



KONICA MINOLTA

KONICA MINOLTA, INC.

# INTEGRATED REPORT 2025

RETHINK  
WHAT'S  
POSSIBLE

Giving Shape to Ideas

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## What We Want to Convey in This Report

### Completed: business selection and concentration and global structural reforms

With the intention of breaking away from the past, we selected and concentrated business during the first two years (fiscal 2023 and 2024) of our Medium-term Business Plan. We also completed the global structural reform as planned.

#### Related pages

[P11: Message from the CEO](#)  
[P16: Medium-term Business Plan Update](#)

### Turn Around 2025 —Establishing a foundation for growth

We have designated fiscal 2025, the final year of our Medium-term Business Plan, as Turn Around 2025 and will establish a foundation for sustainable growth.

#### Related pages

[P11: Message from the CEO](#)  
[P19: Medium-term Business Plan Update](#)  
[P20: Financial Strategy](#)

### Focusing on the areas to be strengthened and medium- to long-term seeds for growth

We are working to create and strengthen businesses that will drive medium- to long-term growth by combining our core technologies in imaging, materials, nano-fabrication, and optics, which we have cultivated since our founding, with artificial intelligence (AI).

#### Related pages

[P23: Technology and Intellectual Property Strategy](#)

### Co-creation of business value with customers

We contribute to solving issues faced by our customers and society through co-creation with our customers, who are key players in their respective industries. We have received messages from customers who are engaged in co-creation — please take a moment to read them.

#### Related pages

[P8: Value Creation Process](#)  
[P35: Example of Value Co-creation with Customers 1: Industrial Print](#)  
[P36: Example of Value Co-creation with Customers 2: IJ Components](#)

### Strengthening management foundations for sustainable growth

We are working to strengthen our management foundation for sustainable growth through sustainability management, human capital enhancement, and DX-driven productivity improvements.

#### Related pages

[P38: Sustainability Strategy](#)  
[P48: Human Capital Strategy](#)  
[P53: DX Strategy](#)

### Improving the effectiveness of corporate governance

We continue to pursue Konica Minolta-style governance tailored to the business environment and management strategy. Here are messages from the Chairperson of the Board of Directors and Chairperson of the Nominating Committee newly appointed this fiscal year.

#### Related pages

[P56: Messages from Outside Directors](#)  
[P57: Message from the Chairperson of the Nominating Committee](#)  
[P60: Corporate Governance](#)

## Editorial Policy

Fiscal 2024 was a pivotal year for Konica Minolta, during which we successfully carried out our management transformation as planned. Fiscal 2025, the final year of our Medium-term Business Plan, is positioned as “Turn Around 2025,” aiming to establish a solid foundation for sustainable growth. This report has been prepared with an emphasis on comprehensively conveying the progress of these efforts, management’s strong intention to transform the Company, and the story of our sustainable value creation initiatives.

We also shared feedback from stakeholders on the Integrated Report 2024 with management and related divisions to deepen discussions, which was used to enhance Konica Minolta’s management and our disclosure activities.

Many of our employees are featured in this report, sharing their initiatives and contributions from various regions and departments. We hope this helps you appreciate how their daily efforts support Konica Minolta’s growth.

It is our hope that this report will foster deeper understanding of our Company among our stakeholders and serve as a catalyst for meaningful dialogue. We would be grateful to receive your candid opinions.



Investor Relations Office team

### More contents for a better understanding of Konica Minolta

- > Corporate website
- > Shareholder and Investor information
- > Audited Financial Report
- > Financial Results & Financial Results Briefing materials
- > Sustainability website
- > Corporate Governance Report
- > Intellectual Property Report
- > Technology Report

### Notes on outlook for future results

The plans, strategies and statements related to the outlook for future results in this document are in accordance with assumptions and beliefs determined by our management based on currently available information, and include elements of risk and uncertainty. However, it should be noted that there is a possibility that actual results could differ significantly due to such factors as social and economic conditions.

### Examples of content improved through dialogue with capital markets

All	
Highlights of the Integrated Report 2025	p.1
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### Frameworks used as references in the preparation of this report

- IFRS Foundation Integrated Reporting Framework
- Ministry of Economy, Trade and Industry of Japan “Guidance for Integrated Corporate Disclosure and Company-Investor Dialogue for Collaborative Value Creation”



\* The Sustainability website discloses information in reference to the GRI Standards and SASB Standards.  
 GRI Standard Comparison Table:  
<https://www.konicaminolta.com/about/csr/csr/vision/gri.html>  
 SASB Standard Comparison Table:  
<https://www.konicaminolta.com/about/csr/csr/vision/gri-sasb.html>

### Major international initiatives we endorse

- The United Nations Global Compact
- Sustainable Development Goals (SDGs)
- TCFD (Task Force on Climate-related Financial Disclosures)
- TNFD (Taskforce on Nature-related Financial Disclosures)
- RE100



### About the Cover

For the Integrated Report 2023, we adopted a simple, all-white design to express our strong will to break away from the past and make a new start. The 2024 edition represented the progress of management transformation and the path to future growth with the brilliance of light shining in a white world. Now, for 2025, a year for the establishment of a foundation for sustainable growth, Konica Minolta Blue and its symbolism of unique innovation vividly colors a world of light.

# Part 1

## Konica Minolta's Purpose

# Creating new value with the power of imaging

### Contents

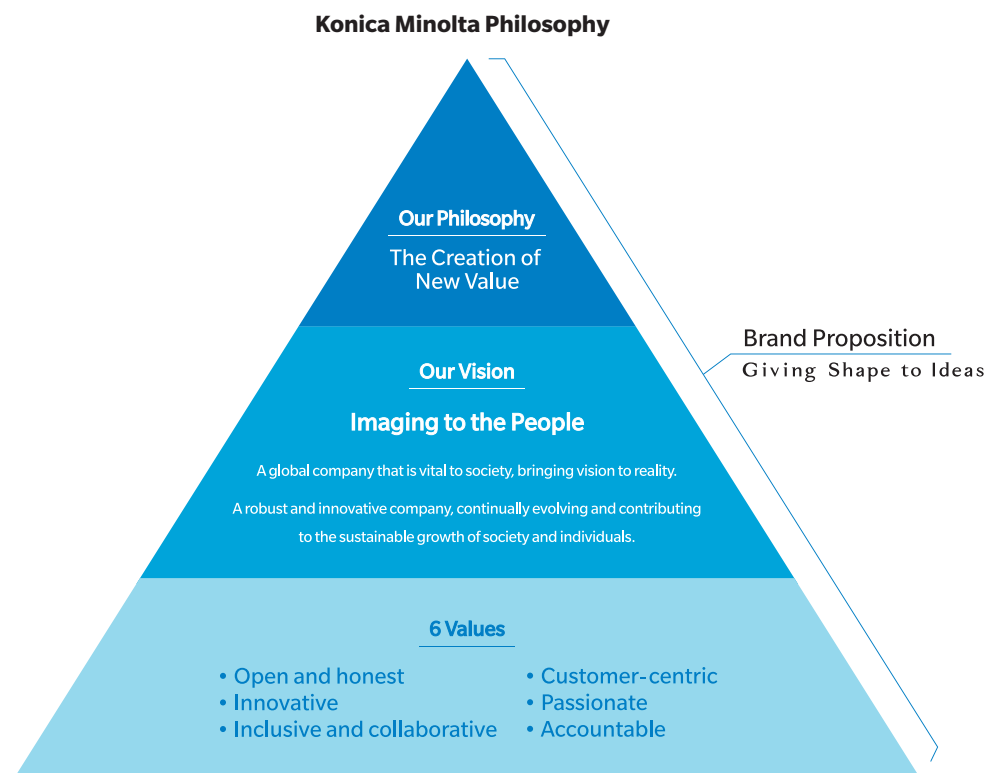
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# Konica Minolta Philosophy

## Our Philosophy: The Creation of New Value

For over 150 years, Konica Minolta has met the hopes and desires to “see” of customers around the world, founded in imaging technologies focused on image input, output, and processing. These technologies have been built in the Company’s camera and photographic film businesses that have persisted since its founding. By visualizing customer issues and integrating and evolving our core technologies, we work with our customers to solve their problems. The consistent practice of “The Creation of New Value” as stated in Our Philosophy is deeply rooted in our DNA as a way of contributing to people and society.

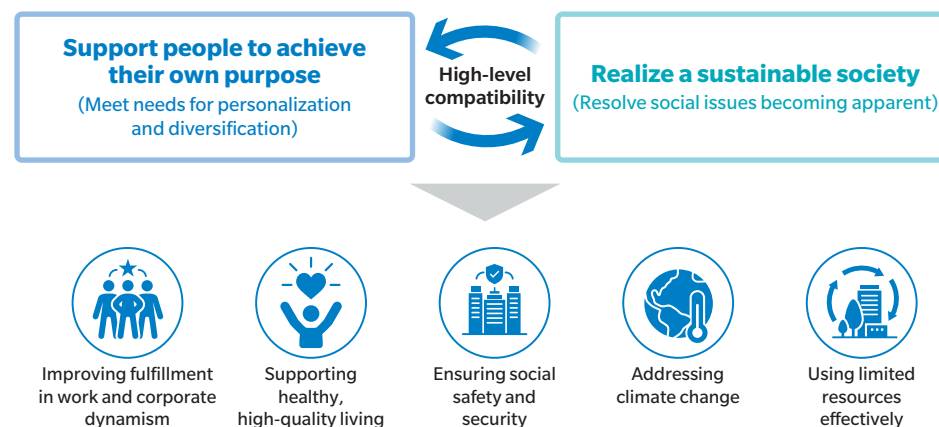


## Our Position in the World and 2030 Vision: “Imaging to the People”

In formulating our long-term management vision, we discussed Konica Minolta’s position in society, and based on the trends of global multipolarity, demographic change, and the spread of DX in 2020, we looked ahead to the year 2030 and envisioned “a society where people can continue to create value and grow by utilizing vast amounts of data, and each individual can work autonomously.” On the other hand, meeting increasingly personalized and diverse needs will create social issues such as resource shortages, the impact of climate change, rising social security costs, and disparities in opportunities for employment and creation. These issues are to be solved and can be business opportunities for companies. Based on this belief, Konica Minolta has concluded that its position is to meet the diverse needs of people and solve social issues seamlessly, with its unique imaging technology at its core, and has incorporated this into its long-term vision, “Imaging to the People.”

## Material Issues

We have identified five material issues by envisioning the social issues that will arise in 2030, ten years after the formulation of the long-term management vision, and clarifying the social value that Konica Minolta should provide in order to solve these issues. These material issues represent themes that can generate particularly high social value by bringing together Konica Minolta’s intangible assets. For each of these five material issues, Konica Minolta has defined its Vision for 2030 and clarified the direction of value creation over the medium to long term (see [page 38](#) for our material issue identification process).

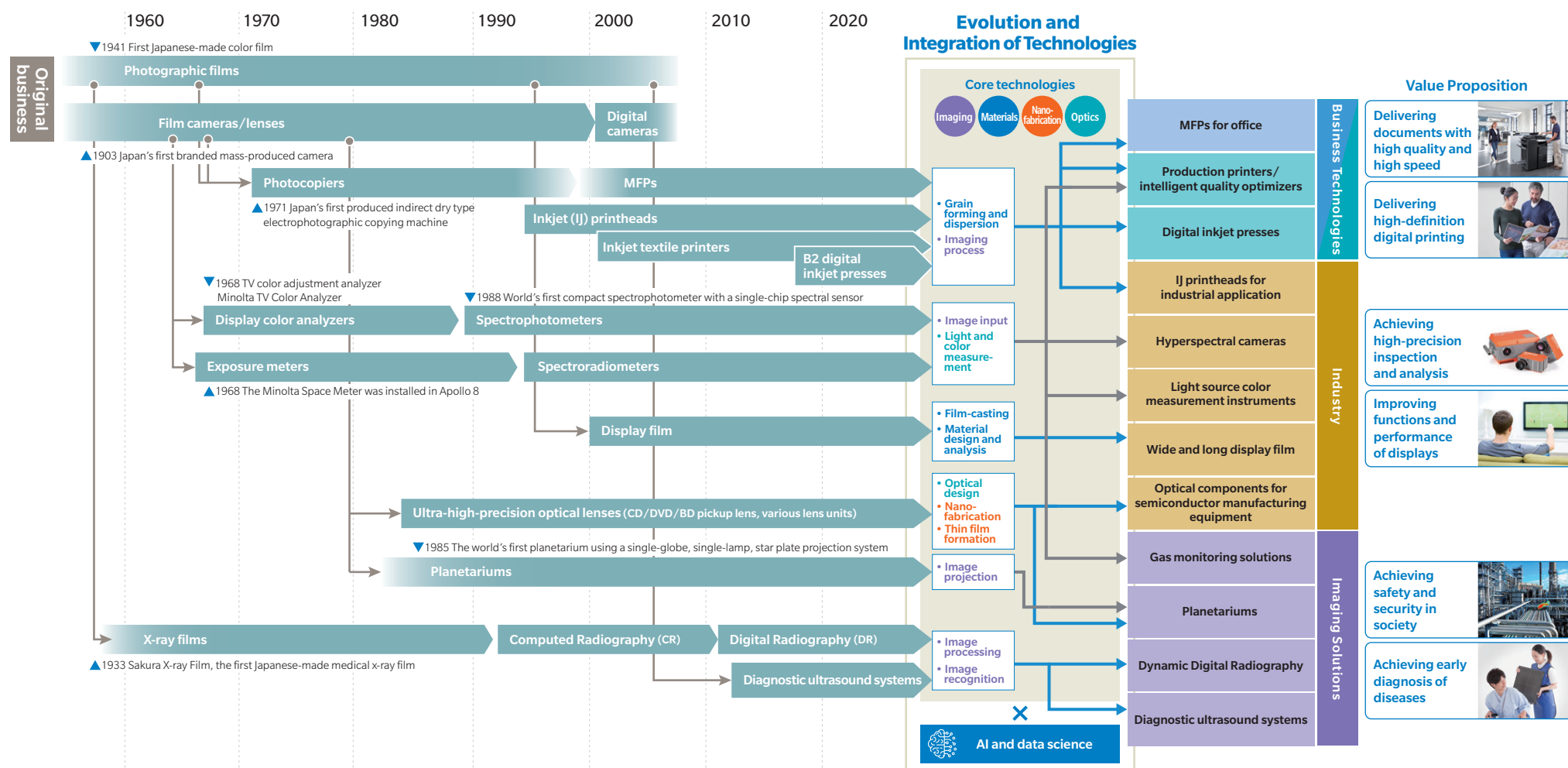


## Lineage of Technologies

# People's hopes and desires to “see” as a driving force for accumulating integration and evolution of technology, and for creating new value

Since its founding, Konica Minolta has continuously refined its core technologies in four areas—imaging, materials, nano-fabrication, and optics—cultivated through its original camera and film business, even as business forms have changed.

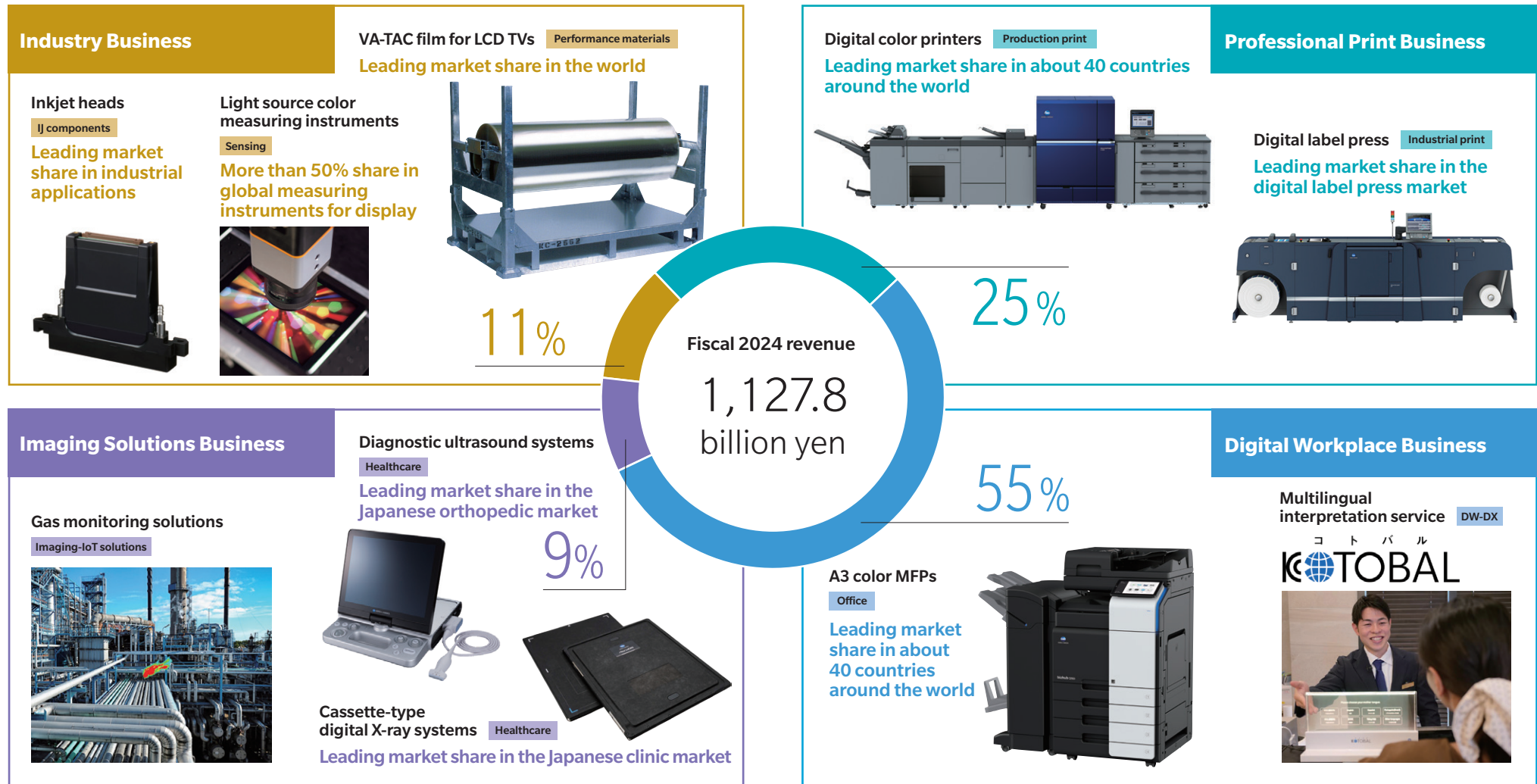
By integrating these technologies and combining them with AI and data science technologies, Konica Minolta will continue to meet people's hopes and desires to “see.”



## Business and Presence

Expand business in areas with growth potential and a high likelihood of success, aiming to become the market leader in those areas

Based on core technologies, our company operates four businesses: Industry Business, Professional Print Business, Imaging Solutions Business, and Digital Workplace Business.



