, President & CEO, Representative Executive Officer
Career highlights	Joined Minolta Camera Co., Ltd. in 1986. Engaged in legal affairs in Japan and the United States and printer sales. After the integration of Konica and Minolta, he served in strategic business planning for the Business Technologies Business and as CEO of a sales company in the U.S. Appointed as Director and Senior Executive Officer in 2018. In 2020, he assumed the role of Senior Vice President and Executive Officer, responsible for corporate planning, investor relations, and corporate communications. Appointed to his current role as President and CEO, Representative Executive Officer in April 2022.
Number of shares of the Company held*	191,287 (125,571)
Term of office (years)	7

Name and title	Soichiro Sakuma Outside Director, Chairperson of the Audit Committee, Compensation Committee Member
Career highlights	At Nippon Steel Corporation and Nippon Steel & Sumitomo Metal Corporation (currently Nippon Steel Corporation), he served as Representative Director and Executive Vice President, overseeing major headquarters functions, primarily legal affairs, internal controls and audits, as well as general affairs, human resources, labor relations, environment, and IT. He was appointed to his current position of Director of the Company in June 2020.
Number of shares of the Company held*	17,000 (0)
Term of office (years)	5

Name and title	Masumi Minegishi Outside Director, Chairperson of the Nominating Committee, Compensation Committee Member
Career highlights	At Recruit Co., Ltd. (currently Recruit Holdings Co., Ltd.), he was involved in the launch of the *Zexy* bridal information magazine and expanded the company's business in the human resources and sales promotion fields. He led the digitalization and globalization of the company's business, serving as President, CEO, and Representative Director before becoming Chairperson and Representative Director of the Board in 2021. He joined Konica Minolta as a Director in June 2022 and currently holds this position.
Number of shares of the Company held*	0
Term of office (years)	3

Name and title	Takuko Sawada Outside Director, Chairperson of the Board, Nominating Committee Member
Career highlights	At Shionogi & Co., Ltd., she oversaw global pharmaceutical development and business strategy. She collaborated with academic and government institutions both domestically and internationally to advance global health, with a focus on infectious diseases. After serving as Senior Vice President, she assumed her current role of Vice Chairperson. She joined Konica Minolta as a Director in June 2023 and assumed her current role of Chairperson of the Board in June 2025.
Number of shares of the Company held*	0
Term of office (years)	2

Name and title	Saeko Arai Outside Director, Nominating Committee Member, Audit Committee Member Compensation Committee
Career highlights	After working at Arthur Andersen & Co., (currently KPMG AZSA LLC) and Sasaki Certified Public Accountants Office, she became Director and CFO of Internet Research Institute, Inc. (IRI), then CFO and CEO of IRI USA, Inc. She also serves as President of Gratia, Inc. (currently Acuray, Inc.). She joined Konica Minolta as a Director in June 2025 and currently holds this position.
Number of shares of the Company held*	0
Term of office (years)	Newly appointed

Name and title	Yoshihiko Kawamura Outside Director, Chairperson of the Compensation Committee, Nominating Committee Member Audit Committee Member
Career highlights	After serving as Senior Vice President at Mitsubishi Corporation, where he was involved in IT services, he joined Hitachi, Ltd. As its Chief Strategy Officer and Chief Financial Officer, he led the company's strategic initiatives, including IoT promotion and investment and financing strategies, driving the selection and concentration of its business operations. He currently serves as Executive Vice President and Executive Officer of Kioxia Corporation. He was appointed as a Director of Konica Minolta in June 2025 and has been serving in this role to the present day.
Number of shares of the Company held*	0
Term of office (years)	Newly appointed

Name and title	Hiroyuki Suzuki Director, Nominating Committee Member, Audit Committee Member, Compensation Committee Member
Career highlights	Joined Minolta Camera Co., Ltd. in 1979. After gaining experience in personnel management, as well as corporate administration, he oversaw the management of a new subsidiary as a director. Starting in 2006, he worked in the Audit Committee Office before becoming General Manager of the Corporate Audit Division, responsible for internal audits. In 2012, he became an Executive Officer, and in June 2019, took up his current post of Director upon resigning as Executive Officer.
Number of shares of the Company held*	148,683 (67,741)
Term of office (years)	6

Name and title	Noriyasu Kuzuhara Director, Executive Vice President and Executive Officer
Career highlights	Joined Konica Corporation in 1990. Involved in the development of new businesses such as liquid crystal display films, contributing to the significant expansion of the VATAC film business. Appointed as General Manager of the Performance Materials Business Unit in 2014, Executive Officer in 2015, and Executive Vice President and Executive Officer in 2016. He was appointed to his current position of Director in 2023.
Number of shares of the Company held*	102,409 (55,137)
Term of office (years)	2

Name and title	Yoshihiro Hirai Director, Executive Vice President and Executive Officer
Career highlights	Joined the Mitsubishi Bank, Ltd. (currently MUFG Bank, Ltd.) in 1991, where he engaged in corporate finance for global companies, large-scale project finance for renewable energy power generation, LBO loans, corporate restructuring support, and corporate credit review. Joined Konica Minolta in 2019, after which he was appointed as Director, Executive Vice President, and Executive Officer in 2023, a position he currently holds.
Number of shares of the Company held*	43,921 (31,721)
Term of office (years)	2

* Number of shares held includes shares to be granted under the stock-based compensation plan. The number in parentheses indicates the number of shares to be granted.

List of Executive Officers

Toshimitsu Taiko	President & CEO, Representative Executive Officer	**Noriyasu Kuzuhara**	Executive Vice President & Executive Officer	**Toshiya Eguchi**	Executive Vice President & Executive Officer	**Shinichiro Oka**	Executive Vice President & Executive Officer	**Yoshihiro Hirai**	Executive Vice President & Executive Officer	**Norihisa Takayama**	Executive Vice President & Executive Office
Keisuke Ichijo	Senior Vice President & Executive Officer	**Hiroyuki Uemura**	Senior Vice President & Executive Officer	**Miwa Okamura**	Senior Vice President & Executive Officer	**Akiko Murayama**	Senior Vice President & Executive Officer	**Yusuke Yoshimura**	Senior Vice President & Executive Officer		

Skills Matrix

To ensure that the Board of Directors provides valuable advice on the Company's management issues, we have compiled a skills matrix that organizes each Director's industry background, major management experiences, and areas of expertise, taking into account diversity in knowledge, experience, and abilities. With regard to sustainability skills*1, as with risk management, we regard them as a high-level responsibility for corporate management, and therefore expect all Directors to possess and apply these skills.

	Term of office (years)	Board of Directors meeting attendance (FY2024)	Committees belonged to (◎ denotes committees chairs)			Expected Director (candidate) expertise and experience								
			Nominating Committee	Audit Committee	Compensation Committee	Top management of listed company	Global executive management*2	Manufacturing/ Company-related industries	R&D and manufacturing	Sales and marketing	Finance and accounting, and understanding of investor perspective	HR management	Governance Internal control Legal affairs	Business transformations New business development DX
Toshimitsu Taiko	7	14/14				●	●	●		●	●			●
Soichiro Sakuma	5	14/14	○	◎			●	●				●	●	●
Masumi Minegishi	3	14/14	◎		○	●	●			●	●	●		●
Takuko Sawada	2	14/14	○				●	●	●	●				●
Saeko Arai	Newly appointed	-	○	○	○		●				●		●	
Yoshihiko Kawamura	Newly appointed	-	○	○	◎		●	●		●	●			●
Hiroyuki Suzuki	6	14/14	○	○	○			●		●			●	
Noriyasu Kuzuhara	2	14/14						●	●	●				●
Yoshihiro Hirai	2	14/14					●	●		●	●			

*1 Experience in management strategies that balance corporate social responsibility and business sustainability
*2 "Global executive management" includes overseas business experience.