## Business and Presence

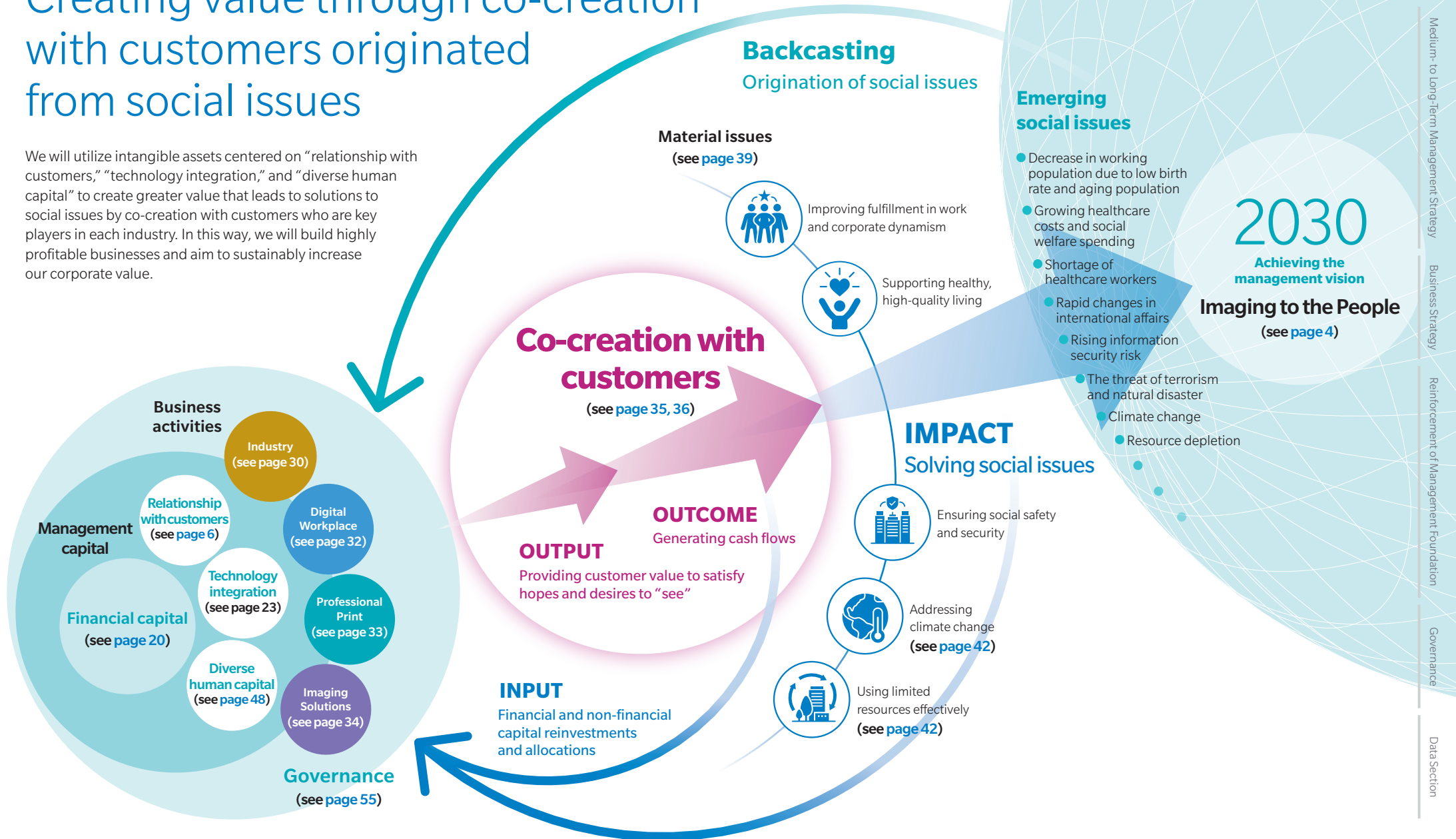
Segment	Business unit	Business description/Products	Customers and industries	Main technologies
Industry Business	<b>Sensing</b>	Provision of various measuring devices such as for light source color and object color measurement, for visual inspections, etc.	<ul style="list-style-type: none"> <li>• Display industry, automotive industry, etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Image input, light and color measurement</li> </ul>
	<b>Performance materials</b>	Provision of functional films for displays	<ul style="list-style-type: none"> <li>• Display industry, etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Film-casting, material design and analysis</li> </ul>
	<b>Inkjet (IJ) components</b>	Provision of inkjet heads and ink	<ul style="list-style-type: none"> <li>• Printing industry, electronic components, parts industry etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Grain forming and dispersion, imaging process</li> </ul>
	<b>Optical components</b>	Provision of various lenses for semiconductor manufacturing equipment	<ul style="list-style-type: none"> <li>• electronic components, parts industry, etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Optical design, nano-fabrication</li> </ul>
Business Technologies Business	<b>Office</b>	MFPs (Multifunction Peripherals) and workflow improvement solutions via document input, processing and output	<ul style="list-style-type: none"> <li>• Private companies, government agencies, educational institutes, etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Grain forming and dispersion, imaging process</li> </ul>
	<b>DW-DX</b>	IT services, digitalization support, and AI SaaS services for solving social issues (education, knowledge management, and translation) that use generative AI for companies and local governments	<ul style="list-style-type: none"> <li>• Private companies, government agencies, educational institutes, etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Generative AI and technology that uses AI</li> </ul>
	<b>Production print</b>	Provision of digital color presses and workflow solutions for printing sites	<ul style="list-style-type: none"> <li>• Printing companies</li> </ul>	<ul style="list-style-type: none"> <li>• Image input, grain forming and dispersion, imaging process</li> </ul>
	<b>Industrial print</b>	Provision of B2 inkjet presses, label presses, embellishment presses, textile printing machines, and other digital printing machines	<ul style="list-style-type: none"> <li>• Printing companies, label/packaging printing companies, apparel manufacturers</li> </ul>	<ul style="list-style-type: none"> <li>• Image input, grain forming and dispersion, imaging process</li> </ul>
Imaging Solutions Business	<b>Healthcare</b>	Provision of digital X-ray diagnostic imaging systems, ultrasound diagnostic systems, and medical IT services such as PACS (Picture Archiving and Communication System)	<ul style="list-style-type: none"> <li>• Hospitals, clinics</li> </ul>	<ul style="list-style-type: none"> <li>• Image processing, image recognition</li> </ul>
	<b>Imaging-IoT solutions business</b>	Provision of IoT network camera solutions, Gas Monitoring Solutions, and caregiving-related solutions	<ul style="list-style-type: none"> <li>• Social infrastructure (plants, etc.), care facilities, etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Image input, image processing, image recognition</li> </ul>



## Value Creation Process

# Creating value through co-creation with customers originated from social issues

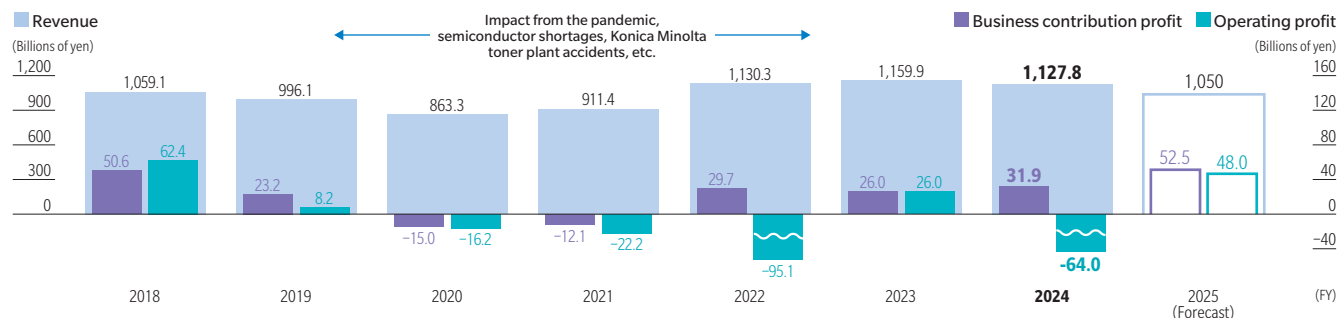
We will utilize intangible assets centered on "relationship with customers," "technology integration," and "diverse human capital" to create greater value that leads to solutions to social issues by co-creation with customers who are key players in each industry. In this way, we will build highly profitable businesses and aim to sustainably increase our corporate value.



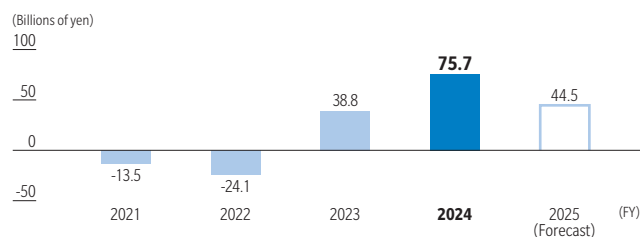
# Financial and Non-financial Highlights

## Outcome (Generating cash flows)

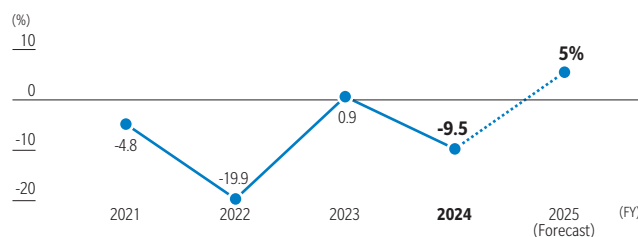
### Revenue / Business contribution profit / Operating profit



### Free cash flow



### ROE



## FY2024: Recovery in business contribution profit FY2025: Toward achieving ROE of 5%

Prior to this Medium-term Business Plan (through fiscal 2022), despite active pursuit of M&A opportunities, internal and external factors kept us from achieving our anticipated outcomes, resulting in continued low profitability in some businesses. As a result, we recorded a significant impairment loss in fiscal 2022.

In fiscal 2024, we recorded an operating loss due to one-time expenses related to global structural reforms, business selection and concentration, and revisions to future plans. However, business contribution profit has been steadily improving.

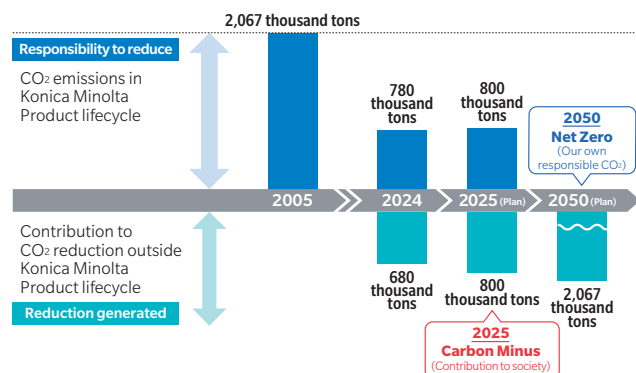
In fiscal 2025, we aim to achieve a V-shaped recovery in operating profit and an ROE of 5% through business growth and manifesting positive impact from management reform efforts to date.

### About Business Contribution Profit

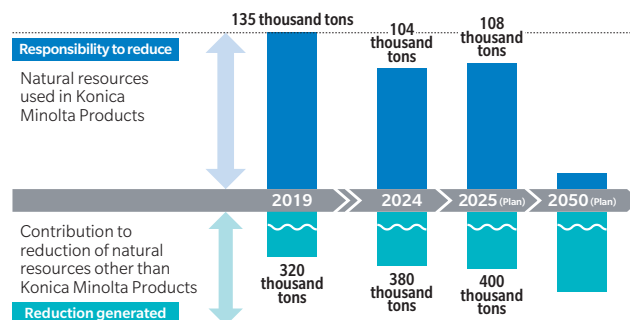
Business contribution profit is a unique profit indicator developed by Konica Minolta. It indicates profit obtained by subtracting cost of sales and SG&A expenses from revenue. Business contribution profit reflects the profit generated from normal business activities and excludes one-time revenues and expenses, making it a consistent indicator that helps to understand the trends and turning points in our businesses' core earning power.

## Impact (Solving social issues)

### CO<sub>2</sub> emissions and reduction contributions



### Natural resource use and reduction contributions



## Expanding solutions that contribute to reducing customers' environmental impact

Konica Minolta is committed to contributing to the reduction of CO<sub>2</sub> emissions generated by its customers and society, with the goal of achieving what we call Carbon Minus (contributing to CO<sub>2</sub> reductions that exceed our own scope of responsibility) by fiscal 2025, and Net Zero CO<sub>2</sub> emissions within our own scope of responsibility by 2050.

In addition, by 2050, we aim to reduce the use of natural resources in our products to near zero by replacing them with circular resources, while also contributing to the reduction of natural resource use in products made by others (see [page 42](#)).



# Part 2

## Medium- to Long-term Management Strategy

# Completing management reforms to enter a growth trajectory

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## Message from the CEO

**We will break from the past traditions and strive toward a V-shaped recovery in business performance and establishing a foundation for growth.**



**Toshimitsu Taiko**

Director, President and CEO,  
Representative  
Executive Officer

### Review of the Second Year of the Medium-term Business Plan

#### Completed business selection and concentration and global structural reforms in the first two years

In fiscal 2023, we launched our three-year Medium-term Business Plan aimed at a “return to a highly profitable company.” During the first two years of the Medium-term Business Plan (fiscal 2023 to 2024), in addition to business selection and concentration, we focused on management reforms with the additional measure of global structural reforms, which was not included in the original plan.

Under business selection and concentration, the positioning of all the Group’s business units was classified into four categories—strengthening businesses, maintaining profit businesses, non-focused businesses, and direction-changing businesses—and the expectations and roles of each unit were clarified (see [page 16](#)). Within the non-focused businesses, we utilized third-party capital and transferred the precision medicine and marketing print management (MPM) services businesses. In the direction-changing businesses, we narrowed down the geographic regions and service areas of our business in the DW-DX unit and Imaging IoT Solutions. We recognize that we were able to implement all of these measures that we had initially planned over a two-year period (see [page 18](#)).

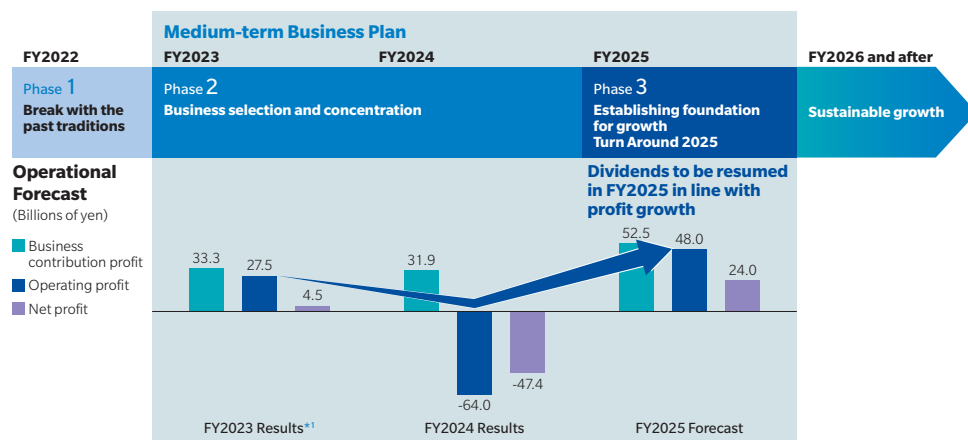
In global structural reforms, we recorded approximately ¥19 billion in business restructuring expenses in fiscal 2024, but expect to gain approximately ¥24 billion in structural reform impact between fiscal 2024 and fiscal 2025. In conjunction with business selection and concentration, our human capital optimization eventually covered approximately 5,500 employees, and we will continue to improve operational productivity and service quality while keeping headcount under control through further DX promotion and applying AI (see [page 18](#)).

In fiscal 2024, we were determined to implement these management reforms in this fiscal year to root out the source of any future issues, and therefore we recorded one-time costs and losses associated with the implementation of these reforms, as well as impairment losses due to the revision of our future business plans. As a result, operating loss was ¥64.0 billion and net loss was ¥47.4 billion. In addition, in the fiscal 2024 accounting audit, our audit firm pointed out the calculation of elimination of unrealized gains in the consolidation adjustment, and ¥11.4 billion was recorded as cost of sales, resulting in a decrease in business contribution profit. Although we recorded an operating loss in fiscal 2024 for the first time since fiscal 2022, we believe that we can now focus our energy on establishing a foundation for growth in fiscal 2025 and beyond by completing our management reforms without postponing structural reforms and business selection and concentration (see [page 20](#)).



## Message from the CEO

### Phases of the Medium-term Business Plan



\*1 Excluded a discontinued operation

### Strengthening the financial base through balance sheet improvements and boosted cash generation capabilities

One of the objectives of implementing the management reforms described above is to strengthen the financial base. In fiscal 2023 and fiscal 2024, we steadily improved our balance sheet and enhanced our cash generation capabilities through the reduction of inventories and trade receivables. In addition, we significantly reduced interest-bearing debt by utilizing the proceeds from the transfer of businesses positioned as non-focused or direction-changing businesses. This also reduced interest expense in the face of rising interest rates.

In fiscal 2025, we plan to resume dividend payments by continuing to reduce interest-bearing debt and further improving earnings while allocating funds for growth investments such as equipment (see [page 22](#)).

### Reinforcing the business management system to ensure stable earnings and future business growth

Our reflection on major impairment losses recorded in precision medicine and other businesses has informed our efforts to reinforce our business management system to ensure stable earnings and create a framework to support future business growth. As part

of this framework, we have revised our internal recognition of and approach to recording impairment losses, and in addition to periodic impairment testing in accordance with international accounting standards, we have established an internal voluntary impairment monitoring system that enables us to identify early signs of impairment.

We also reviewed our new business development process. We have adopted a stage-gate system for new business development, and we will more strictly apply conditions for moving to the next stage. Going forward, we will also focus on highly certain and promising themes by verifying customer value and technical feasibility more thoroughly than before. We plan to incorporate this into our future medium-term plans only after such validation gives us confidence in these themes.

### Focus Policies for the Final Year of the Medium-term Business Plan (Fiscal 2025)

#### Achieving a V-shaped profit recovery and establishing a foundation for future growth

Fiscal 2025, the final year of our Medium-term Business Plan, has been positioned as “Turn Around 2025,” where we have set the following two focus policies. The first policy is to achieve a V-shaped recovery in operating profit and profit attributable to owners of the Company, while achieving ROE of 5% or more and resuming dividend payments to shareholders. Although ROE of 5% does not fully meet capital market expectations, we believe it is a necessary first step to increase ROE to 8% or more. To this end, we will firmly increase our current performance through the effects of management reforms and profitable growth in our businesses. The second policy is to ensure the materialization of new businesses that will be “growth seeds” into fiscal 2026 and beyond.

For fiscal 2025, our forecast is for revenue to decrease year on year due to business transfers and the appreciation of the yen, but in real terms, we anticipate a 2% revenue increase. Business contribution profit is expected to turn profitable at ¥52.5 billion and business contribution profit ratio at 5%, thanks to the effects of business growth and management reforms. We also forecast operating profit of ¥48.0 billion and profit attributable to owners of the Company of ¥24.0 billion. This will enable us to achieve ROE of 5%, and we will aim to pay an annual dividend of ¥10 per share.

As for the external environment in fiscal 2025, we expect to be affected by the U.S. reciprocal tariffs on a global basis, and at the time of the first quarter results, we reflected this reciprocal tariff impact in our forecast for the full fiscal year. We will absorb this by reviewing our already implemented go-to-market strategies such as price actions, channel and regional strategies, and by making additional cost reductions. Since the impact of reciprocal

## Message from the CEO

tariffs will not be limited to fiscal 2025, we are accelerating studies and execution of specific measures such as the continued shift of production to countries with low tariff rates and streamlining of our operating structure by shifting from a business focus to a region focus.

### Performance Outlook

(Billions of yen)

	FY2023 (Including discontinued businesses)	FY2023 (Excluding discontinued businesses)	FY2024	FY2025 (Forecast)
Revenue	1159.9	1107.7	1127.8	1050.0
Business contribution profit	26.0	33.3	31.9	52.5
Operating profit	26.0	27.5	-64.0	48.0
Profit attributable to owners of the Company	4.5	4.5	-47.4	24.0
Dividends (yen/share)	5	5	0	10
ROE (%)	0.9	0.9	-9.5	5

### Toward more improved earnings in existing businesses

In addition to the effects of business selection and concentration and global structural reforms implemented in fiscal 2024, we will work to further improve profitability in each of our businesses in order to strengthen our profit foundation in fiscal 2025 and beyond (see [page 27](#)).

The office unit of the Digital Workplace Business is performing solidly, and along with the creation of benefits from global structural reforms, we are working to enhance profitability by improving production, sales, and service efficiency through cost reductions and DX promotion.

In the production print unit of the Professional Print Business, we will maintain the largest share of Heavy Production Print (HPP) machines by launching new products, and by recapturing the No. 1 share of Mid Production Print (MPP) machines, we will continue to expand non-hardware revenue mainly from mid- to large-sized commercial printing customers.

On the other hand, in fiscal 2024, we recognize that earnings growth each of the performance materials, sensing, healthcare, and industrial printing business units has lagged behind, and we recognize this as a management issue.

In the performance materials unit, we are focusing on expanding sales of SANUQI, a

new resin film for large-size TVs, and preparing for the launch of sales of SAZMA, a new material film. In fiscal 2024, demand changed at a pace exceeding our assumptions, causing our supply to fall short. However, we have already taken measures to expand production capacity for SANUQI. Furthermore, by introducing high transparency TAC (cellulose triacetate) film models tailored to market needs, we will accurately capture demand in fiscal 2025 and aim for a comeback.

In light source color measurement within the sensing unit, one of the factors that contributed to deteriorated earnings in fiscal 2024 was that the introduction of inspection instruments used in production lines did not proceed as planned due to postponement of capital investment by major customers. Going forward, the challenge will be how to elevate our foundation while keeping a close eye on market conditions for capital investment. In addition to establishing a system that can meet the demands of major customers, we will continue to shift to a business structure for growth, including automotive visual inspection and measurement equipment based on hyperspectral imaging, which images a wide range of wavelengths by dividing into numerous pieces.

In the healthcare unit, growth stalled in fiscal 2024 due to lower demand for analog film in China. Meanwhile, we continue to focus on our Dynamic Digital Radiography system, the only one of its kind in the world. In Japan, although the introduction of this system has begun, mainly at large and national hospitals, the pace of diffusion has not yet reached the expected level. Currently, we are in the process of accumulating a number of specific cases demonstrating how the introduction of our Dynamic Digital Radiography system will add value to clinical practice. We also aim to achieve solid results in the next Medium-term Business Plan by strengthening cooperation with external medical and research institutions and through the dissemination of information by key opinion leaders (KOLs).

In the industrial print unit, we will maintain the top share for digital label presses and accelerate digitalization in the market by further expanding the market and launching new B2-size UV inkjet presses (AccurioJet 30000). The number of installed digital inkjet presses (AccurioJet KM-1e) capable of B2-size large-format printing has grown over time, and the ink and other consumables business is also growing steadily. In embellishment printing, which adds value to printed materials, materials printed on our digital presses are subjected to secondary processing on France-based MGI's embellishment presses to create printed materials with an unprecedented sense of luxury and three-dimensionality. We are not yet able to offer our customers packages of embellished printing solutions that other companies do not offer, and we expect further growth in this area. In addition, as a differentiated solution, we are also developing the EX Kansei solution, a design analysis service that quantitatively visualizes human senses by combining our unique strengths in image processing and color analysis technologies with Kansei (sense) brain engineering.

## Message from the CEO

Going forward, we intend to achieve sustainable growth by continuously enhancing the value of our unique total solutions.

### Cultivating growth seeds through organic spillover, not drastic separation, from existing businesses

As described so far, we are focusing on strengthening the profitability of existing businesses and recovering their performance levels, while at the same time creating new businesses that will drive medium- to long-term growth with an eye to the future. Specifically, we are working to turn themes with promising outlooks into viable businesses by using AI to enhance technologies derived from existing businesses, such as precision processing, resin molding, film forming, and spectrophotometry. We will leverage the technology and expertise we have cultivated in our existing businesses and focus on areas with organic spillover from our existing businesses to enhance the chance of success in generating new businesses. This will harness our experience from past failures, when M&A in areas drastically separated and disconnected from our existing businesses did not yield the results we had hoped for.

For example, we have already established a strong relationship of trust with our customers for optical components for semiconductor manufacturing equipment in the Industry Business, and we will strengthen our production system by increasing our facilities to meet growing demand in the future. We will also challenge ourselves in other areas such as recycled plastic material production, barrier films for perovskite solar cells, and process monitoring for biomanufacturing. These were selected from among several technological themes based on an evaluation of market growth potential, the possibility of establishing a competitive advantage, and the probability of generating revenue as a business. Based on our updated new business development process, we will diligently conduct PoCs from technical and business aspects, fully verify potential customer value, reflect this in our medium- to long-term sales and profit plans, and make appropriate investments to nurture businesses into those that will contribute to increased profits.

Many of these seeds of growth are not top-down, but rather based on our material issues oriented to 2030, and they have been created from the bottom up from the business frontlines. It is very encouraging to see so many of these seeds of growth emerging from our business sites in this way. A new business will not succeed without the passion of employees in front lines of the field, who want to make sure that it blossoms. We believe that it is our role in management team to take into account the wishes of those in the field, evaluate and select businesses in a diligent process, and encourage initiatives that should move forward.

## Toward medium- to long-term growth in fiscal 2026 and beyond

### Aiming for 8% ROE by generating profits through top-line growth

To reach the next step of aiming for ROE of 8% or even higher after ensuring achievement of 5% ROE in fiscal 2025 sustainable growth in profits from our businesses is the first essential element. Therefore, in existing businesses, it is important to anticipate customer demand and adapt appropriately. Though we have been pursuing a “genre-top strategy” that focuses on markets with growth potential and aims to capture market share, going forward, we will evolve to a “domain No. 1” strategy. Here, we will focus on maintaining the No. 1 position for products and services that already have the No. 1 market share and capturing the No. 1 position for those that are No. 2 or lower.

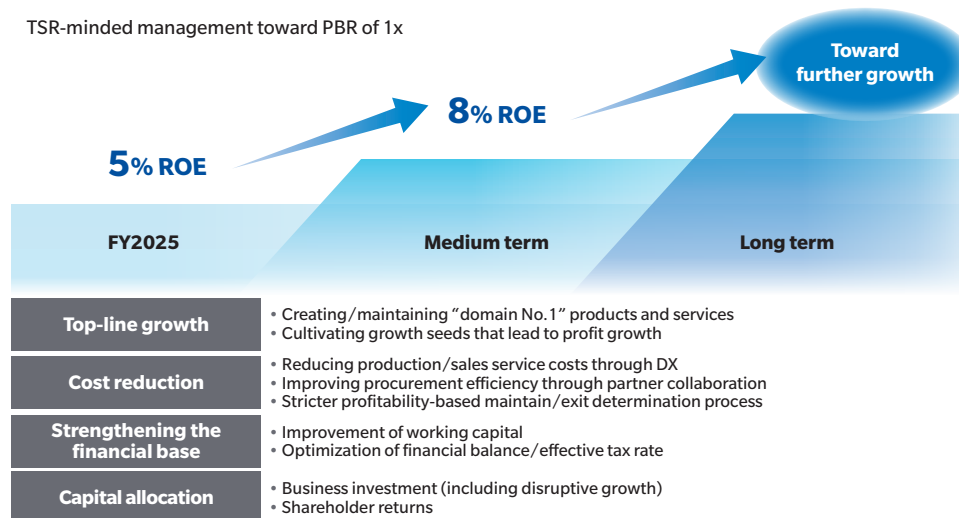
On the other hand, in terms of business models, we are already promoting recurring businesses that can ensure continuous profitability in the Business Technologies Business and part of the Imaging Solutions Business, an initiative that has received high praise from shareholders and investors. Going forward, we intend to expand this recurring business model broadly to other business areas, and through the formulation and implementation of each business strategy, we hope to improve profitability.

In addition, by taking the aforementioned themes that will serve as growth seeds and

### Medium- to long-term ROE improvement measures

#### Toward growth in fiscal 2025 and beyond

TSR-minded management toward PBR of 1x



## Message from the CEO

turning them into viable businesses, we will achieve early profit contributions.

We will also continue to focus on generating profits through cost reductions. In fiscal 2024, we established Global Procurement Partners Corporation as a joint venture with FUJIFILM Business Innovation Corporation in the Business Technologies area, a conduit for new initiatives in the procurement function for raw materials and components. Through this joint venture, the two companies will utilize our extensive supplier networks to strengthen respective business foundations by establishing a stable supply system for products and reducing costs.

We will also focus on improving productivity through the fusion of data utilization and AI technology, continuously monitoring the progress of per capita revenue and business contribution profit.

Furthermore, we must pivot our management to pursue capital efficiency in each business on a daily basis, with a stronger awareness of the cost of shareholders' equity and efficiency of invested capital.

## Helping to realize a sustainable society through our business activities

At Konica Minolta, our aim is to contribute to the realization of a sustainable society by creating value through our business activities to solve the issues faced by our customers and society, while at the same time achieving sustainable growth ourselves. The growth strategies I previously mentioned also constitute practice of this kind of sustainability management. For example, recycled plastic materials, barrier films for perovskite solar cells, and process monitoring for biomanufacturing, which were introduced above as growth seeds, are all themes that contribute to addressing climate change and using limited resources effectively, both of which are our material issues.

In addition, with respect to the goal of achieving Carbon Minus\* in fiscal 2025, fiscal 2024 performance was on track as expected, and we intend to ensure this goal will be achieved.

Furthermore, we have pioneered the implementation of human rights due diligence and other measures to address the growing social concern about human rights. We intend to continue strengthening our commitment to human rights, not only within the Group but also throughout the supply chain (see [page 47](#)).

\* Carbon Minus: A state in which CO<sub>2</sub> emissions in the lifecycle of our products (Scope 1, 2, and 3 emissions) are reduced and at the same time the amount of contribution to CO<sub>2</sub> reduction (Scope 4) is generated that exceeds the amount of Scope 1, 2, and 3 emissions through collaboration with stakeholders such as customers and suppliers. Our goal is to build more competitive businesses by generating and enhancing the impact of our reduction contribution.

## Shareholder value-conscious management aiming for a PBR of 1x or more

We sincerely recognize that our current stock price level is the result of the capital market's severe evaluation of our performance and management. Going forward, we intend to achieve a PBR of 1x or more by steadily promoting profitable growth in our businesses, nurturing growth seeds in the next Medium-term Business Plan, and reflecting the value of research and development in shareholder value.

Additionally, Konica Minolta has paid a portion of officer compensation in the form of stock bonus so far. In order to further practice management taking the perspective of our shareholders, we will introduce total shareholder return (TSR) as an evaluation indicator for the stock compensation plan for Executive Officers starting in fiscal 2026. By incentivizing contributions to greater shareholder value, we will shift management to be more conscious of shareholder value than before.

We are breaking from past traditions, ready to move on to the next stage. Through internal financial results briefings such as CEO LIVE! events, I have told employees that we can no longer use the past to make excuses. Going forward, we must not be conservative in how we envision our future growth, but instead compete with a mindset to pioneer the next stage of growth. I myself believe that my own role is to truly transform the Company by bringing out that awareness and leading it to fruition. On behalf of Konica Minolta, I sincerely appreciate your continued support of our endeavors.



At CEO LIVE!, internal financial results briefings, I answer any and all questions from employees. During the networking sessions afterward, we chat openly and casually, and I personally gain many insights myself.



Visits to our bases in Japan and overseas continue. This photo was taken during a visit to the base in Thailand.



## Medium-term Business Plan Update

### Basic Policies of the Medium-Term Business Plan and Business Positioning

#### Return to a highly profitable company through business selection and concentration

In this Medium-term Business Plan, we aim to achieve our financial and non-financial targets (see [page 19](#)), chart a growth trajectory and return to being a highly profitable company through the following three initiatives: strengthening business profitability, structural reforms implemented to reinforce profit foundation, and reinforcement of business management system.

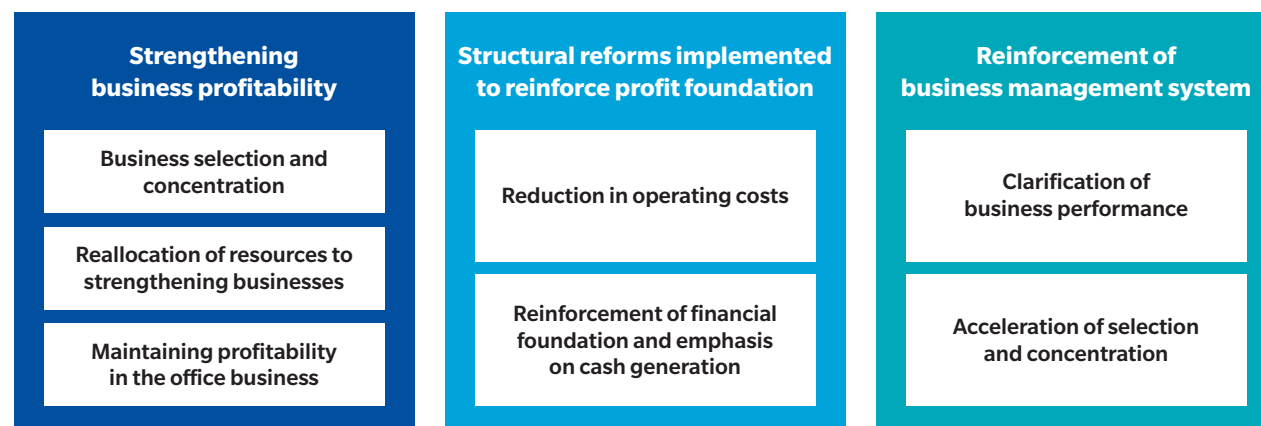
When it comes to strengthening business profitability, we are focused on selecting and concentrating our businesses, pursuing growth in strengthening businesses, and reinforcing profitability of the office business to increase business contribution profits. In regard to reinforcing our profit foundation, we are reducing operating costs by implementing structural reforms, in addition to selecting and concentrating businesses. With respect to reinforcing our business management system, we are working to establish mechanisms that clarify business performance and accelerate the selection and concentration of businesses.

#### Review business positioning to select and concentrate businesses

To select and concentrate businesses, this Medium-term Business Plan repositions all business units under one of four categories—strengthening, maintaining profit, non-focused, and direction-changing businesses—and clarifies the expectations and roles of each unit.

Strengthening businesses will drive Konica Minolta's growth through further business expansion. Maintaining profit businesses will ensure stable cash generation and further strengthen earnings power. Non-focused businesses are those whose role will be determined from a best-owner perspective, with a view to using third-party capital. Direction-changing businesses will reorient all or parts of their business, and get placed on a growth trajectory after undergoing their selection and concentration.

### Basic Policies of the Medium-term Business Plan Return to a highly profitable company



#### Business Positioning

■ Industry ■ Digital Workplace ■ Professional Print ■ Imaging Solutions

	Direction	Relevant businesses	
Strengthening business	Drive our growth through business expansion	Strengthening areas for Industry* <sup>1</sup>	Healthcare
		Strengthening areas for Professional Print* <sup>2</sup>	
Maintaining profit business	Stable generation of cash	Office	
Non-focused business	Use of third party capital, etc.	Marketing services	Optical components (for non-strengthening areas)
		Precision medicine	
Direction-changing business	Redesignation of strategic direction for growth	Imaging-IoT solutions	
		DW-DX	

\*<sup>1</sup> Strengthening areas for Industry: sensing + performance materials + IJ components + optical components (industrial applications)

\*<sup>2</sup> Strengthening areas for Professional Print: production print + industrial print

## Results of Fiscal 2024 Management Reforms

### In fiscal 2023-2024, completed management reforms aimed at breaking with the past

In fiscal 2024, we undertook numerous management reforms and successfully completed all planned measures.

#### Business Selection and Concentration

For non-focused businesses, we concluded all transfer agreements in precision medicine; a transfer agreement for overseas MPM services\* in marketing services; and a transfer agreement of equity interest of one Chinese manufacturing subsidiary in optical components.

For direction-changing businesses, we narrowed down the countries and regions in which DW-DX services are offered. For Imaging-IoT solutions, we narrowed down the countries and regions in which we operate, implemented structural reforms in Europe and the U.S., and concluded a transfer agreement for

MOBOTIX. These measures will reduce losses in non-focused and direction-changing businesses, with profitability expected by fiscal 2025 (see [page 18](#)).

#### Reinforcement of profit foundation

In the Business Technologies Business, profit is steadily increasing, mainly from our office units. We also established Global Procurement Partners Corp., a joint venture with FUJIFILM Business Innovation Corp., to build a robust supply system for raw materials and parts. In addition, from a production efficiency standpoint in the business technologies sector, we discontinued production at our Wuxi, China factory, and relocated production sites to Dongguan, China, as well as Malaysia and Japan. By restructuring our production system, we aim to optimize it and diversify our global supply network.

By optimizing human capital and promoting DX, we expect global structural reforms to have effects that exceed our initial plans (see [page 18](#)).

In addition, to strengthen our financial base, we are working to reduce interest-bearing debt mainly by using the cash obtained from business transfers, and are progressing as planned toward the end of fiscal 2025 (see [page 22](#)).

We recognize the deterioration in profitability and delayed growth in certain business units designated as strengthening initiatives in our Mid-term Business Plan as management challenges and will continue to accelerate efforts to improve them (see [page 19](#)).

#### Strengthening business management systems

Under reinforcing our business management systems, we are working to build foundations supporting growth, such as improving impairment signs monitoring and reviewing new business development processes, as well as transforming corporate culture (see [page 21](#)).

### Results of business selection and concentration & reinforcement of profit foundation

Business selection and concentration	Using third-party capital for non-focused businesses	✓	<ul style="list-style-type: none"> <li>Precision medicine: Concluded business transfers</li> <li>Marketing services: Business transfer agreement of MPM services</li> <li>Optical components: Transfer agreement of equity interest of one Chinese manufacturing subsidiary</li> </ul>
	Redesigning strategic direction of direction-changing businesses	✓	<ul style="list-style-type: none"> <li>DW-DX: Reduced losses and on track to profitability with reforms by fiscal 2025</li> <li>Imaging-IoT solutions: Share transfer agreement of MOBOTIX</li> </ul>
Reinforcing profit foundation	Increased profitability of Business Technologies Business	✓	<ul style="list-style-type: none"> <li>Improved profitability and cash generation of Business Technologies Business</li> <li>Established JV with Fujifilm BI</li> <li>Ended production at the Wuxi factory in China</li> </ul>
	Global structural reform	✓	<ul style="list-style-type: none"> <li>Optimizing human capital by global structural reforms</li> <li>Created impact through productivity improvement initiatives</li> </ul>
	Strengthening the financial structure	✓	<ul style="list-style-type: none"> <li>Promoting reduction of working capital and interest-bearing debt</li> </ul>

Challenges: Slower-than-expected growth in some businesses (industrial print, performance materials, sensing, and healthcare)

\* MPM: Marketing Print Management. A service for marketing departments in major global companies.