Reason for Selection of Expected Expertise and Experience

- Top management of listed company: To demonstrate supervisory and advisory functions in the improvement of management strategies and management quality utilizing experience and insight, including confrontations with shareholders and investors, as chief executive officer.
- Global executive management: To demonstrate supervisory and advisory functions in global business expansion and group governance using understanding of complex management environments and diverse cultures, as well as frontline experience, etc.
- Manufacturing/Company-related industries: To demonstrate supervisory and advisory functions in contributing to the sustainable expansion and growth of our businesses, leveraging knowledge and insights regarding trends, regulations, rules, and issues in the manufacturing industry and other industries related to the Company's businesses.
- R&D and manufacturing: To demonstrate supervisory and advisory functions in the provision of high-added-value products and services as a manufacturer, the continuous offering of differentiated technology-based value, and the formulation and implementation of production strategies.
- Sales and marketing: To demonstrate supervisory and advisory functions in the formulation and implementation of sales and marketing strategies in line with changing business environments and diversifying customer needs.
- Finance and accounting, and understanding of investor perspective: To demonstrate supervisory and advisory functions in the creation of a sound financial base, strategic investments from a medium- to long-term perspective, and the realization of shareholder returns.
- HR management: To demonstrate supervisory and advisory functions in the maximization of human capital and the implementation of corporate culture reforms toward the company's sustainable growth.
- Governance, internal control, legal affairs: To demonstrate supervisory and advisory functions in ensuring transparency, adequacy, and effectiveness in management through compliance with laws and regulations and corporate ethics, offensive and defensive governance, and the creation and operation of internal control systems.
- Business transformations and new business development, DX: To demonstrate supervisory and advisory functions in the company's own reforms and business transformations using data and digital technologies, and the acceleration of new business development.

Corporate Governance

History of the evolution of our corporate governance

Konica Minolta was one of the first companies in Japan to adopt the Company with Committees system (currently the Company with Three Committees system) as an institutional design under the Companies Act, separating business supervisory and execution, and pursuing Konica Minolta-style governance as a leading company in corporate governance.

Since then, as their own rule, the Nominating, Audit, and Compensation Committees do not appoint the President as a member from the viewpoint of enhancing independence, and the chairpersons of each committee are all Outside Directors. In this way, for example, the content of proposals for the election or dismissal of Directors, including Outside Directors, is decided by the Nominating Committee under the chairmanship of the Chairperson who is an Outside Director. Since June 2022, we have further enhanced our independence and evolved our corporate governance by having an Independent Outside Director chair the Board of Directors and a majority of the Board of Directors be Independent Outside Directors.

The Corporate Governance Committee was established in June 2023 with the aim of clearly establishing the ideal form of governance and strengthening execution capabilities considering the Company's current situation and future vision. The positive results achieved by this committee over the past two years include aligning the understanding of the relationship and distance between business execution and supervision and formalizing rules helping to create mechanisms that do not rely on specific people. This committee's activities have been suspended as of the conclusion of the Ordinary General Meeting of Shareholders held in June 2025. However, if a significant turning point in corporate governance were to arise in the future, or if the results of the Board of Directors' effectiveness assessment indicate the need for such measures, the Board of Directors has resolved that the committee will promptly resume activities in accordance with the existing committee regulations.

* The Basic Policy on Corporate Governance and Governance Report are posted on the Company's website.
https://www.konicaminolta.com/global-en/investors/management/governance/index.html

Changes in efforts to improve the effectiveness of our corporate governance

			FY2000-	FY2010-	FY2020-
General Corporate Governance			**2003:** Adopted the Company with Committees System (currently the Company with Three Committees System)	**2015:** Established the Basic Policy on Corporate Governance	**2023:** Established the Corporate Governance Committee
Board of Directors	Chairperson of the Board		**2003-:** Non-executive Inside Director		**2022-:** Independent Outside Director **2023:** Chair selection process in place
	Independent Outside Directors	Ratio (number of directors)	**2003-:** 1/3 or more (4) **2006:** Independence criteria established	**2018-:** 1/3 or more (5)	**2022-:** Majority (5)
		Tenure (baseline)	**2003-:** 4 years	**2021-:** 4 years (maximum 6 years)	**2024:** 6 years (maximum 8 years)
	Effectiveness Assessments		**2004:** Initiation (questionnaire)	**2016 and 2022:** External evaluation (questionnaire/interview) **2023:** Individual Director's self-evaluation/interview by the secretariat begins	
	Fiscal Year Operations Policy			**2014:** Establishment started	
Nominating Committee	Selection of Candidates for Board of Directors			**2019:** Selection of female candidate	**2025:** Selection of two female candidates
	Succession Planning for the President			**2015:** Supervision and advice begin	
	Skills Matrix			**2015-:** Compiled within the Committee	**2021-:** Disclosure **2024-:** Disclose reasons for skill selection
Audit Committee			**2006:** Changed External Accounting Auditor		
Compensation Committee	Policy for Determining Compensation, etc.		**2003:** Policy for determining compensation established	**2017:** Clawback provision introduced	**2023:** valuation Subcommittee established
	Stock Bonuses		**2005-2016:** Stock bonus-type stock option system	**2017:** Introduced stock bonus linked with medium-term performance	**2020:** Introduced long-term stock bonus **2023:** Introduced non-financial indicators **2025:** Decided to introduce the total shareholder return (TSR) indicator (2026-)
Others			**2006:** Senior Adviser position abolished		

Structure and systems to realize the mission of the Board of Directors

Based on their understanding of the Company, the Board of Directors aims to shorten the monitoring cycle for important themes and speed up the decision-making process by working on both sides of the issue: the exercise of supervisory functions by Independent Outside Directors who are not bound by internal logic, and the exercise of accountability by the executive side.