### Results of reinforcing our business management systems

Building foundations to support growth	<ul style="list-style-type: none"> <li>Review and improvement of impairment monitoring</li> <li>Reduction in number of Directors, clarification of roles, and delegation of authority</li> </ul>
Transformation for growth	<ul style="list-style-type: none"> <li>Review of new business development processes</li> </ul>
Corporate culture	<ul style="list-style-type: none"> <li>Fostering a culture of listening to opinions and encouraging discussion</li> <li>Increasing opportunities for dialogue between management and employees</li> <li>Setting realistic management goals</li> </ul>

## Results of business selection and concentration & global structural reform

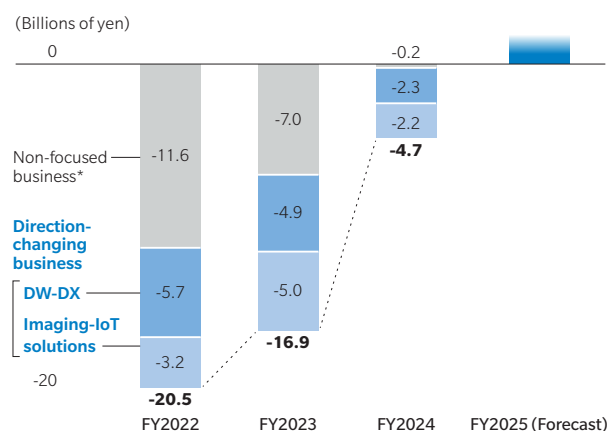
### Reduced business contribution losses by transferring non-focused businesses and redesigning strategy of direction-changing businesses

For non-focused businesses, we considered using third-party capital and, as mentioned above, concluded transfer agreements for the precision medicine, marketing services, and optical components units, and expect to complete all transfers within fiscal 2025. For direction-changing businesses, we revised growth strategies for DW-DX and Imaging-IoT solutions and executed reform measures.

In fiscal 2022, prior to the current Medium-term Management Plan, non-focused and direction-changing businesses combined for 20.5 billion yen in business contribution losses. However, as a result of these measures, the loss was significantly reduced in fiscal 2024, to 4.7 billion yen. We plan to be profitable in fiscal 2025.

### Results of business selection and concentration

#### Business contribution losses of non-focused and direction-changing businesses



\* Non-focused business: combined value of precision medicine and marketing services  
Precision medicine includes results through fiscal 2023. Excluded as discontinued operations from fiscal 2024 onwards.

### Achieved cost reductions through the completion of global structural reforms

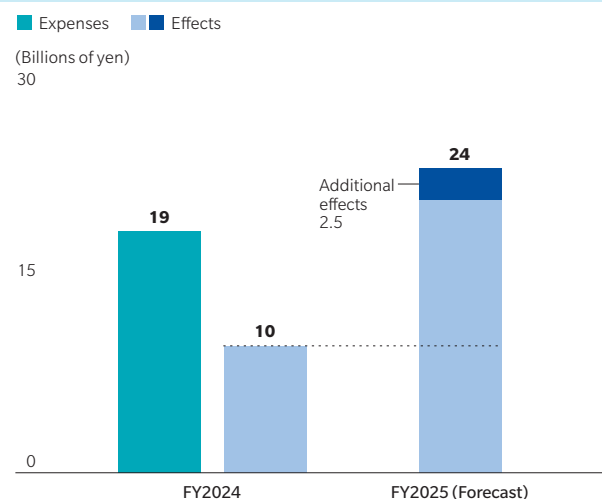
To improve the entire group's productivity, we are aiming to transform into an organization with high per capita productivity by optimizing human capital as part of global structural reforms while promoting DX.

To optimize human capital, we had planned to reduce our workforce by 2,400 employees relative to initial plans for fiscal 2025, but by executing additional measures in multiple functions and regions, the reduction of Group employees was larger than initially expected.

We had anticipated a one-time expense of about 20 billion yen in fiscal 2024, but we were able to reduce this to about 19 billion yen by implementing additional measures. The effect of these measures improved profits by about 10 billion yen in fiscal 2024. We expect to generate further profit-improvement effects

### Results of global structural reform

#### Expenses and effects of global structural reform



of about 14 billion yen in fiscal 2025, for a total effect of approximately 24 billion yen.

To continue sustainable growth while keeping personnel numbers down, we are advancing higher operational productivity with DX. Specifically, we are automating operations by leveraging generative AI and shifting employees to high added-value tasks that only humans can perform.

In areas such as sales, services, production, and development, we promoted the use of digital data and AI to raise the quality and efficiency of our operations, thereby aiming to enhance productivity and customer service. In fiscal 2025, we plan to actively promote the DX initiatives, selected from among our many DX themes (see page 53), that will yield a high return on investment. With DX, we will improve profitability and prepare to invest in future growth areas.

### Results of optimizing human capital

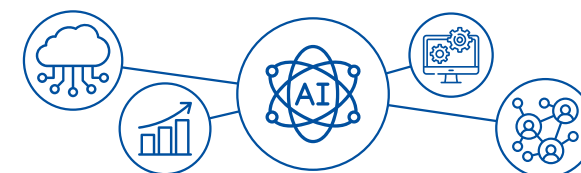
#### Reduction in the number of employees and initiatives to improve productivity

Business Selection and Concentration approx. <b>2,800</b>	Global Structural Reform approx. <b>2,700</b>
--------------------------------------------------------------	--------------------------------------------------

**Total: approximately 5,500 people**

#### Improved operational productivity through DX

Leveraged data and AI to raise operational productivity in production & sales processes and optimize staffing levels



## Toward a V-shaped recovery in fiscal 2025 and further growth in the future

### Turn Around 2025—Aiming for ROE of 5% through business growth and management reform effects

Fiscal 2025, the final year of the current Medium-term Business Plan, will be positioned as Turn Around 2025, and we will build a foundation to return Konica Minolta to a growth trajectory.

For our financial targets, we are prioritizing ROE improvement above all else. We will aim for an ROE of 5% by selecting and concentrating businesses to improve basic earnings margin, optimizing working capital and inventories, and building

#### Main financial indicators

	FY2023 Results	FY2024 Results	FY2025 Forecast	FY2025 Medium-term plan (As of Apr 2024)
<b>Revenue</b> (Billions of yen)	1,159.9	1,127.8	1,050.0	1,050.0
<b>Business contribution profit</b>	2.2%	2.8%	5.0%	5% or more
<b>ROE</b>	0.9%	-9.5%	5%	5% or more

#### Main non-financial indicators

		FY2023 Results	FY2024 Results	FY2025 Plan
Employee engagement score		6.8	6.8	7.7
CO <sub>2</sub> emissions produced in Konica Minolta product lifecycle	Reductions compared to 2005	63%	62%	61% or more
	Emissions	750,000 tons	780,000 tons	800,000 tons or less
Contribution to CO <sub>2</sub> reduction by customers and society		630,000 tons	680,000 tons	800,000 tons or more

a well-balanced financial base.

Revenue will be lower than initial plans set in fiscal 2023 due in part to the transfer of businesses as a result selection and concentration, but the business contribution profit ratio is expected to hit the target of 5% or more thanks to the effects of management reforms.

With regard to strengthening businesses, although some businesses are experiencing slow growth, we will identify their respective issues and implement measures to grow each of them. Specifically, in industrial print, we will accelerate growth by introducing new products. In performance materials, we will expand our share in focus areas, and in sensing and healthcare,

we will aim to improve profitability.

As non-financial indicators, we are also working to improve employee engagement (see [page 51](#)) and reduce CO<sub>2</sub> emissions (see [page 42](#)).

In this Medium-term Business Plan, we are prioritizing an ROE of 5%, but at the same time, we are also working to develop technologies that will serve as seeds for future medium- to long-term profit growth (see [page 24](#)). In the next Medium-term Business Plan and beyond, we will aim for an ROE of 8% and further growth, and continue to enhance our corporate value.

#### FY2025 Strategic Challenges and Measures by Business (see [pages 30-34](#))

Digital Workplace	Industry
<b>Office:</b> <ul style="list-style-type: none"> <li>Maximizing medium- to long-term profits through high-speed equipment expansion and minimizing non-hardware declines</li> <li>Improved productivity of production, sales and service operations through DX</li> </ul> <b>DW-DX:</b> <ul style="list-style-type: none"> <li>Created impact with FY2024 business selection and concentration</li> <li>Growth of operation optimizing services and AI SaaS services<sup>*1</sup></li> </ul>	<b>Sensing:</b> <ul style="list-style-type: none"> <li>Expand light source color measurement capturing the evolution of display functionality</li> <li>Hyperspectral imaging and global expansion of automotive visual inspections</li> </ul> <b>Performance materials:</b> <ul style="list-style-type: none"> <li>Increase SANUQI<sup>*2</sup> production capacity and competitiveness of VA phase difference film</li> <li>Enter surface protection field with the new SAZMA<sup>*3</sup></li> </ul> <b>IJ components:</b> <ul style="list-style-type: none"> <li>Expansion of inkjet heads for industrial applications</li> </ul> <b>Optical components:</b> <ul style="list-style-type: none"> <li>Expansion of optical components for semiconductor manufacturing equipment</li> </ul>
Professional Print	Imaging Solutions
<b>Production print:</b> <ul style="list-style-type: none"> <li>Expansion of Heavy Production Print (HPP<sup>*4</sup>) and Mid Production Print (MPP<sup>*5</sup>)</li> <li>Improved productivity of production, sales and service operations through DX</li> </ul> <b>Industrial print:</b> <ul style="list-style-type: none"> <li>Expand UV digital inkjet presses and digital label presses</li> <li>Strengthen the sales and service system</li> </ul>	<b>Healthcare:</b> <ul style="list-style-type: none"> <li>Expanding digital X-ray adoption by highlighting the value of dynamic X-ray imaging</li> <li>Global expansion of medical IT services</li> </ul>

<sup>\*1</sup> AI SaaS Services: Services we developed that offer AI-enabled interpretation, knowledge management, and educational support, etc.

<sup>\*2</sup> SANUQI: Trademark for a new resin film made of COP material, used as a component of electronic display devices. This film has excellent water resistance, heat resistance, and transparency.

<sup>\*3</sup> SAZMA: Trademark for a new acrylic film used as a component of electronic display devices. This film features easy surface processing and optical isotropy, which are not found in conventional products.

<sup>\*4</sup> HPP: Heavy Production Print, over 1 million prints/month, commercial printing products.

<sup>\*5</sup> MPP: Mid Production Print, 300k to 1 million prints/month, commercial printing products.





**Yoshihiro Hirai**  
Executive Vice  
President and  
Executive Officer

In fiscal 2024, Konica Minolta carried out global structural reforms, business selection and concentration, and appropriate revisions to our future business plan, which resulted in a significant loss. However, we believe this deficit is largely due to temporary factors, and we have strengthened our foundation for achieving the earnings level we should pursue in the future. We also made steady progress in improving our financial position by reducing interest-bearing debt by ¥84.4 billion.

Fiscal 2025 will be a pivotal year to achieve a V-shaped recovery in profits, resume dividend payments, and build a bridge to the next Medium-term Business Plan. Despite negative factors such as rising U.S. tariffs and the risk of a recession, we will continue to meet the expectations of our stakeholders through the unified efforts of the entire Group.

In addition to improving ROE, our management going forward will focus on generating stronger profits and reinforcing each business with an emphasis on the efficiency of invested capital. The fiscal 2025 ROE target of 5% is a minimum, and we aim to reach 8% or higher. To achieve this, we will not only pursue business growth but also focus on improvements in net profit through further reductions in interest-bearing debt and the optimization of tax expenses.

We have carried out the selection and concentration for loss-making businesses through fiscal 2024 and, starting in fiscal 2025, advance to a management stage that evaluates and ensures the efficiency of profit generation in each business. Going forward, we will embed the cost of shareholders' equity and capital efficiency into our management practices to raise corporate value and deliver profit returns that meet shareholder expectations.

## Review of fiscal 2023 and 2024

### Completion of global structural reforms and business selection and concentration

In fiscal 2023, the first year of our Medium-term Business Plan, we achieved our most important goal of achieving positive operating profit and profit attributable to owners of the Company (hereinafter referred to as "net profit") and improved our balance sheet, mainly working capital and interest-bearing debt, by generating ¥83.3 billion in operating cash flow.

In fiscal 2024, revenue increased 1.8% year on year to ¥1,127.8 billion, due in part to the weaker yen. In terms of profit, although we were able to control SG&A expenses and capture some of the effects of global structural reforms, business contribution profit was ¥31.9 billion, down 4.2% year on year, due to a revision of the calculation of elimination of unrealized gains in the consolidated financial results.

Business by business, the Digital Workplace Business posted higher profits, but profits in the other three businesses declined, and challenges remained in some businesses (industrial print, performance materials, sensing, and healthcare), which were positioned as strengthening businesses. In addition, one-time expenses, such as global structural reforms and business selection and concentration (see [page 18](#)), as well as impairment losses on goodwill and property, plant and equipment and intangible fixed assets in the sensing, industrial print, and healthcare units, resulted in an operating loss of ¥64.0 billion. In addition, the Company reversed deferred tax assets (approximately ¥18 billion) due to a review of business plans in the U.S. and other countries. In addition, as part of the selection and concentration of businesses, the precision medicine business was transferred, resulting in a net loss attributable to owners of the Company of ¥47.4 billion, including the gain on the transfer of this business.

These global structural reforms, selection and concentration of businesses, and appropriate review of future business plans have led to a reduction of total assets by approximately ¥190 billion compared to fiscal 2023.

Thus, in fiscal 2024, we advanced management reforms and other measures that resulted in significant losses, causing great concern to our stakeholders. However, by completing business selection and concentration in fiscal 2023 and 2024 as planned,

we were able to prepare to establish a foundation for growth in fiscal 2025, the final year of the plan.

### One-time factors in FY2024

One-time expenses/losses	
Global structural reforms	-¥19.0 bn
Business selection and concentration	Approx. -¥28 bn
Impairment loss on assets	Approx. -¥51 bn
Reversal of deferred tax assets	Approx. -¥18 bn
Gain on business transfer	
Precision medicine	Approx. ¥50 bn



### Financial impact in FY2025

Business contribution profit: Total +¥15.5 bn (YoY)	
Impact of global structural reforms (including additional portions)	+¥14.0 bn
Improved profitability through business selection and concentration	+¥1.5 bn
Total assets at the beginning of the period: Total approx. -¥190 bn (vs. end of FY2023)	
Selection and concentration of business	Approx. -¥120 bn
Impairment loss on assets	Approx. -¥51 bn
Reversal of deferred tax assets	Approx. -¥18 bn

## Enhancing corporate value

### Achieving ROE of 5% and targeting rapid achievement of 8% or higher through business growth and benefits from management reforms

In fiscal 2025, we will move into a new phase under the slogan "Establish a Foundation for Growth: Turn Around 2025." Here, we intend to achieve a V-shaped recovery in operating profit and net profit to achieve ROE of 5%, and beyond that, ROE of 8% or higher.

Since improvement of net profit ratio and the total asset turnover rate is important to improve ROE, we are breaking down each element in the ROE tree to make improvements.

## Financial Strategy

### Improvement of net profit ratio

In fiscal 2025, we will incorporate the effects of structural reforms implemented in the previous fiscal year. In addition, we will strive for business growth by boosting profitability of strengthening businesses and expanding sales after pivoting our direction-changing business. Furthermore, we will also control SG&A expenses through DX and other measures. Through these efforts, we aim to increase profits in the Digital Workplace, Professional Print, and Industry Businesses and break even in the Imaging Solutions Business.

We will also continue to improve our financial balance by reducing interest-bearing debt. Tax burden has persistently been high with respect to our tax expenses. The main reason for this has been inapplicability of tax benefits at overseas loss-making subsidiaries, and to address this, we are working to improve our effective tax rate by reviewing the profit structure of subsidiaries. As a result, we plan to return to profitability with net profit of ¥24.0 billion. By continuing these measures in fiscal 2026 and beyond, we aim to further improve profit ratios.

For fiscal 2025, we have estimated the impact of the U.S. reciprocal tariff hike at -¥14.0 billion. In addition to price adjustments, we will absorb this impact through measures such as revising our go-to-market strategy, reducing additional expenses, and shifting production further to low-tariff countries.

### Improvement of total asset turnover rate

While it is necessary to increase revenue through business growth in the medium to long term, in fiscal 2023 and fiscal 2024 we have prioritized the reduction of total assets, optimizing inventories and trade receivables, reducing assets through business selection and concentration, and reducing interest-bearing debt by also utilizing cash inflows from the sale of businesses.

As a result, the total asset turnover ratio for fiscal 2024 was 0.92x, an improvement from 0.80x in fiscal 2022. The target is 0.93x in fiscal 2025, and we aim to improve turnover to 1.0x as soon as possible by growing revenue in addition to reducing working capital and other measures.

### Optimization of financial leverage

Financial leverage has remained high at Konica Minolta due to large investments totaling approximately ¥290 billion under the three Medium-term Business Plans through fiscal 2022, a change in international lease accounting standards in fiscal 2019 that resulted in approximately ¥100 billion of on-balance sheet lease assets and liabilities, as well as a decrease in shareholders' equity due to losses.

Financial leverage was 2.9x in fiscal 2022, improving to 2.6x in fiscal 2024 due to asset reductions, with an additional focus on interest-bearing debt reduction. In fiscal 2025, we expect to improve this further to 2.3x (equity ratio of 43%) by further reducing interest-bearing debt.

From fiscal 2026 onward, we aim to achieve an optimal level of financial leverage for Konica Minolta of approximately 2x.

## Reinforcement of business management system

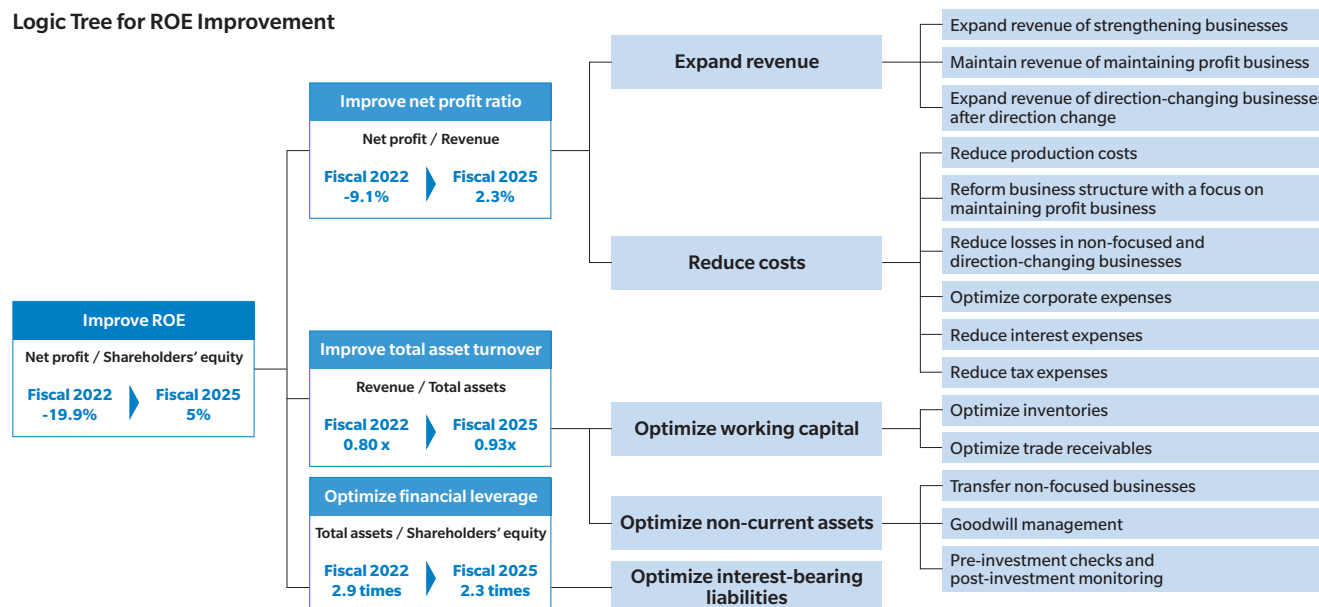
### Toward a stage of management conscious of cost of capital

In light of significant impairment losses incurred in the past, in fiscal 2023 we reviewed our investment evaluation and business review methods and strengthened our monitoring of impairment risk to be conducted on a quarterly basis, whereas it was previously done at the end of each fiscal year. In addition, as an element of business management based on capital efficiency, we monitor the status of our KM-ROIC\* indicator against business-specific hurdle rates, as well as our general finances and other information. This will allow us to thoroughly manage our business portfolio to make decisions such as whether to continue or withdraw from businesses.

In recent years, we have focused on rebuilding or withdrawing from loss-making businesses, but with the completion of business selection and concentration, we now move to a stage of management conscious of cost of capital.

\* KM-ROIC: A proprietary index for calculating return on invested capital (ROIC) where the numerator is business contribution profit and the denominator is business assets (working capital + goodwill + property, plant and equipment + intangible fixed assets)

### Logic Tree for ROE Improvement



\* ROE: Calculated with the average of beginning and ending balances  
Total asset turnover rate and financial leverage: Calculated with the ending balance

## Financial Strategy

### Improved Balance Sheet

#### Improving financial soundness by reducing assets and interest-bearing debt

Konica Minolta is improving working capital by optimizing trade receivables and inventories, and reducing interest-bearing debt (including lease liabilities) through cash inflows from business asset reductions and asset sales. As a result, total assets were reduced by ¥196.1 billion from ¥1,413.7 billion at the end of fiscal 2022 to ¥1,217.6 billion at the end of fiscal 2024. Goodwill peaked at ¥246.5 billion at the end of fiscal 2021, then decreased to ¥126.3 billion in fiscal 2024. Goodwill as a percentage of capital has also decreased from a peak of 44% to 27%, demonstrating increased financial security.

Currently, we are aiming for another step in our total asset reduction by the end of fiscal 2025, which is the final stage of our Medium-term Business Plan. In particular, we will reduce interest-bearing debt to ¥370 billion, optimizing our financial balance toward a net D/E ratio of 0.55 at the end of fiscal 2025 versus 0.8 at the end of fiscal 2022.

### Capital allocation

#### Substantial reduction of interest-bearing debt through cash inflows generated from operating cash flow and business transfers, while strengthening business investments and shareholder returns

In fiscal 2023 and 2024, we generated ¥134.4 billion in operating cash flow, mainly due to an improvement in working capital of ¥52.6 billion. One-time expenses such as impairment losses and reversals of deferred tax assets incurred in fiscal 2024 are non-cash and therefore do not affect cash flows. Cash inflows from the sale of precision medicine and other businesses amounted to ¥68.8 billion in investment cash flow, and cash combined with operating cash flow was allocated to business investments (¥86.8 billion), repayment of interest-bearing debt (¥161.6 billion), and dividends (¥2.4 billion).

In fiscal 2025, we will continue our efforts to generate operating cash flow and make strategic and carefully selected business investments, focusing on strengthening businesses and growth seeds, while further reducing interest-bearing debt, with the aim of resuming dividend payments.

### Shareholder return policy

#### Resuming annual dividends of ¥10 in fiscal 2025

Konica Minolta shareholders have our deepest apologies for not paying a dividend per our initial forecast in fiscal 2024 due to recording a net loss for the year from structural reforms, business selection and concentration, impairment losses, and other factors.

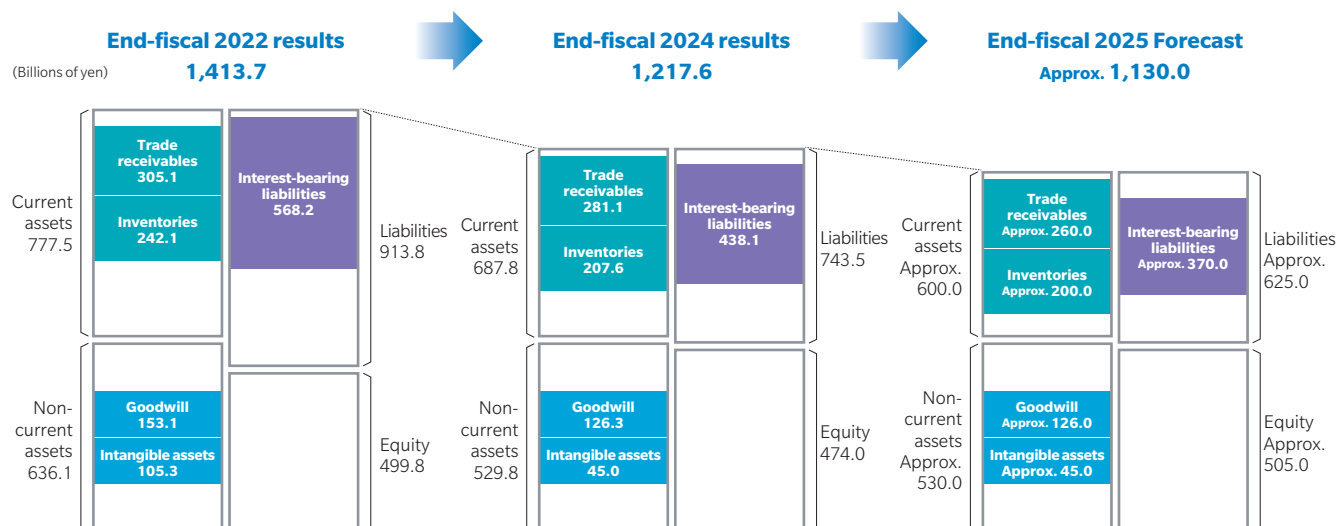
In fiscal 2025, we plan to return to profitability with operating profit of ¥48.0 billion and net profit of ¥24.0 billion, and to achieve ROE of 5% and pay annual dividends of ¥10 per share.

From fiscal 2026 onward, we intend to increase corporate value through profit growth and cash generation that will enable us to achieve ROE of 8% at an early stage, while further strengthening returns to shareholders.

#### Dividend policy

Our basic policy is to strive to enhance the return of profits to shareholders based on dividends, comprehensively incorporating consolidated business performance, investment in growth areas, cash flow, and other factors.

### Improved Balance Sheet



### Capital Allocation Policy

		Current forecast			
(Billions of yen)		Fiscal 2023-2024	Fiscal 2025	3-year total	Medium-term Business Plan (as of April 2024)
Cash in	Operating cash flow	134.4	75.0	Approx. 210.0	270.0 – 300.0
	Business transfer, etc.	68.8	14.0	Approx. 82.0	-
Cash out	Business investment (Equipment, investment and lending, etc.)	86.8	45.0	Approx. 130.0	150.0
	Liability reduction	161.6	35.0	Approx. 194.0	120.0 – 150.0
	Dividends	2.4	2.5*	Approx. 5.0	

\* Cash out from interim dividend of ¥5 per share (total dividend of ¥10 per share for fiscal 2025)

# Technology and Intellectual Property Strategy

**Toshiya Eguchi**

Executive Vice  
President &  
Executive Officer



The technology strategy of the Medium-term Business Plan focuses on two points: “enhancing technology development to expand strengthening businesses” and “cultivating technologies for future growth.” For about 10 years up to the previous Medium-term Business Plan, emphasis was placed on obtaining technologies through acquisitions, but despite this, we fell short of strengthening core technologies that have been our strength. Based on this reflection, we believe that now is the time to make our core technologies the driving force of growth for sustainable growth.

Throughout our long history, we have created new businesses by integrating multiple core technologies. Continuing this trend, for “enhancing technology development to expand strengthening businesses,” we will promote the use of AI and data science throughout the Group and further advance our core technologies to enhance our competitive advantage (see [page 24](#)).

For “cultivating technologies for future growth,” we are focusing on GX (Green Transformation) technologies that are indispensable to society and are expected to experience significant market growth. (see [page 26](#)). In this context, we have identified potential growth businesses in promising areas for achieving decarbonized society, utilization of recycled plastics, measurement systems for manufacturing processes in biomanufacturing, and barrier films for perovskite solar cells, where we can continue to leverage our strengths through the combination of our core technologies and AI. We have begun full-scale development of technologies toward commercialization, in collaboration with external organizations such as the National Institute of Advanced Industrial Science and Technology (AIST).

Guided by our materiality, we will continue to take on the challenge of addressing social challenges through technology development that satisfies the desires to “see” demanded by society.

## Basic policy for technology strategy

The first priority of the technology strategy in the Medium-term Business Plan is to “enhance technology development to expand strengthening businesses.” To date, in the strengthening businesses (Industry, strengthening areas of Professional Print, and Healthcare), Konica Minolta has strengthened its competitiveness through its core technologies. Going forward, we will further promote the development of new technologies by integrating core technologies across businesses. In addition, we aim to expand our business by exploring new areas where our core technologies can be utilized and providing products and services that address customer needs.

The second priority is “to cultivate technologies for future growth.” In this initiative, we have decided to focus on technology development that contributes to “the effective use of limited resources” and “addressing climate change,” taking a backcasting approach from our envisioned future society. Regarding R&D themes to be initiated, Konica Minolta will base its decisions on the ability to leverage its strengths in “sensing technology + AI technology,” and alignment with growth markets that will be in demand in the future society, and will actively pursue these initiatives.

### Our understanding of the challenges under the previous and earlier Medium-term Business Plans

- To accelerate growth business creation, we actively acquired technologies via M&A. However, being far from our core competencies, they yielded limited results.
- Continuous enhancement of technologies necessary from a medium- to long-term perspective and core technologies was lacking.

### Basic policy on technology strategy in the current Medium-term Business Plan

**1: Developing technologies to accelerate expansion of strengthening businesses (active use of AI)**

**2: Cultivating technologies for growth (aggressive investment in GX technologies)**

For more details: [Konica Minolta's Technology](https://research.konicaminolta.com/en/technology/)  
<https://research.konicaminolta.com/en/technology/>

## Overall technology strategy

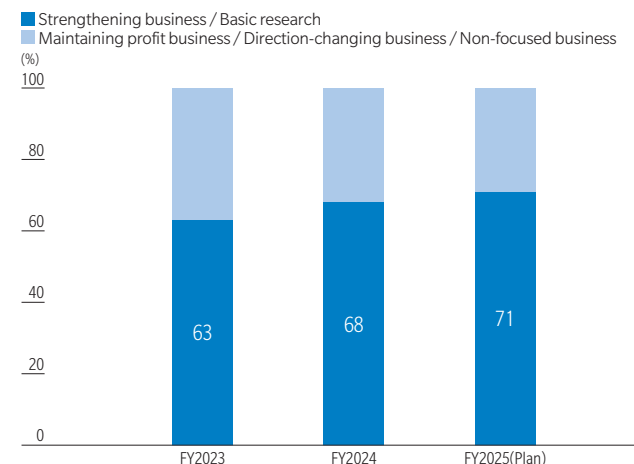
Under the Medium-term Business Plan, we have classified the Konica Minolta Group's businesses into four categories: “strengthening business,” “maintaining profit business,” “non-focused business,” and “direction-changing business,” and have optimized the allocation of R&D investment accordingly.

Fiscal 2025 is an important milestone as the final year of the Medium-term Business Plan, and Konica Minolta's technology strategy is also in a transitional phase with a view to the next Medium-term Business Plan. In line with this, we plan to increase the ratio of R&D investment in strengthening businesses and basic research to 71% in fiscal 2025. In this way, we are improving our product and service capabilities in priority business areas where growth is expected, while strengthening our ability to respond to technological changes in the market.

We are also strengthening our R&D investments, with a focus on basic research, in promising technological fields that contribute to the realization of a decarbonized society. These efforts represent a deliberate investment in cultivating key technologies that will feed into the next Medium-term Business Plan.

Through these efforts, we will further advance the integration of our core technologies with AI and data science, and continuously drive a technology strategy that aims to both strengthen our business competitiveness and address social challenges.

## Breakdown of R&D expenses



For more details: [Technology Report](https://research.konicaminolta.com/en/report/2025/)  
<https://research.konicaminolta.com/en/report/2025/>



### Technology development that contributes to the expansion of strengthening businesses

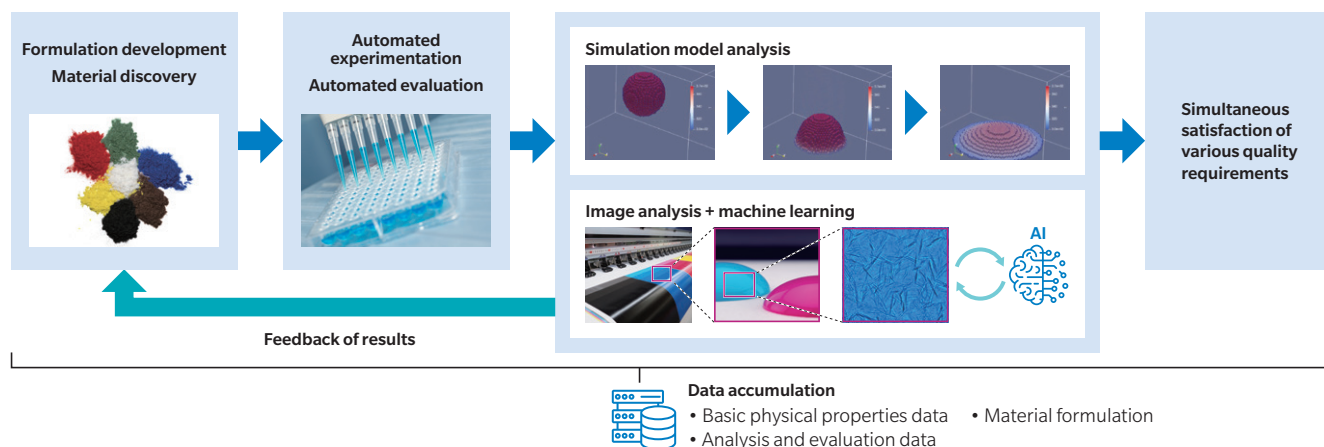
#### Integration and evolution of core technologies that create strengths

Konica Minolta has developed superior technologies by fusing multiple core technologies of its own.

For example, in the Professional Print Business, Konica Minolta has developed the IQ-501 automatic quality optimizer by combining electrophotographic technology with spectroscopic and color measurement technologies. In this development, Konica Minolta has advanced the high-level integration of its precision paper feeding technology, print image sensing technology, and real-time data processing within the unit. Commercial and label printing products featuring the IQ-501 have been highly valued by customers for reducing losses caused by downtime.

In the healthcare business, we have developed a technology that integrates dynamic radiography imaging technology with image analysis technology to obtain motion information of biological tissue that cannot be seen with conventional static X-ray images. This technology has been reported to enable pulmonary function tests for chronic obstructive pulmonary disease by analyzing dynamic images, with the potential to reduce the burden of such tests.

#### Data-driven development of inks for inkjet printers



Furthermore, Konica Minolta is focusing on the development of optical components for semiconductor manufacturing equipment as an area where we should leverage our strength to meet future social needs. Demand for semiconductors is expected to continue expanding over the long term, especially in such fields as AI and autonomous driving, leading to advances in higher speeds, larger capacities, and increased multilayering of semiconductor circuits. At the same time, the precision required for optical lenses is becoming increasingly stringent as process miniaturization progresses. Konica Minolta will strengthen the development and supply of high-precision optical components to meet this growing demand and the exacting requirements of our customers by leveraging our long-cultivated expertise in optical design and molding technologies.

#### Improving development efficiency through the use of AI and data science

Konica Minolta has been committed to the practice of DX from early on and has been improving efficiency thanks to its DX specialists. More than 1,000 of these specialists have been trained within the Group and work alongside frontline members to achieve numerous business process reforms each year.

One example of these business process reforms resulting from data utilization is the data-driven development of inkjet (IJ) inks. IJ ink is a complex product that requires a manufacturer to bring together two contradictory properties, low viscosity on

jetting and high viscosity after landing. Therefore, material design requires advanced technology and precise control. Konica Minolta has automated the process of experimentation and evaluation, creating a system that can test many conditions without human intervention, greatly increasing the speed of experiments and the scope of testing. In addition, by combining predictive models, image analysis, and AI with the vast amount of data obtained from experiments, the efficiency of materials discovery and other processes was enhanced and a development process with minimal rework was realized. This has achieved both a significant reduction in development time and stabilization of quality, producing significant results.

#### Voice Data-driven development of IJ inks



**Maho Miyauchi**  
Data Science Center,  
Technology Development Headquarters

Our IJ inks are developed by precisely controlling the physical properties on jetting and on landing, enabling high-speed, high-quality printing. In the past, each team carried out development for each target separately, which created challenges in terms of development efficiency and the deployment of technology to other projects.

In the data-driven development project for IJ inks, we acquired a large dataset of images printed with inks using various materials and their combinations, and developed a machine learning model capable of predicting ink performance. In parallel, we developed a simulation model that maps the complex control factors during printing and reproduces the behavior of ink on jetting and landing. These models are consistent with results deduced from theory, leading to greater exploration space and speed in future materials design.

Going forward, we intend to roll out this case across the entire Konica Minolta Group and promote data-driven materials development to improve our development efficiency and technological capabilities.



## Cultivating Technologies for Future Growth

### Development of technologies to reduce environmental impact

As for cultivating technologies for sustainable growth, we will invest mainly in themes related to reducing environmental impact and accelerating innovation. For example, as an initiative to realize a recycling-based society, in the field of recycled plastic materials production—an area that has evolved from materials technology, one of our core technologies—we began external sales of recycled plastic upcycled from waste plastics.

Hyperspectral cameras, a product of the Konica Minolta Group, are also used to distinguish and analyze waste plastics. We will contribute to solving social challenges by combining multiple technologies, such as optical technology for raw material selection and material technology for the production of recycled materials, to improve the productivity and quality of recycling.

In addition, in the field of “biomanufacturing,” which uses microorganisms to synthesize materials from non-fossil-derived raw materials, we are developing technologies to monitor complex processes. In this initiative, we are bringing together Konica Minolta’s sensing technologies to visualize the complex behavior of microorganisms, with the aim of stabilizing biomanufacturing and reducing costs. In 2025, in the field of biomanufacturing, a high-yield strain detection system

developed by combining hyperspectral imaging (HSI) and anomaly detection model using AI technology was highly evaluated by the Japan Society for Bioscience, Biotechnology, and Agrochemistry.

Furthermore, we are advancing the development of vapor barrier film to overcome durability challenges for the full-scale social implementation of lightweight, flexible perovskite solar cells (film type), which are a promising candidate for the next generation solar cells. By leveraging the technology developed in our OLED lighting business, along with film forming technology and mass production expertise, we aim to achieve early mass production.

Konica Minolta will continue to actively engage in the advanced development of technologies that contribute to reducing environmental impact, in order to remain a company that is essential to society.