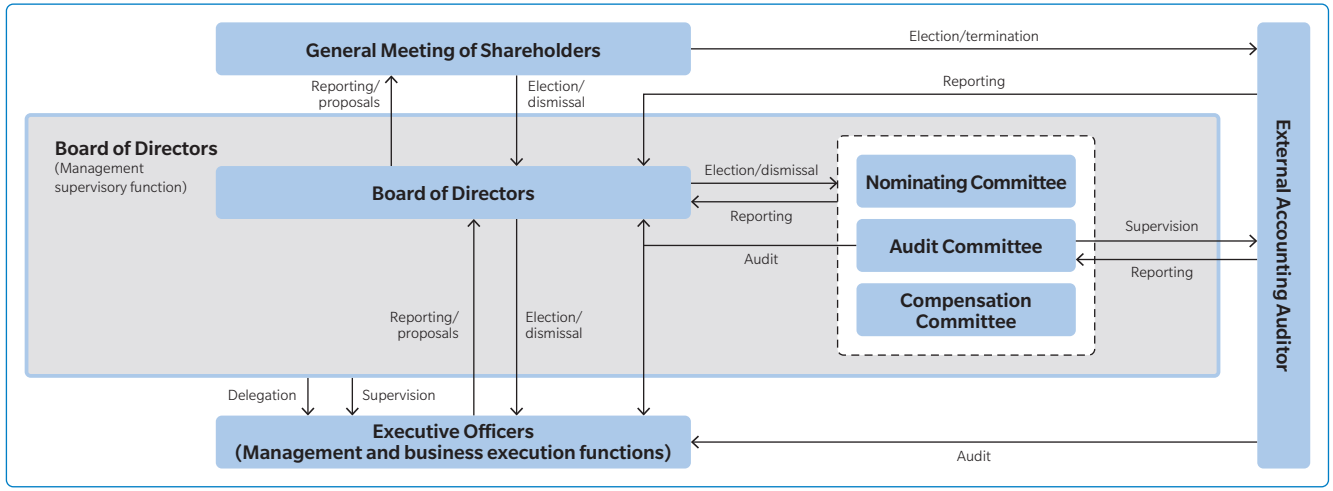
In order to achieve prompt and resilient execution in a changing environment, and to exercise diverse and objective oversight functions that take into account the perspectives of stakeholders, including shareholders, we have established statutory and voluntary structures to support this. The code of conduct expected of each of them is as follows.

Note that the attendance rate of the Board of Directors and all three statutory committees (Nominating, Audit, and Compensation) is 100%.

Various meeting bodies related to corporate governance

Meeting body	Organization		Expected code of conduct
Board of Directors	Statutory	• Outside Director as Chairperson • Majority of Outside Directors (55.6%)	• The Board of Directors will make the following efforts to achieve sustainable growth and enhance corporate value over the medium- to long-term. - Delegate authority to the Executive Officers to the maximum extent possible and entrust them with business execution, while intensively discussing important issues that will have a significant impact on the medium- to long-term corporate value - Strive to maximize the exercise of executive capabilities, and at the same time, evaluate management performance through deliberations and decisions by the Nominating and Compensation Committees
Informal gatherings of Directors	Voluntary	• All directors participate	• To accelerate the implementation of important management issues by improving the quality of discussions at board meetings, exchange opinions in the early stages of execution considerations and confirm the points that the Board attaches importance to
Executive session	Voluntary	• Independent Outside Directors only	• Conduct frank discussions among Outside Directors only after board meetings and informal gatherings of Directors • Deepen understanding among Outside Directors on proposals made by the Executive Officers so as to make the Outside Directors' comments at the next board meeting more constructive • Provide feedback to the Executive Officers on an individual basis as necessary and play a role in improving the effectiveness of the Board of Directors
Nominating Committee	Statutory	• Outside Director as Chairperson • No Director who concurrently serves as an Executive Officer shall be selected • Majority of Outside Directors (Nominating 83%, Audit 75%, Compensation 75%)	• The Board of Directors shall be responsible for maximizing the functions it possesses to create an optimal supervisory (Director) and executive structure to enhance corporate value, both in the present and the future • While ensuring a medium- to long-term succession plan, the reappointment, non-reappointment, appointment, or dismissal of the President and CEO will be carefully deliberated prior to the resolution of the Board of Directors
Audit Committee	Statutory		• Selecting Non-executive Inside Directors as full-time Audit Committee members to grasp not only the internal control system but also its status of operations, etc., to ensure its effectiveness • Outside Directors are required to serve as Audit Committee members during their first year in office to gain firsthand experience with the Company's unique issues and internal control challenges, and to deepen their understanding of the Company
Compensation Committee	Statutory		• The remuneration system for Directors and Executive Officers is determined so that they are motivated to achieve the goal of the Medium-term Business Plan and annual budget • The strategic key measures of the Executive Officers are monitored and advised on a semi-annual basis, and the achievement of targets, including financial indicators, is fairly evaluated at the end of the fiscal year • We will be accountable internally and externally for the results of the evaluation, which will lead to further capacity building improvement in supervision and execution in the following year and beyond
Corporate Governance Committee	Voluntary	• Outside Director as Chairperson • Majority of Outside Directors • Only committee in which the President serves as a member	• Established in June 2023 to clarify the ideal form of governance for the Company, considering the Company's situation and its vision for the future. After achieving its intended goals, this committee's activities were suspended on the conclusion of the Ordinary General Meeting of Shareholders held in June 2025 • Achievements in two years: Solidifying the basic framework of the Company's corporate governance, including strengthening mechanisms that do not rely on specific people (e.g., establishment of the Evaluation Subcommittee; clarification of the selection process for the Chairperson of the Board of Directors; discussion on the fiscal 2024 executive structure to improve executive capacity; change in criteria for tenure of Outside Directors; formalization of rules for appointing a majority of Outside Directors and, in principle, appointing an Outside Director as Chairperson of the Board of Directors) and aligning the understanding of the relationship and distance between business execution and supervision
Evaluation Subcommittee	Voluntary	• All Nominating Committee members and Compensation Committee members participate	• Established in 2023 with a focus on the importance of cooperation between the Nominating Committee and the Compensation Committee. The results of the Compensation Committee's semi-annual and year-end individual evaluations of each Executive Officer shall be shared with the Nominating Committee, and reflected in the Nominating Committee's oversight of the President and CEO succession plan and the deliberations on the election or dismissal of Executive Officers

Structure of the Corporate Governance System



Mechanisms to ensure the effectiveness of the Board of Directors

In addition to the establishment of the Audit Committee Office as required by the Companies Act, the Company has established the Board of Directors Office as the secretariat of the Board of Directors and the Nominating and Compensation Committee.

The Board of Directors Office maintains a relationship of trust and fairness with both supervisory and executive functions, and proactively supports the maintenance and improvement of the Company's corporate governance so that the Board of Directors and our committees can fulfill their expected roles with firm conviction as professionals in corporate governance. The Board of Directors Office takes the lead in implementing the following mechanisms to ensure the effectiveness of the Board of Directors meetings and other meetings.

Mechanisms to support board operations

Step1 Finalize the agenda

Discussion between the Chairperson of the Board and the President*.

(1) Summary of the agenda for the next meeting, background and objectives of the agenda
(2) Outline of the agenda for the next 3 months

* Committee agenda items are resolved at the first committee meeting of the fiscal year.

Step2 Advance explanations

Conducted on individual Outside Directors

(1) Summary of the agenda for the next meeting, background and objectives of the agenda
(2) Outline of agenda for the next 3 months
(3) Outline of the agenda for committee meetings

Step3 Feedback

Feedback on suggestions from Outside Directors

- To Executive Directors: Reflect the feedback in proposals/reports
- To the Chairperson: Share the feedback, including the status of preparation for execution, and reflect it in the facilitation on the day of the meeting

Step4 Board of Directors meetings, informal gatherings of Directors, and Committee meetings

All directors understand the purpose and background of the agenda and participate in discussions.
Discussions focus on important issues

Step5 Executive sessions

Review and exchange opinions on the discussion exclusive to Outside Directors, and link to the discussion at the next board meeting

Step6 Expand to execution

Share the points of discussion at the board meeting among the Executive Officers and accelerate execution.