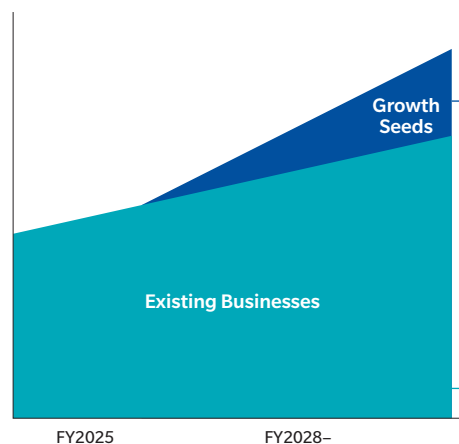
### Open innovation for social implementation

In the development of technologies related to biomanufacturing, we have jointly set up the Bioprocess Technology Cooperative Research Laboratory with the National Institute of Advanced Industrial Science and Technology, aiming to realize advanced biomanufacturing processes such as microorganism cultivation, isolation, and purification, while focusing on the development of monitoring technologies for these processes.

In addition, a joint research agreement launched in 2020 with the University of Toronto, which is conducting world-leading research in the area of cutting-edge AI technology, has been extended for five years. We will continue to focus on acquiring cutting-edge technologies to improve processing performance of AI imaging, utilize AI for manufacturing quality control, and develop new materials that contribute to reducing environmental impact.

Konica Minolta will continue to actively promote open innovation and accelerate the social implementation of innovative technologies.

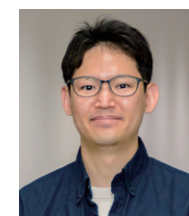
### Concept of the Profit Growth



### New medium- to long-term themes

Existing business	Core technology	AI-enhanced optics/measurement/materials	New theme
Business Technologies Sensing	Resin molding	✕ High-precision waste material analysis	Recycled plastic materials production
Performance materials (OLED lighting)	Materials / film forming	✕ High barrier layer	Barrier film of perovskite solar cell
Sensing	Optical measurement	✕ State measurement of microorganisms	Process monitoring of biomanufacturing
Optical components	Precision molding	✕ Optical design Simulations	Optical components for semiconductor manufacturing equipment

## Voice Joint research with the University of Toronto



**Takuya Aoyama**  
System Technology Development Center,  
Technology Development Headquarters

In collaboration with the University of Toronto, we are researching AI model building techniques that can support data prediction and factor analysis for use in a wide range of cases, under the guidance of a professor with expertise in AI technology and its industrial applications. In particular, we are working to develop technology aimed at stabilizing quality in complex processes for Konica Minolta’s film production plants, and have achieved results in which AI derives methods for dealing with production troubles in ways similar to the expertise of our operators.

Through this joint research project, I gained a global perspective that allowed me to understand the current state of both industry and academia and to identify challenges. At the same time, I realized the potential of this technology to be applied to many social challenges, including the reduction of environmental impact, and became keenly aware of the significant role my research should play.

Going forward, I intend to contribute to solving various social challenges by integrating the effectiveness of the AI models we have verified, the technologies and knowledge I have learned at the university, and the results of colleagues engaged in joint research on other themes, and through social implementation in areas such as materials development.

## Intellectual Property Strategy

### Strategic use of intellectual property to establish a foundation for growth

Fiscal 2025, the final year of the Medium-term Business Plan, is positioned as a year to “establish a foundation for growth,” and in addition to deepening existing businesses, we are preparing technologies for future growth. An important part of this effort is the strategic use of intellectual property related to those technologies. Konica Minolta designs backcasts on how to use intellectual property to achieve the medium-term goals set for each business, and closely aligns its intellectual property strategy with its business strategy. In doing so, we create a story of how intellectual property will contribute to each business’s direction, and then we develop specific intellectual property activities necessary to make that story come true.

### DX initiatives to support intellectual property strategy

In order to further accelerate and advance intellectual property activities, we are actively investing in DX and creating an environment where employees can be freed from routine tasks and focus on more creative and value-added work through AI-driven automation. These digital transformations have contributed to the efficiency and sophistication of intellectual property activities not only in the Intellectual Property Division, but also in development departments and throughout the entire Group.

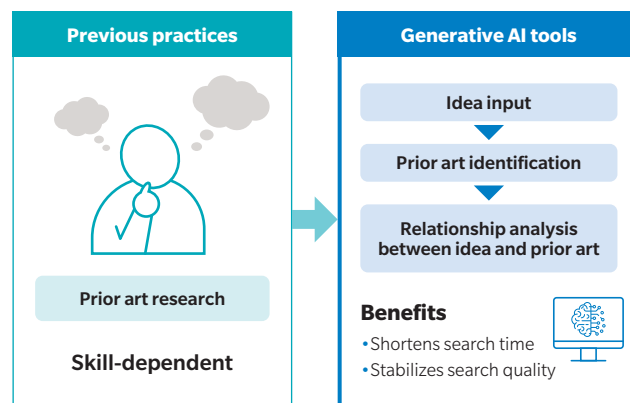
As a specific initiative in the Intellectual Property Division, we are taking stock of IP operations and visualizing processes, and then introducing AI-based digital tools to automate and streamline each task, such as prior art research, searches for in-house technology and human assets, and foreign patent applications.

In addition, for prior art research, which previously relied on individual developer skills, we have developed a tool that can easily identify prior art by simply entering an invention idea in a simple sentence. This AI-based tool can also analyze the relationship between the identified prior art and the idea in question, allowing developers to use the analysis results to improve their ideas. The introduction of this tool has made it possible to significantly shorten the time required for prior art searches and to control variations in the quality of the research.

### Standardization strategy initiatives

Standardization is more than just compliance with standards; it is a business strategy tool for market creation and expansion, and in conjunction with intellectual property strategies, it is the key to greater competitive advantage. With this in mind, Konica Minolta launched a project in fiscal 2024 aimed at organizing its standardization strategy as a Group-wide function.

### AI applications in the Intellectual Property Division



In this project, we are studying standardization strategies that contribute to business startups and business expansion for several strategic business themes, as well as promoting in-house education and standardization human capital development.

Going forward, we will further strengthen the standardization of intellectual property as a business strategy tool for developing growth businesses and expanding strengthening businesses, in conjunction with our intellectual property strategy.

### Intellectual property contributing to a decarbonized society

By accurately grasping important social issues such as addressing climate change and using limited resources effectively in the future, and by approaching these issues from a backcasting perspective, Konica Minolta has been working from an early stage to develop technologies that will help reduce environmental impact and realize a decarbonized society. As a result, we have applied for a number of patents related to green transformation (GX) technologies.

We intend to carefully select from among these intellectual properties, including patents, those that are particularly promising in line with our moves toward business selection and concentration, and strategically use them to support and protect our core technologies in future growth areas.

Specifically, in areas we expect to prepare technologies for future growth, such as biomanufacturing and perovskite solar cell (film-type) barrier film, we will actively utilize and protect intellectual property, including patents and expertise, in technological areas that contribute to the realization of a decarbonized society, in order to ensure our technological superiority and continuously enhance our corporate value.

### Intellectual Property Report

The Intellectual Property Report disclosed on our website explains in detail our strategies and activity results related to intellectual property.

[https://www.konicaminolta.com/global-en/investors/ir\\_library/intellectual\\_property/index.html](https://www.konicaminolta.com/global-en/investors/ir_library/intellectual_property/index.html)



# Part 3

## Progress of the Business Strategy

# Achieving sustainable growth through value creation

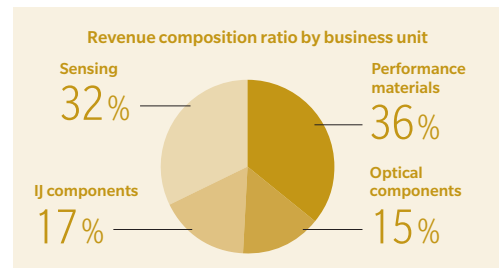
### Contents

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- 35** Example of Value Co-creation with Customers 1: Industrial Print
- 36** Example of Value Co-creation with Customers 2: IJ Components



# At a Glance

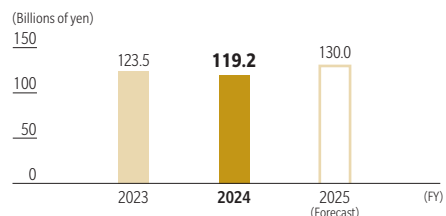
## Industry Business Revenue composition ratio 11%



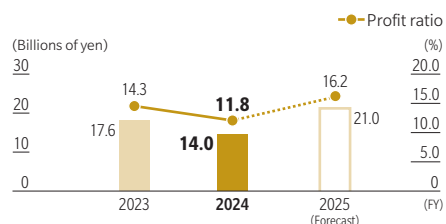
### Overview of FY2024 performance

- In sensing, demand for light source color measurement instruments experienced a slowdown due to customers' restrained investment in display equipment
- In performance materials, SANUQI-VA grew thanks to larger TVs, while TAC films, a mainstay product, shrank
- In IJ components, sales were strong for heads for sign graphics printers
- In optical components, pickup lenses and interchangeable lenses declined
- Profit decreased due to one-time expenses for performance materials

### Revenue

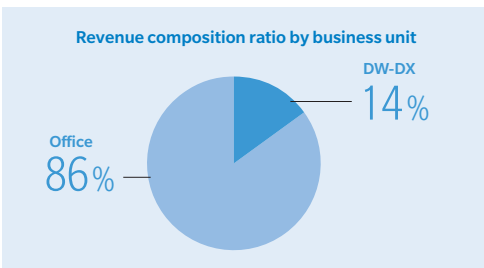


### Business contribution profit\*



## Business Technologies Business

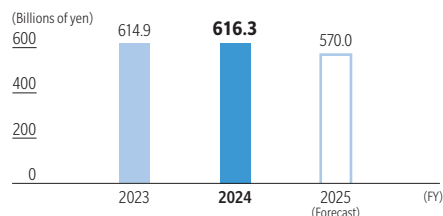
### Digital Workplace Business Revenue composition ratio 55%



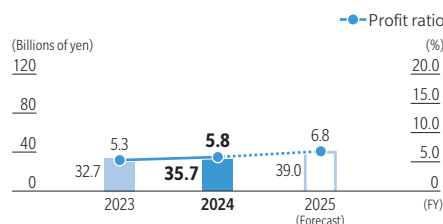
### Overview of FY2024 performance

- In the office unit, hardware sales of MFPs declined, while non-hardware sales, such as consumables and services, remained at the same level as the previous year. Profits increased due to the effects of forex, production cost reductions, and global structural reforms, despite the impact of the calculation of elimination of unrealized gains in consolidated adjustments
- DW-DX's loss narrowed due to strong performance in its operation optimizing services and other areas, despite a decline in revenue due to business selection and concentration

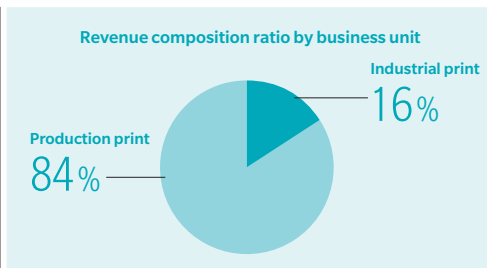
### Revenue



### Business contribution profit\*



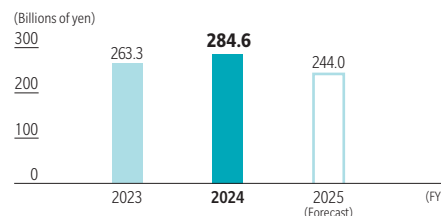
### Professional Print Business Revenue composition ratio 25%



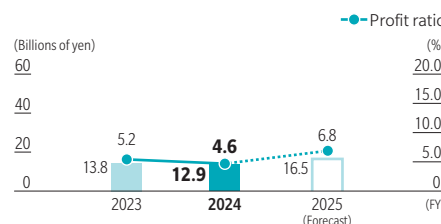
### Overview of FY2024 performance

- In production print, sales volume grew mainly for the Heavy Production Printer (HPP) with the fastest print speeds, and non-hardware also grew.
- In industrial print, sales volumes of digital inkjet presses and high-speed label presses increased, while non-hardware sales rose in all areas amid rising demand for digital printing.
- Profits decreased due to the impact of calculation of elimination of unrealized gains in consolidation adjustments.

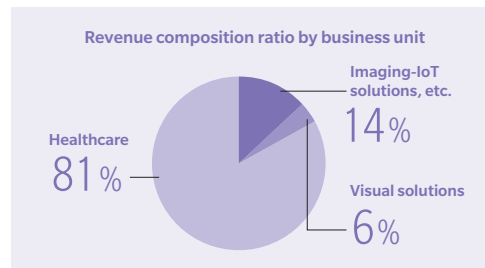
### Revenue



### Business contribution profit\*



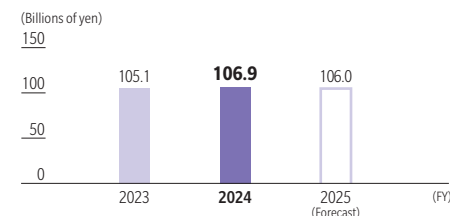
### Imaging Solutions Business Revenue composition ratio 9%



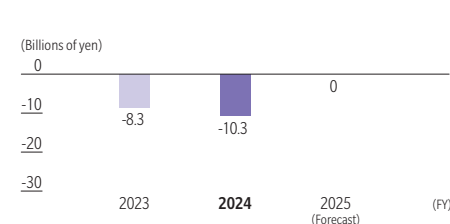
### Overview of FY2024 performance

- In healthcare, demand declined in China for X-ray films.
- Digital Radiography (DR) grew primarily in the United States and Asia, despite declining in Japan. Medical IT was steady in Japan and the U.S.
- In imaging-IoT solutions, network camera solutions performed well
- In visual solutions, directly-operated planetariums were successful in attracting customers
- Though imaging-IoT solutions reduced losses, profits declined due to one-time expenses in healthcare

### Revenue



### Business contribution profit\*



\* Business contribution profit is a Konica Minolta-original index, defined as profit determined by subtracting sales cost and SG&A from revenue.

## Strategic Direction of Each Business Unit

In this Medium-term Business Plan, all businesses are strategically divided into four categories, with clear direction defined for each. In “strengthening businesses” and “maintaining profit businesses,” we are making steady improvements in profitability through global structural reforms. In the strengthening businesses in particular, we will strive to further expand our businesses with the aim of increasing earnings in line with revenue growth. In “non-focused businesses,” we have carried out partial business transfers. In “direction-changing businesses,” we have transferred some businesses and narrowed our focus to improve profitability. Going forward, we will strive for sustainable growth in these businesses.

Segment	Business unit	Through FY2024	From FY2025	
		Improve capital efficiency Structural reforms and selection and concentration of businesses to improve profitability	Establish a foundation for growth Improvement of profitability in existing businesses	Expansion of new business domains
Industry Business	Strengthening Sensing	<ul style="list-style-type: none"> <li>Streamlining business management</li> </ul>	<ul style="list-style-type: none"> <li>Capturing demand driven by advances in displays</li> </ul>	<ul style="list-style-type: none"> <li>Continuing growth in automotive visual inspection and hyperspectral imaging (HSI)</li> </ul>
	Strengthening Performance materials	—	<ul style="list-style-type: none"> <li>Expanding market share for VA phase difference film</li> <li>Expanding production capacity for SANUQI-VA film</li> </ul>	<ul style="list-style-type: none"> <li>Entering the surface protection domain with new SAZMA film</li> <li>Expanding market share of phase difference films for OLED TVs</li> </ul>
	Strengthening Inkjet (IJ) components	—	<ul style="list-style-type: none"> <li>Strengthening existing sign graphics business</li> </ul>	<ul style="list-style-type: none"> <li>Expanding inkjet products for industrial applications</li> </ul>
	Strengthening Optical components	<ul style="list-style-type: none"> <li>Transferring holdings of a production plant in China</li> </ul>	<ul style="list-style-type: none"> <li>Streamlining operations with a focus on production of interchangeable lenses for cameras and optical units for projectors</li> </ul>	<ul style="list-style-type: none"> <li>Expanding optical components for semiconductor manufacturing equipment</li> </ul>
Digital Workplace Business	Maintaining profit Office	<ul style="list-style-type: none"> <li>Global structural reforms</li> <li>Terminating production at one plant in China</li> </ul>	<ul style="list-style-type: none"> <li>Streamlining production, sales, and services through DX</li> </ul>	—
	Direction-changing DW-DX	<ul style="list-style-type: none"> <li>Partial business transfer of managed IT services</li> <li>Narrowing down development themes</li> </ul>	<ul style="list-style-type: none"> <li>Expanding operation optimizing services</li> <li>Achieving profitability in DW-DX</li> </ul>	<ul style="list-style-type: none"> <li>Expanding AI SaaS services</li> </ul>
Professional Print Business	Strengthening Production print	<ul style="list-style-type: none"> <li>Transferring MPM business in marketing services</li> <li>Global structural reforms</li> </ul>	<ul style="list-style-type: none"> <li>Expanding sales of HPP and MPP</li> <li>Streamlining production, sales, and services through DX</li> </ul>	<ul style="list-style-type: none"> <li>Expanding solutions including pre- and post-printing processes</li> </ul>
	Strengthening Industrial print	—	<ul style="list-style-type: none"> <li>Sales growth in commercial printing and label printing exceeding market growth</li> </ul>	<ul style="list-style-type: none"> <li>Expanding sales of non-hardware for high-speed label presses</li> </ul>
Imaging Solutions Business	Strengthening Healthcare	<ul style="list-style-type: none"> <li>Global structural reforms</li> <li>Reviewing development structure</li> </ul>	<ul style="list-style-type: none"> <li>Streamlining production, sales, and services through DX</li> <li>Growing sales of digital X-rays</li> </ul>	<ul style="list-style-type: none"> <li>Laterally deploying solution models across businesses and regions</li> </ul>
	Direction-changing Imaging-IoT solutions	<ul style="list-style-type: none"> <li>Transferring MOBOTIX AG’s business</li> <li>Narrowing down on target countries</li> </ul>	<ul style="list-style-type: none"> <li>Establishing and expanding solution models by industry (manufacturing, nursing care, etc.)</li> <li>Expanding gas monitoring business in line with environmental regulations</li> </ul>	<ul style="list-style-type: none"> <li>Establishing business domains through synergies between healthcare and imaging-IoT solutions (e.g., integration of medical and nursing care)</li> </ul>



## Industry Business

**Noriyasu Kuzuhara**  
Director,  
Executive Vice President  
& Executive Officer  
Industry Business

In the Industry Business, we have created a number of leading world-first and top-share products and services based on the technologies refined through our history of innovation and co-creation activities, that bring us closer to our customers on the ground.

The technologies that form the basis of the value we provide are a combination of the optical, material, Nano-fabrication, and other core technologies that we have continued to refine over the years as we have evolved from our original business, with AI and other technologies. In addition, each of our business units—sensing, performance materials, IJ components, and optical components—which support the analog-to-digital conversion process, continue to respond to the increasing complexity of customer needs in line with the ongoing advancement of digitalization.

A distinctive feature across our businesses lies not only in our advanced technological capabilities, but also in our ability to identify even latent customer challenges and provide appropriate solutions using our technology. Our goal is to ensure that what we provide, the stories realized by our technology, can become a truly unique source of value. This value is supported by our “Front-line capabilities,” that exists in the integration of development, manufacturing, and customer support. Currently, in the display industry, we are providing appropriate solutions in both sensing and performance materials that leverage new technologies to respond to recovering demand and emerging needs. In addition, in the optical components business for semiconductor manufacturing equipment, which is our focus area, we will further combine our technology and Front-line capabilities to continuously provide appropriate solutions to our customers, thereby accelerating business expansion.