Selection process for Director candidates

Inheriting the basic approach* to governance when we transitioned to the Company with Committees system (currently the Company with Three Committees system) in 2003, we have implemented a process to ensure a high degree of independence and transparency in the election of Outside Directors.

The Nominating Committee has established the "Policies and Procedures for the Nomination of Director Candidates" and the "Criteria for the Election of Directors," and determines the content of proposals to be submitted to general meetings of shareholders for the election and dismissal of Directors.

* This approach places importance on the function of overseeing the President.

Procedures upon nominating Director candidates

All Directors	• Confirm the Directors who will retire in accordance with the criteria of tenure or age. Estimate the number of new inside or outside candidates
Outside Directors	• Determine the requirements (knowledge, experience, and ability) for new Outside Directors as well as those to be reappointed, so that they can offer useful supervision and advice on the Company's management issues • At the request of the Nominating Committee Chairperson, nominate a wide range of candidates from Nominating Committee members, other Outside Directors, and the President & CEO, Representative Executive Officer • Distribute the database of candidates prepared by the secretariat to Nominating Committee members, etc., as a reference • Narrow down the pool of candidates and determine their order • The Nominating Committee Chairperson and, if necessary, a committee member appointed by the Chairperson, interview the candidates and invite them to become Outside Directors.
Inside Directors	• The President and CEO shares with the Internal Nominating Committee members his/her concept for the executive structure for the next fiscal year, and jointly proposes it to the Nominating Committee. • The Nominating Committee deliberates on the draft.

President & CEO Succession Plan

The Nominating Committee shall receive reports from the President and CEO at appropriate times on succession planning and provide necessary supervision. The President and CEO objectively assesses the strengths and challenges of the candidates for succession to President and CEO through external assessments in the succession planning process. In addition, the Nominating Committee (4 Outside Directors and 1 Non-executive Inside Director) self-checks the explanations and responses of candidates for succession at meetings of the Board of Directors and other meetings or site visits.

At its fiscal 2023 meeting, the Committee reaffirmed that the following perspectives are important when monitoring succession planning and have been reflected in Nominating Committee activities since then.

- The process shall be driven by both universally required qualification requirements and qualification requirements based on business conditions
- Develop a system to visualize and evaluate candidates' abilities and achievements
- Share case studies of achievements and performance of initiatives supporting the potential of candidates for the next successor during their selection

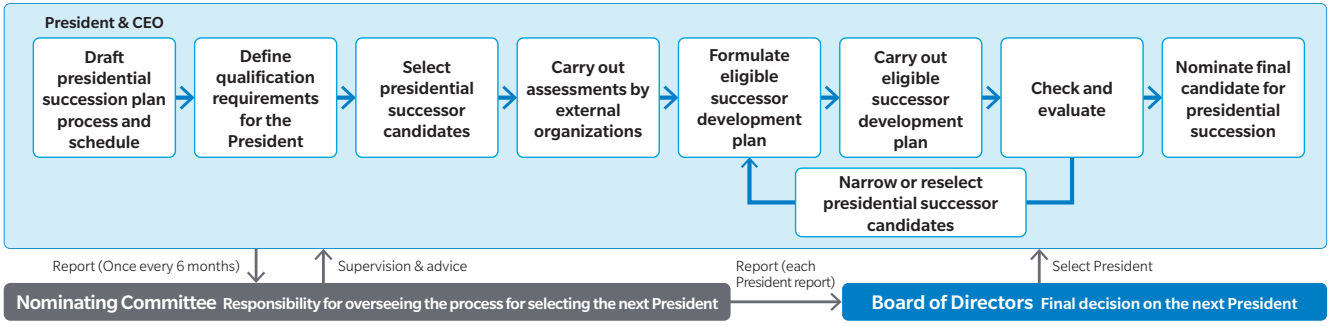
Moreover, the selection of candidates for successor of the next President and CEO is continuously addressed in the process of training the following top executive candidates (Executive Officers and Corporate Vice Presidents, etc.).

Top executive candidate (Executive Officers, CorporateVice Presidents, etc.) development plan

In order to systematically deploy and develop the next generation of leaders responsible for Company management, we have set up a place where the President & CEO and department heads can visualize potential human capital through individual dialogue, clarify human capital who can immediately assume the leadership of business and functions, or successors who may be able to do so in three to five years from now, and give them roles in which they can grow as candidates. In particular, we believe that diversity of management is essential to make high-quality decisions in times of rapid change, and female candidates are discussed as an individual theme. In addition, we also target young potential group and overseas human capital for training as candidates for succession.

In addition to the above, in fiscal 2024 we established a Human Capital Committee, chaired by the President & CEO, as a forum for discussing planned job assignments, strategic reallocations, and educational programs designed to accelerate the development of next-generation leaders who may become future candidates for the position of President & CEO (see page 49). Through these activities, we will strategically promote the development of future top executives.

Functions and roles of the President & CEO in the succession plan



Effectiveness Assessments for the Board of Directors

In order to confirm whether the establishment and operation of the corporate governance system is contributing to the Company's sustainable growth and medium- to long-term enhancement of corporate value, the Company annually reviews the past year's activities and evaluates the effectiveness of the Board of Directors and its committees.

Guidelines for Implementation

Objective	To analyze and evaluate the effectiveness of the Board of Directors and its committees to improve their functions
Subjects (number of directors)	All Directors (9)
Method	Web-based questionnaire, individual interviews
Implementing entity	The Company (third-party evaluation conducted once every 3-4 years, most recently in fiscal 2022)
Evaluation items	Composition, operation, and discussions of the Board of Directors and each committee; supervisory framework for execution; gap between importance of discussions and volume of discussions; self-assessment
Process	(1) Preparation (study of evaluation method, design of questionnaire) (2) Web-based questionnaire (3) Individual interviews (conducted by the secretariat based on analysis of questionnaire results) (4) Analysis (analysis of evaluation results, summary of issues and countermeasures [hypotheses]) (5) Report on the evaluation results and discussion for the identification of issues and their countermeasures at the Corporate Governance Committee meeting (attended by all Directors) (6) Report on countermeasures at the Board of Directors meeting (7) Reflection of the results in the policies of the Board of Directors and each committee for the next fiscal year

Results of the Effectiveness Assessments of the Board of Directors for Fiscal 2024

Areas with high ratings	(1) Further improvement of governance with an Outside Director as Chairperson and a majority of Outside Directors (2) Effective utilization of Executive Sessions (3) Overall improvement in the self-assessment scores in the current fiscal year, where there was no turnover of directors
Issues going forward	(1) Early initiation of medium- to long-term strategy discussions at the Board of Directors (2) Clarification of discussion points at the Board of Directors (including operational efficiency of the Board) (3) Improvement of the effectiveness of supervision and advice regarding succession of executive roles and key positions

Review of fiscal 2024 based on the effectiveness assessment for the Board of Directors

In the former Chairperson's policy on Board of Directors operations, fiscal 2024 was positioned as a year to resolve legacy issues and to clarify Konica Minolta's intentions and pathway toward medium- to long-term growth. As a result, the year was marked by positive evaluations of the executive team's commitment to completing various initiatives related to business selection and concentration, as well as their enhanced ability to achieve targets for business contribution profit.