## Strategy to Strengthen Industry Business

### Achievement of material issues and development through co-creation with customers

In the Industry Business, based on our strengths in core technologies, we provide parts, materials, and equipment and services for measurement and inspection essential for customers through co-creation with our customers using our “Front-line capabilities”, thereby contributing to the realization of social value, which we have raised as a material issue. Specifically, we are promoting initiatives to address such material issues as improving fulfillment in work and corporate dynamism through automation and labor saving in manufacturing and inspection processes, “using limited resources effectively” and “addressing climate change” by reducing losses through digitalization and developing new materials, and by advanced measurement and identification.

### Progress in fiscal 2024

In the sensing unit, revenue and profits declined due to delays in capital investment by major customers in the light source color measurement field. For major customers, we will enhance our competitiveness by strengthening global account management. On the other hand, the automotive visual inspection area continues to grow due to our increased pipelines. In addition, the measurement instruments using hyperspectral imaging (HSI) technology—capable of detecting subtle differences in color and material characteristics that are imperceptible to the human eye—are aiming to expand business for inspection applications such as recycling.

In the performance materials unit, demand for large TVs continues to grow. However, customer needs for performance material films are changing. We plan to respond to these changes by improving our film technology and offering multiple options, including TAC (triacetyl cellulose) and COP (cyclic olefin polymer) types.

In the IJ components unit, we provide inkjet heads that are highly compatible with various inks, and demand for these is continuing to grow in sign graphics such as for outdoor advertising, and commercial printing applications. Moreover, in our growth area of manufacturing, we lead the market not only through the high durability of our heads but also by leveraging our strengths in chemical technology.

In the optical components unit, we have cultivated the business for semiconductor manufacturing equipment with our customers for over 10 years. Going forward, we will respond to increasing demand by further enhancing our production capacity; and for medium- to long-term business expansion by

extending into shorter wavelength domains and strengthening competitiveness through capital investment, including the introduction of next-generation technologies in this field.

### Future industry business strategy

For business development in the medium to long term, we are focusing on three domains: displays; mobility including automotive visual inspection; and semiconductors including optical components for semiconductor manufacturing equipment. We aim to grasp changes in the markets of these domains and quickly respond to the issues and needs of our customers. In each focused domain, we assign customer-front human capital who can look at the value chain and technology from the perspective of the market and customers beyond the conventional product-specific business units. These capabilities are establishing advantages to quickly identify demand and develop new solutions by staying in close contact with the industry’s leading brand owners. We are promoting new business development through co-creation with customers while leveraging our technological assets and customer relationships around the globe.

### Achievements in business development through co-creation with customers

#### Display



#### External environment: Acceleration of development of new panel type in line with device evolution

- Through implementing a cross-business approach toward ICT brand owners, we received orders for functional films for non-polarizing plate applications for next-generation small- and medium-sized displays

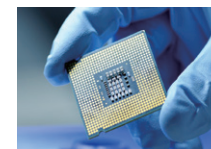
#### Mobility (e.g. automotive visual inspection)



#### External environment: Acceleration of technological innovation through CASE

- First installation in Japan of automotive visual inspection equipment at Suzuki’s Sagara Plant, due to expanding the global pipeline including other Suzuki plants, we are expecting future growth

#### Semiconductor manufacturing (e.g. optical components for semiconductor manufacturing equipment)



#### External environment: Supply chain upheaval due to external factors

- Acquired new model projects in the visible light area in the business of ultra-precision optical components for semiconductor manufacturing equipment

## Sensing

Strengthening

### Market Environment (O Opportunities T Threats)

- O Changes in development and manufacturing processes due to technological innovations in displays, and the expansion of applications to a variety of devices
- O Demand for labor-saving in quality inspections at automotive plants
- O Demand for efficient use of limited resources and addressing climate change in the manufacturing industry
- T Decline in demand due to customers' capital investment cycles

### Market growth rate (2023-2025)

Light source color (displays) / object color measurement	+4%
Automotive visual inspection (mobility)	+15%
Hyperspectral imaging (HSI)	+10-15%

Note: Konica Minolta estimates

### Competitive advantages

- High-precision light source color and object color measurement technology that is the global standard
- Product development capabilities that meet customer needs
- AI-powered image analysis technology
- Extensive knowledge of automation and labor-saving in the inspection process at automotive plants

### Fiscal 2025 strategy and action

- Displays: Enhancing competitiveness and streamlining business operations through globally unified key account management
- Displays: Recovering revenue in light source color measurement by capturing the evolution of ICT device functions
- Growth areas: Automotive visual inspection system, HSI revenue growth

### Strategic KGI and KPI (YoY)

	FY2024 Result	FY2025 Target
Sales growth rate of automotive visual inspection system and HSI industrial applications	+16%	+22%

Note: Excluding the effect of foreign exchange, target is as of July, 2025

## Performance Materials

Strengthening

### Market Environment (O Opportunities T Threats)

- O Increased demand for displays due to increased applications for various devices
- O Increased demand for films due to larger display sizes
- O Higher demand for new features due to the evolution of next-generation displays
- O Widening of production line at polarizer manufacturers
- T Declined demand in display market due to economic slowdown
- T Shrinking market for existing products due to changes in display technology

### Market growth rate (2023-2025)

Large TVs (LCD+OLED)	+4%
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Note: Konica Minolta estimates

### Competitive advantages

- Film-casting technology that combines material selection flexibility and functional integration enabled by solvent-type belt production
- Long-, wide-, and thin-film products leveraged by the technology mentioned above
- Capturing demand for large displays with our post-stretching technology

### Fiscal 2025 strategy and action

- Strengthen production systems to meet growing demand for films made for large TVs
- Gaining a position in new areas by expansion of new products for large displays
- Improving competitiveness and maintaining revenue through product development in existing areas

### Strategic KGI and KPI (YoY)

	FY2024 Result	FY2025 Target
Revenue composition ratio in new resin for large display panel areas (SANUQI, SAZMA)	+84%	+60%

Note: Excluding the effect of foreign exchange, target is as of July, 2025

## IJ Components

Strengthening

### Market Environment (O Opportunities T Threats)

- O Accelerating the shift from analog to digital printing
- O Changes in manufacturing processes and process and labor saving at manufacturing sites
- O Demand for effective use of limited resources and reduction of environmental impact
- T Decrease in demand from customers due to economic recession

### Market growth rate (2023-2025)

Growth areas (industrial + print-on-demand applications)	+5%
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Note: Konica Minolta estimates

### Competitive advantages

- Precision machining technology that achieves high levels of accuracy, productivity, and reliability
- Chemical technology that creates heads that are highly compatible with a wide variety of inks
- Customer support capabilities that enable deep engagement and support at customers' development sites

### Fiscal 2025 strategy and action

- Growth area: Revenue growth through market development with new product launches and technical support for the launch and expansion of printers equipped with these products
- Growth area (industrial applications): Promotion of adoption by co-creating proposals with equipment manufacturers aimed at expanding inkjet applications in manufacturing and logistics processes
- Base area: Maintaining the No. 1 position in the sign graphics domain by developing products to improve competitiveness

### Strategic KGI and KPI (YoY)

	FY2024 Result	FY2025 Target
Revenue composition ratio in growth areas	+36%	+48%

Note: Excluding the effect of foreign exchange, target is as of July, 2025

## Business Technologies Business



**Norihisa Takayama**  
Senior Vice President &  
Executive Officer  
Business Technologies  
Business

In the Business Technologies Business, we executed significant reforms, including structural transformation, the divestiture of non-focused businesses, and the optimization of production sites through the termination of manufacturing at our Chinese subsidiary, and successfully completed initiatives as planned by fiscal 2024. These actions have established a robust foundation for medium-to long-term growth, and from fiscal 2025 onward, we will accelerate our initiatives to drive further expansion.

In the Digital Workplace Business, the office unit, which is the core of the business, continues to operate in a challenging environment marked by a persistent decline in print volume and intensifying competition. Nevertheless, we have steadily improved profitability by focusing on solving customers' essential challenges and enhancing productivity through digital transformation(DX). Furthermore, by integrating IT technologies developed within the DW-DX unit, we are evolving beyond printing to become a business that drives workplace transformation and improved employee fulfillment, positioning ourselves for sustained growth.

In the Professional Print Business, we expect solid growth fueled by the continued shift toward digital printing systems. As a market leader, we are committed to accelerating the market's digital transformation by providing solutions to social issues, thereby enabling our business to grow at a pace that surpasses overall market expansion.

Going forward, we will continue to address social issues and support Company-wide growth in the Business Technologies Business by fully leveraging our strengths in hardware development -which integrates machinery, electrical equipment, optics, chemical products, and control software- alongside IT solution deployment, production technology, and quality assurance. Furthermore, by maximizing our global supply chain and sales and service networks, we aim to drive sustainable value creation across the organization.

## Digital Workplace

### Office

Maintaining profit

#### Market Environment (O Opportunities T Threats)

- O** Increased need for workflow optimization related to office documents and digitization of paper, and demand to strengthen information security
- O** Growing demand for color MFPs in China, India, and other growth markets
- O** Stricter environmental standards in bidding requirements for MFPs
- T** Decreased office printing due to the establishment of diverse working styles, and shrinking demand for A3 color MFPs in developed countries
- T** Risks in the supply chain such as procurement, manufacturing and logistics due to various environmental changes
- T** Risk of market deterioration due to the impact of tariffs and potential volume declines resulting from price increases

#### Market growth rate (2023-2025)

MFPs	Hardware	-1%
	Non-hardware	-5%

Note: Konica Minolta estimates

#### Competitive advantages

- Our direct sales structure and customer base in Europe and the United States
- Initiatives such as our proprietary flat-rate subscription model, "One Rate", which is not dependent on fluctuations in print volume

#### Fiscal 2025 Strategy and Actions

##### ■ Expand global sales of color MFPs

This business secures profitability through a direct sales structure established early in major markets, such as Europe and the United States, and through a robust customer base cultivated via a genre-top strategy in color MFPs. Currently, by delivering integrated solutions that combine MFPs and IT services, we help customers address challenges in their office environments and implement systems that enable their employees to focus on high-value, creative work, thereby supporting their business growth and enhancing their corporate value.

In addition, this business serves as a maintaining profit business, contributing to the Company's overall profitability and cash generation. In fiscal 2025, we will prioritize expanding sales of high-segment models to further strengthen profitability. Additionally, we will address the impact of ceasing production at our Chinese manufacturing subsidiary in fiscal 2024, aiming for substantial reductions in production costs and improved profitability. To reduce SG&A expenses, we will promote operational reforms, such as remote services, which enable the maintenance and operation of MFPs without on-site customer visits, thereby enhancing reliability and service efficiency.

#### ■ Leveraging the benefits of global structural reforms, cost reductions, and enhanced efficiency in production, sales, and service through digital transformation (DX)

In fiscal 2024, we optimized human capital through global structural reforms. Going forward, we will promote the use of data and AI across sales, services, production, and development, and strive not only to improve operational productivity and reduce costs, but also to enhance customer value.

In response to the long-term trend of market contraction, we are working to mitigate its impact by pursuing strategic manufacturing alliances. In January 2025, we established a joint venture with FUJIFILM Business Innovation Corp. to collaborate on the procurement of raw materials and components. Going forward, we will leverage the extensive supplier networks of both companies to reinforce our business foundation by building a robust supply system for our products and streamlining business processes.

#### Strategic KGI and KPI (YoY)

	FY2024 Results	FY2025 Targets
Hardware sales growth rate	-6%	-3 to -4%
Non-hardware sales growth rate	-1%	-3 to -4%

Note: Excluding the effect of foreign exchange, target is as of July, 2025

## Digital Workplace

## DW-DX

Direction-changing

## Market Environment (O Opportunities T Threats)

- O** Increasing demand for DX among companies and local governments seeking to improve operational efficiency
- O** Increasing opportunities to provide solutions utilizing new technologies such as generative AI
- T** Rising personnel costs for IT talent
- T** Declining appetite for IT investment due to U.S. government cost-cutting policies and economic stagnation

## Market growth rate (2023-2025)

Operation optimizing services	Enterprise Content Management	+5%
	Enterprise Resources Planning	+10%

\* Konica Minolta estimates

## Competitive advantages

- Our capability to deliver business content management and business process management services
- Our deep understanding of customer challenges across all business domains
- Proprietary data sets available exclusively through our services, combined with advanced AI technology

## Fiscal 2025 Strategy and Actions

## ■ Achieve profitability through management reforms and service expansion

- Address the impact of the global structural reforms implemented in fiscal 2024, as well as the effects of regional and business area streamlining, to enhance profitability
- Expand operation optimization services and AI-based SaaS offerings, both of which are key growth drivers

## Strategic KGI and KPI (YoY)

	FY2024 Results	FY2025 Targets
Revenue growth rate of operation optimizing services	+3%	+15%

Note: Excluding the effect of foreign exchange, target is as of July, 2025

## Professional Print

## Production Print

Strengthening

## Market Environment (O Opportunities T Threats)

- O** Increased demand for digital printing due to the shift from analog printing
- O** There is a shortage of skilled workers in printing companies, and growing needs to stabilize profitability and address environmental issues
- T** Slowdown in demand for printing due to the digitalization of marketing methods
- T** Decline in printing companies' willingness to invest in capital equipment due to economic stagnation

## Market growth rate (2023-2025)

Medium Production Machine (MPP)	-8%
Heavy Production Machine (HPP)	+6%

\* Konica Minolta estimates

## Competitive advantages

- Our technical capabilities that enable high-quality printing (color reproduction technology and automatic quality control technology)
- Our ability to propose added value to customers (image analysis capabilities that enhance design appeal and process management that includes pre- and post-printing)

## Fiscal 2025 Strategy and Actions

## ■ Expand market share among customers with high print volumes

- Maintain No. 1 share in HPP, improve competitiveness in MPP
- Improve profitability of non-hardware business by increasing the number of HPP and MPP installed

## ■ Provide solutions for automating and streamlining the entire printing process

## Strategic KGI and KPI (YoY)

	FY2024 Result	FY2025 Target
HPP machines in the field	+39%	+31%
Revenue growth rate of non-hardware	+1%	0 to +1%

Note: Excluding the effect of foreign exchange, target is as of July, 2025

## Industrial Print

Strengthening

## Market Environment (O Opportunities T Threats)

- O** Increased demand for digital printing due to the shift from analog printing, diversification of marketing methods and small-lot production, and shorter production cycles
- O** Increased demand for printing due to population growth and increased consumer spending in growing economies
- O** There is a shortage of skilled workers in printing companies, and growing needs to stabilize profitability and address environmental issues
- T** Decline in printing companies' willingness to invest in capital equipment due to economic stagnation

## Market growth rate (2019-2029)

	Commercial printing	+4%
Digital printing	Label printing	+6%
	Packaging printing	+20%

Note: Konica Minolta estimates

## Competitive advantages

- Our technical capabilities that enable high-value-added representation, such as high-quality printing and embellishment, along with strong customer acquisition capabilities
- Our automatic quality control technologies

## Fiscal 2025 Strategy and Actions

## ■ Grow sales of commercial printing and label presses

- Promote the introduction of digital inkjet presses and maintain the No. 1 share in label presses
- Improve profitability of our non-hardware business by targeting more customers

## Strategic KGI and KPI (YoY)

	FY2024 Result	FY2025 Target
Revenue growth rate of non-hardware	+17%	+11%

Note: Excluding the effect of foreign exchange, target is as of July, 2025



## Imaging Solutions Business

**Yusuke Yoshimura**  
Senior Vice President &  
Executive Officer  
Imaging Solutions  
Business

The Imaging Solutions Business provides valuable solutions to customers and society by combining our strengths in imaging technology with the latest AI in order to continue to meet our customers' desires to "see." Currently, we are refining a common fundamental technology called FORXAI and focusing on areas where our strengths can be leveraged, namely healthcare and nursing, safety and security, and manufacturing.

In fiscal 2024, although some businesses were affected by the challenging market environment, we laid the groundwork for improving profitability by business selection and concentration and reforming our profit structure. In addition, in each focus area, we promoted the development of unique solution models that combine hardware with AI, software, and related services, and built a collaborative framework for development, production, and sales to promote these solutions.

In fiscal 2025, we aim to achieve a V-shaped recovery in profits by capitalizing on the results of our efforts to date, while also laying the groundwork for future growth and high-profit businesses. We will expand our business model and structure across different businesses and regions, and continuously link the data we have accumulated to our services to achieve sustainable improvement in business value.

As a business that converts imaging, one of our core technologies, into value, we will continue to drive our business forward and lead technological development with determination and responsibility, not only within the Imaging Solutions Business but also with full awareness of our role and position within the Konica Minolta Group.

## Strategy to Strengthen Imaging Solutions Business

The Imaging Solutions Business has a strength in providing unique hardware for each business unit based on core technologies cultivated over many years. Currently, in addition to this strength, we are enhancing our appeal by combining advanced imaging AI specializing in human behavior analysis and measurement, inspection, and diagnosis. Going forward, we aim to create further value by evolving into multimodal AI that integrates composite data, such as images, language, and speech, and utilizes large language models.

In fiscal 2024, we reviewed our portfolio from the perspectives of profitability, growth potential, and strategy, and proceeded with the establishment of a common business model for each area, including winning strategies. In fiscal 2025, we will bring the initiatives of the current Medium-term Business Plan to fruition and aim to be profitable. In addition, we will promote the expansion of growth areas and the horizontal development of business models to increase future profits.

### Imaging technologies and focus areas



## Healthcare

Strengthening

### Market Environment (O Opportunities T Threats)

- O** Against the backdrop of aging populations, rising medical costs, and chronic diseases, primarily in developed countries, there is an increasing need for early detection and diagnosis in primary care and outpatient care.
- O** Due to shortages of healthcare professionals and healthcare disparities, there is growing demand for more advanced and efficient diagnostics utilizing imaging, AI, and IT technologies.
- O** In emerging countries such as those in Asia, economic development, population growth and aging, and the promotion of healthcare policies are driving increasing healthcare needs and the expansion of the digital healthcare market.
- T** Limited capital investment by medical institutions against the backdrop of soaring energy, labor costs, and interest rates.

### Market growth rate (2023-2025)

General X-ray diagnostic systems (global)	+5%
Diagnostic ultrasound systems (global Point-of-Care)	+4%

Note: Konica Minolta estimates

### Competitive Advantage

- High product competitiveness in the global general X-ray imaging system market and the Japanese orthopedic and obstetric transvaginal diagnostic ultrasound system market
- Composite value creation through the integration of modality and healthcare IT
- Technological differentiators such as dynamic digital radiography systems
- Customer touchpoints and trust built over more than 90 years of history

### FY2025 Strategy and Actions

- Maximize added value by integrating modality and IT
- Strengthen product and technological capabilities and improve development efficiency with reorganization of R&D
- Streamline production, sales, and services with DX

### Strategic KPI (YoY)

	FY2024 Results (vs. FY2023)	FY2025 Targets (vs. FY2024)
Digital X-ray revenue growth rate	+2%	+12%
Healthcare IT service revenue growth rate	+5%	+9%

Note: Excluding the effect of foreign exchange, target is as of July, 2025



## Achieving Unparalleled Image Quality and Enhanced Productivity in the *Doujinshi* Printing Business

### The AccurioJet KM-1e combines high image quality and productivity with labor savings at the printing site

Conventional offset printing requires skilled operators, presenting challenges in passing down expertise and addressing a shortage of technicians. Meanwhile, the transition from offset to digital printing demands not only equivalent image quality but also functional capabilities, such as fast drying and compatibility with a wide range of paper types. Although conventional UV inkjet printing meets these functional requirements, it has historically struggled to maintain high image quality.