On the other hand, given the extraordinary circumstances where the executive side was focused on resolving legacy issues, the supervision side also prioritized execution of the same priorities. As a result, thorough discussions on medium- to long-term growth strategies at the Board of Directors will begin in earnest in fiscal 2025, the final year of the Medium-term Business Plan.

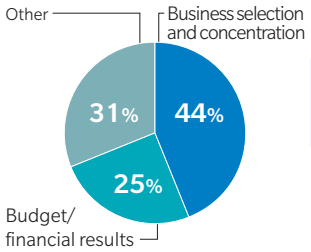
	Fiscal 2024 focus areas for the Board of Directors	Achievements	Continuing challenges in fiscal 2025
Structural reforms and productivity improvement	The Board of Directors monitors the progress of structural reforms in fiscal 2024 and whether target values for productivity and other indicators were achieved	Global personnel optimization measures were delegated to the executive side, and early achievement beyond target levels was confirmed	Monitoring productivity improvements in line with KPIs (based on KPI proposals from the executive side and board approval)
Medium- to long-term growth strategy	Presenting the business portfolio after business selection and concentration, showing satisfactory growth strategies for capital markets and other stakeholders, regarding the question of "What areas can Konica Minolta succeed in?"	As a preliminary discussion for the formulation of the next Medium-term Business Plan, shared information on seeds for growth based on core technologies	Focusing discussions on a technology-driven medium- to long-term growth strategy, visualization of the timeline and criteria leading up to stage gates, and internal consensus and external communication of the equity story
Capability & culture	Identifying the capabilities and culture necessary to commercialize innovation and generate sustainable profits	Clearly stated the policy for strict implementation of the revised stage gates	Monitoring of stage gate operations, motivating cultural transformation, setting KPIs
Corporate governance	Redefining (via the Corporate Governance Committee) the role of the Board of Directors in strengthening execution capability and the board's role in making rational decisions (composition, candidate requirements, etc.)	Discussed ideal governance state based on past investment reviews and formalized rules for majority of Outside Directors and an Outside Director as Chairperson	Establishing a Director composition to oversee discussions on competitive advantages in manufacturing, and creating the appropriate global Group management structure after the portfolio transition
Efficient operation	Streamlining Board of Directors and committee operations	Achieved efficient operations through appropriate implementation of written resolutions and reports, and through omission of briefings at board meetings from prior distribution of written materials	Aligning perspectives between monitoring and execution in process management (agenda setting) to achieve profit creation with a sense of urgency
Executive Sessions	Further enhanced Executive Sessions to promote mutual understanding between business execution and supervision	Held regular meetings of Outside Directors, one-on-one meetings between the Chairperson and the President, meetings between Outside Directors and the President, and opportunities for Outside Directors to interact with Executive Officers	Continuing operations after handover to the new Chairperson

Reference: Changes in the percentage of main agenda items at Board meetings and informal gatherings of Directors

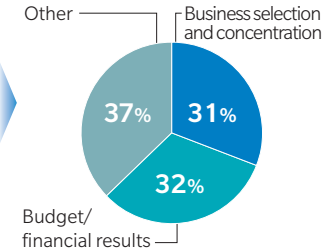
- In fiscal 2024, more time was allocated to "budget/financial results" at the Board of Directors meetings. Monitoring of numerical targets was strengthened.
- In fiscal 2024 "business selection and concentration," which is part of structural reforms, was designated as a theme to be entrusted to the executive side, with the Board of Directors receiving reports from the executive side.

Note: Time of Board meetings and informal gatherings of Directors held after the 120th Ordinary General Meeting of Shareholders held on June 2024 through the end of May 2025

Percentage of main agenda items for fiscal 2023



Percentage of main agenda items for fiscal 2024



Board of Directors Operation Policy for Fiscal 2025

(1) Operation Policy

- As a manufacturing company, the main focus will be on confirming and discussing "sustainable competitive advantage" which continuously create value to solve customer issues at the intersection of technology and market.
- In accordance with the principle of corporate governance that separates execution and supervision, the Board of Directors will exercise its supervisory function from an independent and objective standpoint with a medium-to long-term perspective.

(2) Key Monitoring Items

(a) Strengthening monitoring towards achieving ROE 5%

- Positioning the early achievement of ROE 5% as an important management goal, the Board of Directors will clarify the indicators, issues, and risk items to be pursued based on the key management items set by the executive side for ROE improvement, and conduct monitoring.
- The Board of Directors will fulfill its role in achieving ROE 5% by regularly reviewing the effectiveness of improvement measures in response to changes in important risks and progress towards goals, and by encouraging corrective actions as necessary.
- The Board of Directors will strengthen substantial supervision over the direction of management and the appropriateness of execution, rather than merely receiving reports.

(b) Formulation of the next Mediumterm Business Plan

- In the process of formulating the next Medium-term Business Plan, the Board of Directors will exercise its supervisory function regarding the appropriateness of strategies, proper recognition and response to risks, and rationality of resource allocation from the perspective of sustainable growth and capital efficiency improvement.
- Based on the premise that the executive side will report the formulation policy, assumptions, and progress in a timely and appropriate manner, the Board of Directors will support ensuring the effectiveness of the plan through constructive dialogue with the management.
- The Board of Directors will deepen constructive discussions on medium-to long-term growth strategies which focus on technology and customer value and foster internal consensus among management and directors regarding the equity story formed in the process, while exercising its supervisory function to ensure clear and consistent external communication to stakeholders, including the capital market.

Compensation System Motivating Directors and Executive Officers to Increase Shareholder Value

The Company's Directors and Executive Officers compensation system is 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 increasing Group value. The Company aims for a level of compensation that enables it to attract and retain talented human capital that will take responsibility for the Company's development.

As part of the implementation of the current Medium-term Business Plan, the revised compensation system*1 introduced in fiscal 2023 now includes a medium-term performance-linked stock bonus evaluation indicator that combines financial indicators and non-financial indicators*2.

Additionally, in anticipation of our corporate direction and strategies for fiscal 2026 and beyond, we have decided to introduce total shareholder return (TSR) as an evaluation indicator for stock bonuses. Concurrently, to further strengthen the motivation of our Executive Officers to enhance shareholder value, the evaluation period incorporating TSR begins from fiscal 2025.

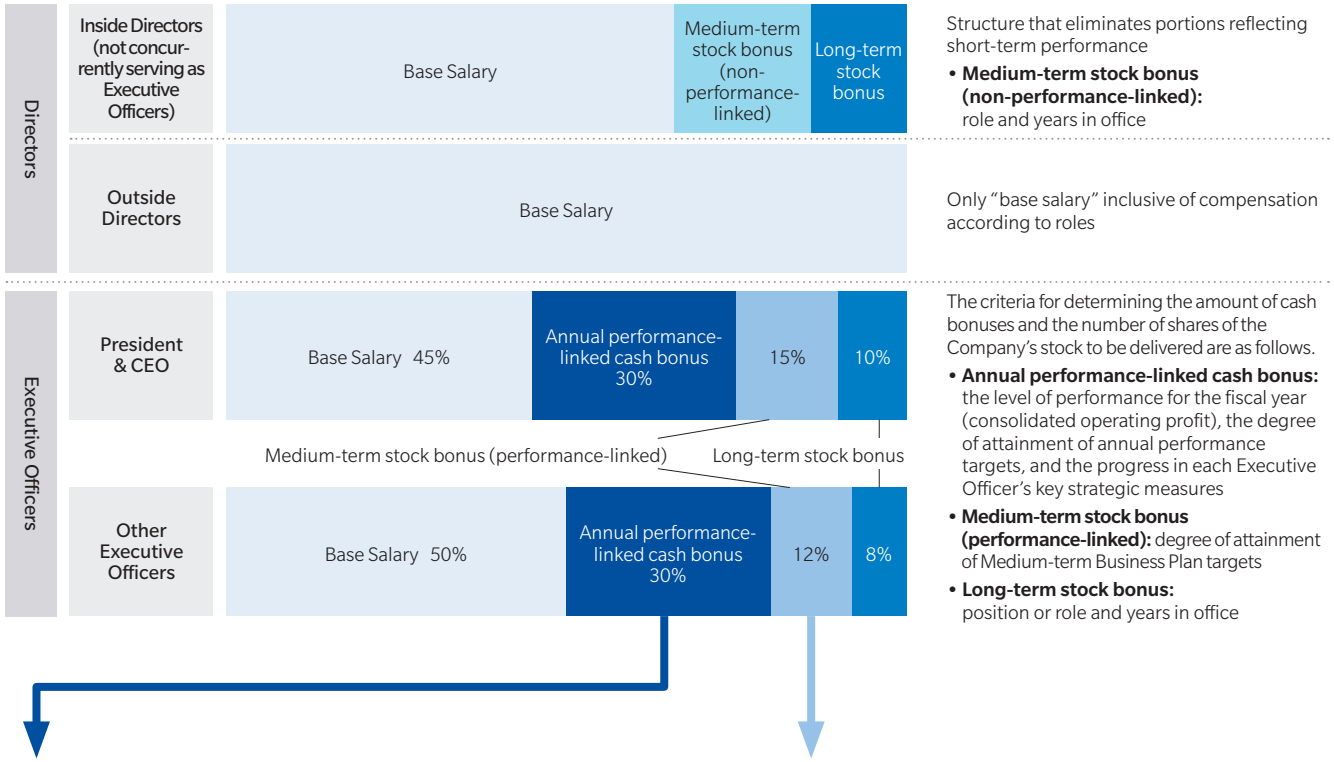
*1 Shift of compensation structure from base salary to annual performance-linked cash bonus by 5%, revision of evaluation indicators, etc.

*2 CO_2 emission reduction amount and employee engagement score

Enhancement of effectiveness of compensation governance

During the period of this Medium-term Business Plan, starting from fiscal 2023, the first year of the plan, management has emphasized strategic priority measures for business selection and concentration and for establishing a foundation for growth, and therefore focused on implementing, in a timely and appropriate manner, measures that are strategically necessary to enhance the medium- to long-term corporate value of the Company, even if such measures do not show up in financial indicators or involve temporary deterioration of financial indicators. As part of our efforts to operate a system that appropriately evaluates the achievement of such measures as incentives, at the Compensation Committee meetings held at the beginning of the fiscal year (May) and at the interim meeting (November), the President & CEO explained the important tasks and progress status of the strategic priority measures for each

Composition of Director and Executive Officer compensation



Evaluation indicators for annual performance-linked cash bonuses

Item	Portion according to performance level	Portion according to attainment of performance targets			Portion according to personal appraisal
Assessment index and others	20%	40%			40%
	Operating profit	Net Profit 40%	Total asset turnover ratio 30%	KMCC-ROIC 30%	Reflects progress of each Executive Officer's key strategic measures, etc.
	Linked with Group consolidated performance result level	Linked with annual performance target achievement rate			

(Note 1) Component ratios are based on design theory.
(Note 2) KMCC-ROIC is ROIC for calculating the current annual performance-linked cash bonus, and invested capital consists of assets capable of individual management and improvement by each business division.

Indicators for determining medium-term stock bonus (performance-linked)

Item	Medium-term stock bonus (performance-linked)		
Assessment index*	Financial indicator (Consolidated)	Non-financial indicator	
	ROE	CO_2 emission reduction amount through measuresa	Employee engagement score
	80%	10%	10%
	Linked to the target achievement rate in the final year of the Medium-term Business Plan		

* All items on a consolidated basis

Executive Officer, and the Compensation Committee provided supervision and advice while confirming the degree of difficulty of each important task and the involvement of the President & CEO. At the Compensation Committee meeting held in May 2025, the President proposed an evaluation of each Executive Officer based on the status of achievement of targets for fiscal 2024, and the President explained his own self-evaluation of the status of achievement of targets. The amounts of annual performance-linked cash bonuses for each Executive Officer were determined together with the compensation portion calculated in accordance with the management indices used as evaluation items.

Total amount of compensation, etc. by Director or Executive Officer

Category			Directors			Executive Officers
			Outside	Inside	Total	
Compensation	Total (million yen)		90	40	130	611
	Base salary	Persons	5	1	6	13
		Amount (million yen)	90	32	122	336
	Performance-based cash bonus (Note 3)	Persons	–	–	–	13
		Amount (million yen)	–	–	–	133
	Stock bonus (Note 4)	Persons	–	1	1	13
		Amount (million yen)	–	8	8	141

Note 1 As of March 31, 2025, the Company has five Outside Directors, one Inside Director (who is not also an Executive Officer), and 13 Executive Officers

Note 2 In addition to the one Inside Director shown above, the Company has another three Inside Directors who concurrently hold Executive Officer posts, and the compensation to these Directors is included in compensation to Executive Officers.

Note 3 The performance-linked cash bonus reflects the amount to be recorded as an expense for the fiscal year 2024. In addition, the "portion according to performance level" and "portion according to attainment of performance targets" within performance-linked cash bonus are calculated based on estimated performance at the end of the fiscal year and recorded as expenses. The "portion according to personal appraisal" is recorded as expenses based on a standard amount, but the actual amount to be paid is determined by the Compensation Committee based on the progress of strategic priority measures set for each Executive Officer at the beginning of the fiscal year.

Note 4 The stock bonus reflects the amount to be recorded as an expense for the fiscal year 2024, based on a calculation of estimated amount of stock bonus issuance by the Company in the future according to estimated points to be allotted to Directors (excluding Outside Directors) and Executive Officers as part of their compensation. The amount includes the estimated medium-term stock bonus (performance-linked) to be distributed according to the target attainment rate in the period of the Medium-term Business Plan.

Progress on key issues in the interim was reported simultaneously in the form of an Evaluation Subcommittee attended by members of both the Nominating and Compensation Committees. The Compensation Committee members use this as interim information for the final evaluation at the end of the fiscal year. The Nominating Committee members use the information as interim information in advance of the Board of Directors meeting at which the executive structure for the next fiscal year is to be decided, when the Nominating Committee receives an explanation of the proposed new executive structure from the President and discusses it in advance. At the Evaluation Subcommittee and Compensation Committee meetings, the members, who have abundant and diverse management experience, provide accurate and meaningful advice on the President's assignment of missions to each Executive Officer and on the incorporation of the management plan into targets to be achieved for each important issue.

Determining Cross-Shareholdings Based on Their Significance or Justification

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 and business synergies, with the issuers 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. One stock judged to be lacking in significance was sold in fiscal 2024 (proceeds were 725 million yen).

The execution of voting rights is an important means of communicating with investees, and the Company exercises its voting rights for 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.

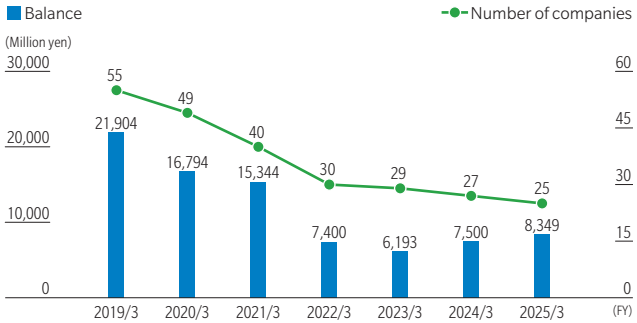
- Transfer of important assets
- Shareholdings structure change due to mergers or acquisition of 100% ownership
- Third-party allotments through favorable issuances
- Introduction of measures to defend against hostile takeovers

Breakdown of cross-shareholdings

	Stocks (number of companies)	Total amount recorded on balance sheet (million yen)
Unlisted shares	18	740
Shares other than unlisted shares	7	7,609

* The ratio of the above total to consolidated net assets (total equity attributable to owners of the Company) is 1.8%.

Trend in cross-shareholdings



Dialogue with Shareholders and Investors

Konica Minolta believes that maximizing corporate value through two-way dialogue with the capital markets is the key to meeting the expectations of shareholders and investors. Therefore, in accordance with the principle of "disclose corporate information in a timely and fair manner" set forth in the Konica Minolta Group Charter of Corporate Behavior, Konica Minolta strives to ensure that the activities of the entire Group are properly understood through proactive investor relations (IR) activities. We hold quarterly financial results briefings, medium-term management policy briefings, and business briefings by officers in charge of each business, and are working to further enhance our information disclosure, including news releases. In addition to responding to individual interviews and meetings for follow-up as needed, top management visits to investors are also conducted. We also actively participate in conferences hosted by securities firms in Japan and overseas to engage in direct communication with investors. In fiscal 2024, for overseas investors in particular, the President conducted visits to North America and Europe, the Executive Officer in charge of investor relations visited Asia, and engaged in dialogue through web and telephone conferences. In addition, we held governance meetings where the Non-executive Chairperson of the Board of Directors and Independent Outside Directors engaged in dialogue with investors. At the fiscal 2024 results briefing, in addition to the usual presentation by the President, the Chairperson of the Board of Directors also gave a presentation .

Opinions and suggestions from stakeholders obtained through these activities are shared with top management as appropriate and fed back to the Board of Directors and management meetings to improve management. We also provide communication to all employees on the opinions of the capital market through "CEO LIVE!" an internal financial results briefing, and other means to raise their awareness and encourage them to take actions to enhance corporate value.

Ranked No. 2 overall in the 2024 Gomez IR Site Rankings

Awarded for Excellence in Daiwa's "2024 Internet IR Award"

Dialogue with Shareholders and Investors

Actual dialogue with investors (FY2024)

Individual meetings		210 times
By management	President	17 times
	Officer	88 times
Small meetings		6 times
. . President		3 times
. .Production print + industrial print (officer in charge of the business)		1 time
. .Governance (Outside Directors, Chairperson of the Board of Directors		1 time
Conference sponsored by a securities company		6 times
IR Roadshow		4 times
Shareholder engagement meeting		20 times
. .Outside Directors, Chairperson of the Board of Directors		3 times*1
. . Executive officer		17 times

1 Includes April 2025

For more details: IR briefings
https://www.konicaminolta.com/global-en/investors/event/other_events/index.html

Major Comments and Requests from Shareholders and Investors

Progress of the Medium-term Business Plan
- We want to know the path to future growth based on a review of the past.
- We want you to complete the management reforms this fiscal year.
- We want to know the challenges and risks after the management reform is completed.
- After the completion of global structural reforms, we want you to report on the specific measures to improve productivity, particularly those for enhancing efficiency through DX and IT.

Governance
- We would like to have the Outside Directors report on their evaluations of and opinions on management's execution.
- We would like to have management that places greater emphasis on enhancing shareholder value.

Contents of Integrated Report
- Since Konica Minolta is engaged in a wide range of businesses, it would be helpful to have a guide to help readers understand its business activities.

Internal feedback

Major Feedback Opportunities (FY2024)

Opportunities	Frequency
Reporting the opinions received at meetings with investors and securities analysts at management meetings	Before and after financial results for each quarter and on each time
Report on market reaction to the Board of Directors	
Share investor and analyst feedback with employees at internal financial results briefings	
Summaries and feedback from conferences and investor visits reported to the Board of Directors, management meetings, etc.	

Major improvement actions in response to shareholder and investor feedback

- Looked back at the past and clarified the positioning of the current Medium-term Management Plan.
- Explained the results and issues of management reform.
- Disclosed the quantitative effects of DX initiatives to enhance productivity.
- Decided to introduce TSR in the executive stock compensation program.
- Enhanced opportunities for dialogue with outside directors (had governance meetings and individual interviews, had them participate in earnings briefings, etc.)
- Further Improvement of the Integrated Report contents (see page 2)

Risk Management

Major Risks Identified by Frequency and Potential Degree of Impact

Konica Minolta considers risk to be any situation of "uncertainty" which presents a potential impact on the earnings or losses of our organization. In that sense, risk management encompasses not just the negative side of risk but also the positive side for our sources of earnings. It is therefore essential for mitigating potential negative impact as well as for pursuing the maximum return from opportunities.

In line with this philosophy, we have established the Risk Management Committee, which comprehensively and systematically manages various risks concerning the Group's business activities. The committee is in charge of facilitating the building and strengthening of Konica Minolta Group companies' risk management systems, and its members are appointed by the committee's chairperson. Konica Minolta's Executive Officers and Corporate Vice Presidents are required to perform risk management for their respective areas of responsibility. Risk Management Committee members consist of Executive Officers or Corporate Vice Presidents.

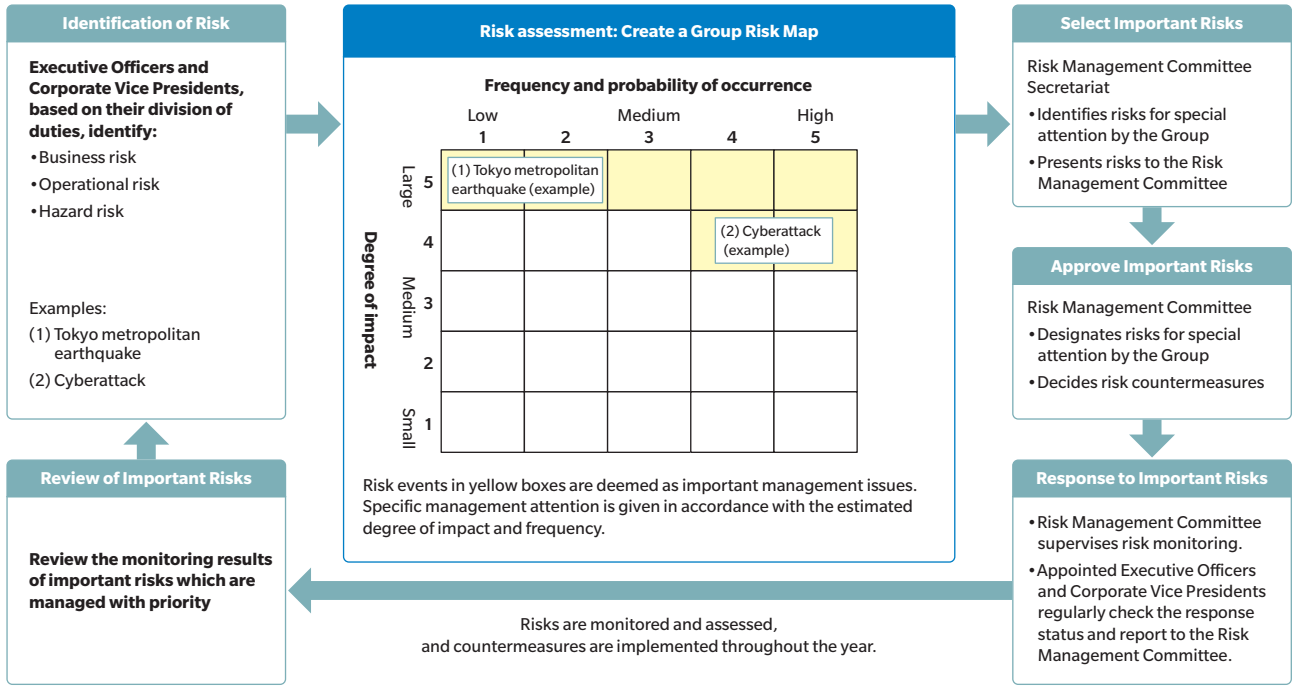
Risk management process

The Risk Management Committee reviews management risk items in 17 categories, including items classified as small and medium risks. It applies the PDCA process, in which the committee reviews the status of countermeasures by conducting monthly and quarterly monitoring. The Risk Management Committee also annually identifies significant risks to the Group that are considered especially critical to management, and as risks requiring company-wide monitoring, the Committee members spearhead the monitoring and managing the monthly progress of the Konica Minolta Group's countermeasures.

All risks extracted by Executive Officers and Corporate Vice Presidents are plotted into a comprehensive Group Risk Map based on quantitative assessments of the degree of impact and the frequency and probability of occurrence. These maps are updated and pertinent countermeasures are discussed twice a year.

When required due to some unforeseeable situation that occurs, the extraordinary meeting is convened at the discretion of the committee's chairperson. For risks deemed to be of high importance by the committee, progress made in addressing these risks are reviewed monthly or quarterly. Risks deemed to be of particularly high importance are addressed by the Group as a whole, with efforts led primarily by Executive Officers and Corporate Vice Presidents appointed by the committee chair.

Process of identifying important risks for the Group



For details about our Risk Management:
https://www.konicaminolta.com/global-en/investors/management/risk/index.html

Main Risks

Risk	Probability	Timing for Potential Occurrence	Potential Impact	Reference
Forex fluctuations	High	Within 1 year	Medium	→Web
Digital Workplace Business Risk related to changes in the print environment	Medium	Within 3 years	Large	→Page 32
National or regional regulations	High	Within 1 year	Medium	→Web
Changes due to technological development	Medium	Within 3 years	Medium	→Web
Shift to new products	Medium	Within 3 years	Large	→This page
Collaborations, company acquisitions	Medium	Any time	Medium	→Web
Procurement, production, etc.	High	Within 1 year	Large	→Web
Global supply chain	High	Within 1 year	Large	→This page
Product liability and quality assurance	Low	Any time	Medium	→Web
Human rights	High	Any time	Medium	→Page 47
Major earthquake, disaster, epidemic, etc.	Medium	Any time	Large	→This page
Environmental regulations, climate change	Medium	Any time	Medium	→Page 44
Intellectual property rights	Low	Any time	Small	→Page 26
Human resource availability	Medium	Within 3 years	Large	→Page 48
Information security	High	Any time	Large	→This page

Addressing information security risks

Cyberattacks targeting companies have recently become increasingly sophisticated and resourceful. Among these, there have been numerous cases of harm in both Japan and overseas where attackers have stolen user account credentials, infiltrated centrally managed internal networks, seized administrative privileges, and carried out unauthorized operations. In addition, attacks exploiting vulnerabilities in various IT devices and software are on the rise, expanding the risks associated with such cyberattacks.

Within the Konica Minolta Group, if administrative privileges were to be compromised due to a cyberattack, unauthorized operations could result in the leakage of confidential information related to technology, trade secrets, human resources, and other areas of our Group to third parties, potentially leading to unauthorized use or sale of such information. This could cause a serious information security incident that could have a negative impact on the business performance of our Group.

To address these risks, we monitor our networks, detect service disruptions caused by increasingly varied attacks at an early stage, and conduct regular network penetration tests to identify potential vulnerabilities. Furthermore, as part of our preparation against an attack, we have subscribed to cyber insurance, established incident response procedures, and built a security promotion framework that covers the entire Group to ensure a prompt response.

To provide a secure physical work environment for employees working remotely, we have introduced secure networks that use encrypted communications to prevent unauthorized access by external parties and restricted access to our corporate network from computers other than those provided by the Group. We also conduct regular employee training to raise awareness of information leakage and other security issues.

To strengthen our response further, we have established global security standards for each Group company under a comprehensive security management system (Security Management Office) and implemented a process for confirming the self-assessment of each company's security measures, as well as formulating and executing countermeasure plans based on those assessments in collaboration with IT managers in five regions. Through these activities, we continue to enhance the overall security level of the Group.

Response to risks associated with the shift to new products

From the initial stage of development through to mass production, at every step along the way in transitioning to and rollout of new products and services, we perform thorough testing and gate management focused on product specifications, quality needs, production costs, and compliance with various regulations (including those for safety, the environment and security) for every prototype, pre-production sample, and mass-produced product that we handle.

Response to global supply chain risks

In our mainstay Digital Workplace and Professional Print Businesses, we carry out inventory projection simulations at sales sites tailored to the actual state of logistics there as appropriate, distribute supply quantities across various regions in accordance with future inventory projections, make flexible modifications to logistics routes, and circumvent any impact on sales.

Response to risks such as major earthquakes, disasters, and epidemics

The officer in charge of crisis management centrally manages information in the event of disasters, infectious disease outbreaks, wars, acts of terrorism, and cyberattacks, and we have built a system for taking appropriate action with top priority given to employee safety. For large earthquakes and other natural disasters, we are working in accordance with the Medium-term Disaster Readiness Plan and making improvements to our response capabilities both in terms of hard and soft measures, with measures aimed at prevention, mitigation, emergency response, initial response, recovery, and reconstruction.