Konica Minolta's AccurioJet KM-1e inkjet digital printer (hereinafter referred to as "KM-1e") achieves both high image quality and high productivity through a combination of our unique gel UV ink and specialized print heads. Furthermore, its clean operating environment and ease of use—requiring minimal specialized skills—enhance operator comfort and contribute to resolving labor shortages.



The KM-1e is capable of producing consistent high-quality prints even on embossed paper (a special substrate with an unevenly textured surface), which is increasingly being used for covers in *doujinshi* (self-published print works).

### "KM-1e Quality" becomes a recognized brand in the *doujinshi* printing sector

The KM-1e delivers high image quality with a remarkable productivity of 3,000 pages per hour. In addition, its automated maintenance system streamlines operator tasks and minimizes downtime. Furthermore, its broad compatibility with various paper types enables flexible printing options.

Osaka Printing Corporation, a rapidly growing company in the *doujinshi* printing sector, has adopted the KM-1e in recognition of these advantages. *Doujinshi* are self-published booklets created by individuals or groups who share common

interests or aspirations, typically printed in small quantities. Given the strong attention to detail often shown by *doujinshi* creators, high image quality and the ability to handle diverse paper types are often important considerations in this field.

In this context, Osaka Printing Corporation has installed three KM-1e units as of January 2025 as part of its strategic initiative to deliver high value-added printed materials in the *doujinshi* business, which the company entered in 2014. By leveraging the capabilities of the KM-1e, the company is working to enhance productivity while also advancing the "KM-1e Quality" brand in the *doujinshi* printing sector.

#### Related material issues



Improving fulfillment in work and corporate dynamism



#### Customer Comments



**We introduced the KM-1e not only to improve productivity, but also to create a memorable customer experience.**

**Yuri Kita**  
Osaka Printing Corporation

In recent years, the *doujinshi* printing market has become polarized between users seeking low-cost, simple solutions and those pursuing unique, original creations that cannot be found elsewhere.

In response to this trend, our company has achieved steady growth by successfully acquiring new customers and increasing average customer spend through the provision of various customization options.

At the same time, we are facing a serious labor shortage. Looking ahead, we anticipate that the key challenge will be how to effectively secure sales with a limited workforce. To address this, we recognized the need to invest in high-quality, large-format, high-speed printing

equipment. We also wanted our new equipment to deliver an emotional impact to our customers. This led us to focus on the KM-1e, which offers image quality that surpasses offset printing.

Our assessment of the KM-1e is that it delivers exceptional image quality that surpasses offset print quality and rivals high-definition printing. It also offers excellent paper compatibility, producing consistent high-quality print even on embossed paper with uneven surfaces, without the need for adjustment. As embossed paper is increasingly being used for *doujinshi* covers, and we aim to establish it as a new trend. In terms of productivity, the KM-1e enables continuous printing without job-by-job maintenance, significantly reducing maintenance time at the start and end of each workday. We believe this productivity has contributed greatly to the reduction of overtime hours for our operators—cutting them by half.

We believe that, for the foreseeable future, no machine will surpass the image quality of the KM-1e. As we expand our production capacity through additional KM-1e units, we would like to take on the challenge of developing commercial products that will unlock the new potential of the KM-1e.

## Example of Value Co-creation with Customers 2: IJ Components

# With Inkjet Technology, Streamlining Product Packaging Processes and Reducing Loss of Resources

### Printing When You Want, How Much You Want, Where You Want: Inkjet Technology Revolutionizing Manufacturing

Inkjet technology, which prints directly by ejecting tiny droplets through a nozzle, is unique in that it can apply inks and chemical materials in the precise amount, at the precise timing, and in the precise location desired by the user. In addition, by converting screen printing and other traditionally analog-handled production processes to inkjet printing, the process can be simplified and various wastes can be eliminated, such as the elimination of the need for printing plates.

### Inkjet technology enables label-less food packaging

In the food packaging industry, rice balls, bread, and other products are packaged, then labels displaying product names and expiration dates are printed and attached before shipment. Printing these labels is often via the thermal transfer ink ribbon method, but this requires frequent ink ribbon replacement, stopping production lines for each replacement. In addition, labels printed with information such as for raw materials must be prepared, which needs improvement in the interest of reducing environmental impact.

In response, Konica Minolta has developed a new printing



#### Related material issues



Improving fulfillment in work  
and corporate dynamism



Using limited  
resources effectively

system for packaging machine integration for label-less food packaging in a three-company collaboration with FUJI PACK SYSTEM CO.,LTD. and Marking System Technology Co., Ltd. Though the water-based ink used for label-less packaging had difficulty adhering to film, Konica Minolta utilized its strengths in chemical technologies to resolve this issue, employing its proprietary ink and printing/drying technology in the packaging machine.

This label-less solution, co-created by the three companies, contributes to reduced downtime, materials, and CO<sub>2</sub> emissions, began field testing in September 2023 for products from major convenience stores and retailers. And now, with an expanded color lineup and larger printing area, it is possible to substitute a wide variety of labels beyond the aforementioned display labels but also special decorative labels, including those that show a product is a new release. Going forward, we will continue to promote inkjet printing and contribute to resolving social issues such as the elimination of plastics and transition to mono-

#### Joint Development Partner Comments



#### Accelerating the spread of label-less packaging in the convenience store industry

**Masaki Sasa**  
Representative Director and President  
FUJI PACK SYSTEM CO.,LTD.

I have long been aware of issues with food labels sold in convenience stores. Labels create downtime, are costly, and require space for a post labeler. Shifting to label-less packaging is an effective way to boost production efficiency and reduce loss, and I am confident that it will spread at an accelerated pace in the convenience store industry going forward. Customers who have seen the new packaging machine have expressed a range of expectations, but user demands for packaging and printing are only increasing. If we can achieve further evolution of print heads through future technological development, I expect that it will elicit a response from more customers.



#### Further enhancing co-creation and expanding the potential of printing

**Hiroaki Sakamoto**  
CEO  
Marking System Technology Co., Ltd.

Since our founding, we have proposed direct printing on packaging, and this co-creation opportunity was brought to us at a fortunate timing, when our proposals were in alignment with environmental considerations such as those espoused by the SDGs. The direct printing we had proposed in the past was single-color, but now that we have proposed two- and three-color printing with this new solution, customers are positively considering the feasibility of label-less printing. Inkjet is an excellent method to achieve not only label-less but also plate-less printing. Going forward, we hope to strengthen the co-creation relationship between our three companies so that we can further expand the potential of printing.

#### Our approach to food packaging films

##### Conventional method

Ingredient labels on top of packaging film



##### Label-less printing

Minimizing food packaging material with inkjet printing to print ingredient and details directly onto food packaging film





# Part 4

## Reinforcement of Management Foundation

# Balancing business growth and sustainability

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# Sustainability Strategy

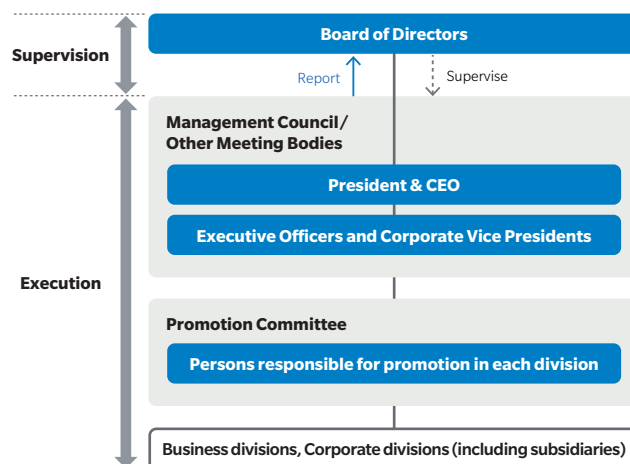
## Management System

The President & CEO, Representative Executive Officer, has the highest responsibility and authority for overall sustainability management and is responsible for its effectiveness. Under the President & CEO, Representative Executive Officer, each executive responsible for sustainability promotes sustainability management for the entire Group. Discussions and decision-making on important sustainability issues are conducted at the Management Council and other meeting bodies, which are decision-making bodies, in the same manner as other important management issues, in order to increase connectivity with management and business strategies.

Promotion committees are set up when needed as a forum to discuss and promote the Medium-term Plan on Sustainability. For example, the Group Environmental Promotion Committee is attended by persons responsible for environmental promotion appointed by the head of each business division, corporate division, and other organizations, and deliberates on medium-term and annual plans related to the environment, checks

progress on a quarterly basis, and examines environmental issues facing the Group.

## Sustainability Management System



## Material Issue Identification Process

After gaining insight into social and environmental issues expected to be critical by 2030 by examining the UN Sustainable Development Goals (SDGs), macro trends and various stakeholder requirements, Konica Minolta conducted a materiality analysis from the perspectives of social and environmental issues that must be solved and Konica Minolta's business growth. This led to the identification of five material issues for Konica Minolta to tackle.

In the process of identifying material issues, we refer to various international frameworks and guidelines, as well as requests made through dialogue with investors and other stakeholders.

By addressing these five material issues, Konica Minolta will achieve a high-level balance of supporting people to achieve their own purpose and realizing a sustainable society to enhance its corporate value over the long term. In addition, material issues are periodically verified when a new medium-term business plan is formulated.

## Identification Process for Material Issues

### Step 1. Issue Compilation

We have compiled an extensive list of environmental, social, and economic issues by referring to international frameworks and guidelines such as the GRI Standards and SDGs, macro trends in each specialized field, as well as requests from various ESG surveys and dialogues with investors and other stakeholders.

### Step 2. Issue Identification and Prioritization

From the issues listed, areas of particular relevance to Konica Minolta's business were identified and then rated in terms of importance.

### Step 3. Validity Confirmation and Issue Identification

The evaluation process for these material issues and the validity of the analysis results are verified by the Group Promotion Committee, and the material issues that should be prioritized are confirmed. After deliberation by management, the Board of Directors approves the material issues.

## Role of the Group Environmental Promotion Committee

- Promotion of targets and implementation plans (annual plans) related to environmental activities and confirmation of progress
- Communication and review of information on the Group's environmental issues
- Consideration of agenda items required by the Group Environmental Officer































FY2024		Main report and discussion items
1st meeting	Jul.	<ul style="list-style-type: none"> <li>Review of environmental targets for fiscal 2023 and activity progress</li> <li>Discussion on fiscal 2024/2025 plan response policy and review in light of internal and external changes</li> </ul>
2nd meeting	Nov.	<ul style="list-style-type: none"> <li>Discussion on expansion of renewable energy procurement, taking into account social demands and customer needs</li> <li>Discussion of measures to consider actions for formulation of the next Medium-term Business Plan</li> <li>Formulation of strategies and measures for medium- to long-term CO<sub>2</sub> reduction at bases (Scope 1 and 2)</li> <li>Green marketing strategies in strengthening businesses</li> </ul>
3rd meeting	Feb.	<ul style="list-style-type: none"> <li>Sharing the current status of global environmental regulatory risks and necessary actions</li> <li>Discussion on the outlook for fiscal 2024 environmental targets and actions for fiscal 2025</li> </ul>

For more information: Environmental targets and results by materiality (see pages 41-42)




For more details: Material Issue Evaluation and Identification Process  
<https://www.konicaminolta.com/about/csr/process.html>



Value Creation through Efforts toward Material Issues


Material issues	 Improving fulfillment in work and corporate dynamism	 Supporting healthy, high-quality living	 Ensuring social safety and security	 Addressing climate change	 Using limited resources effectively
Industry	Automation and labor-saving of production processes and inspection procedures		Bringing about a safe work environment Quality assurance and market incidents suppression	Reduction of energy and CO <sub>2</sub> burdens of manufacturing and inspection processes	Reduction of losses in manufacturing and inspection processes Promotion of resource recycling
Digital Workplace	Supplying an environment where anyone can work with anyone anywhere and any time		Ensuring information security in the workplace	Realization of energy- and resource-saving workstyles	
Professional Print	Automated, labor-saving printing processes that reduce the need for skills			Reduction of energy loss in the printing supply chain	
Imaging Solutions	Mitigating burden on doctors and nurses	Early detection and diagnosis of diseases	Early detection of accident and work-related injury risks Improving the quality of medical care	Early detection of methane gas leaks and measurement of emission volume	
Vision for 2030	        Improving the productivity of the Company, its customers, and all of society, make time for creativity, and encourage people to thrive	   Providing the Company, its customers, and all of society with healthy, high-quality living, and let everyone have a prosperous life	    Enhancing the safety and security of the jobs and lives of customers and society, while minimizing the risks posed by the Company's products and services	    Reducing the Company's CO <sub>2</sub> emissions as well as further reducing CO <sub>2</sub> emissions of customers and society	      Promoting efficient use of the Company's resources while creating resources' efficient usage contribution amounts for customers and society
Impact on the Company's Corporate Value	<ul style="list-style-type: none"> <li>Higher profitability from providing solutions that increase corporate clients' productivity</li> <li>Reduced risk of declining autonomy and innovation through the promotion of diversity</li> </ul>	<ul style="list-style-type: none"> <li>Higher profitability from providing solutions in the fields of healthcare and caregiving</li> </ul>	<ul style="list-style-type: none"> <li>Higher profitability from providing solutions that contribute to social safety</li> <li>Reduced risk of damage to companies and society from major incidents resulting from products and services</li> </ul>	<ul style="list-style-type: none"> <li>Higher profitability from providing solutions that contribute to the decarbonization of corporate clients</li> <li>Prevention of higher energy costs due to delays in decarbonization measures and lost sales opportunities due to delays in responding to customer requirements</li> </ul>	<ul style="list-style-type: none"> <li>Higher profitability from providing solutions that contribute to corporate clients' efficient use of resources</li> <li>Less risk associated with decreased competitiveness and supply instability due to increased resource procurement costs for the Company and delays in switching raw materials</li> </ul>


## Targets and Results for Each Material Issue

Material Issues	Themes		Indicators		FY2023 Results	FY2024		FY2025 Targets	FY2030 Targets
						Targets	Results		
 Improving Fulfillment in Work and Corporate Dynamism	Increasing Customer Productivity and Making Time for Creativity		To be formulated and released						
	Creating an organization that draws out potential talent so that individuals can thrive	Social and environmental value	GES score <sup>*1</sup>	Engagement <sup>*2</sup>	6.8	–	6.8	7.7 (Industry average)	Top 25% in industry
				Equity <sup>*3 Note 1</sup>	7.6(6.6)	7.8(6.7)	7.6(6.7)	8.0 (7.0) or more	–
				Freedom of opinion <sup>*4 Note 1</sup>	7.3(6.8)	7.7(7.2)	7.4(6.9)	8.0 (7.5) or more	–
			Percentage of management positions held by women (%) <sup>*5</sup>		10.7	12% or more	11.1	13% or more	18% or more <sup>*6</sup>
			Percentage of women among new graduate recruits (%) <sup>*5</sup>		39	30% or more	34	30% or more	–
<a href="#">Note:</a> Target scope: Konica Minolta, Inc. However, the scope of targets of the GES score ( <sup>*1</sup> ) is the Konica Minolta Group (worldwide) and the data for Konica Minolta, Inc. in parentheses in <a href="#">Note 1</a> .									
 Supporting Healthy, High-Quality Living	Promoting Healthier and Higher-quality Lives at Customers		To be formulated and released						
	Developing Safe and Comfortable Workplaces Where Employees Feel Motivated	Social and environmental value	Improving organizational health score	Percentage of workplaces where stress levels exceed the appropriate range <sup>*7</sup>	5.3%	11.3%	5.9%	9.3%	–
				Average score of the organizational health survey results (10-point scale)	6.3	6.9	6.4	7.7	–
			Employee health	Presenteeism: Percentage of employees with moderate or greater impaired work function due to health problems <sup>*8</sup>	18.2%	16.1%	17.8%	15.1%	–
				Absenteeism <sup>*9</sup> : Average reduction <sup>*10</sup> in the number of days of leave for the person on leave <sup>*11</sup>	2% increase	9% decrease	12% decrease	17% decrease	–
	<a href="#">Note.</a> Target scope: Konica Minolta, Inc.								
 Ensuring Social Safety and Security	Providing Safety and Security in the Workplaces of Corporate Clients and in Society		To be formulated and released						
	Minimizing Risks Related to the Safety and Security of Konica Minolta Products and Services	Eliminating chemical substances harmful to health	Social and environmental value	Number of serious accidents <sup>*12</sup> caused by chemical substances	0	0	0	0	0
		Enhancing user safety for products and services		Number of serious product-related accidents <sup>*13</sup>	0	0	0	0	0
		Thoroughly preventing major information security accidents		Number of serious product security incidents <sup>*14</sup>	0	0	0	0	0

<sup>\*1</sup> GES score: The average score of answers, on a scale of 0 to 10, to relevant questions in the Global Employee Survey. <sup>\*2</sup> Engagement: Applicable question "How likely is it you would recommend Konica Minolta as a place to work?" (This has been corrected due to an error in the question description. This question has been used consistently since FY2021.) <sup>\*3</sup> Equity: "People from all backgrounds are treated fairly at my company." <sup>\*4</sup> Freedom of opinion: "At work, my opinions are valued." <sup>\*5</sup> Time of compilation: As of April 1 of the following fiscal year. <sup>\*6</sup> Target value as of April 1, 2030. <sup>\*7</sup> Workplaces where stress levels exceed the appropriate range: Workplaces with a total health risk of 120 or higher in stress check (A total health risk of 100 is the national average) <sup>\*8</sup> Presenteeism: A condition in which an employee is present at work, but their performance is declining due to some physical disorder. It is evaluated using the Work Functioning Impairment Scale (WFun), a survey developed at the University of Occupational and Environmental Health, Japan to measure the degree of impaired work function due to health problems. In Japan, a score of 21 or higher on this survey is said to indicate moderate or greater impaired work function. <sup>\*9</sup> Absenteeism: Condition of not being able to come to work due to illness or poor health. <sup>\*10</sup> Percentage of reduction from FY2022 results. <sup>\*11</sup> Person on leave: Employee on leave of absence (unscheduled absence or leave of absence). The average number of days of leave of absence does not include fixed days off, paid vacations, and absence due to work-related injury. <sup>\*12</sup> Serious accident: A case that causes serious harm to the product user's life and/or body and cases that cause serious and significant impact on the business of the product user. <sup>\*13</sup> Serious product-related accidents refer to those accidents that cause serious harm to the product user's life and/or body and accidents that cause serious damage to assets other than the product. <sup>\*14</sup> Serious security incidents refer to cases where product security has caused a serious and significant impact on the business of product users.

## Sustainability Strategy

Material Issues	Themes		Indicators		FY2023 Results	FY2024		FY2025 Targets	FY2030 Targets	FY2050 Targets
						Targets	Results			
<div></div> <div>Addressing climate change</div>	Reducing Energy Use and CO <sub>2</sub> Emissions by Transforming Customer Processes		Social and environmental value	Contribution to CO <sub>2</sub> reduction outside the Konica Minolta product lifecycle* <sup>1</sup> (Scope 4) (thousand tons)	631	690	682	800	1,000	2,060
			Economic value	Solution sales (billion yen)	83.6	97.0	88.6	100.0	–	–
	Energy Use and CO <sub>2</sub> Emissions Reduction Related to Konica Minolta Sites, Business Partners, Products and Services	CO <sub>2</sub> emissions over the product lifecycle* <sup>2</sup> (Scope 1, 2, 3)	Social and environmental value	Reduction of CO <sub>2</sub> emissions (thousand tons)	748* <sup>8</sup>	–	784	800	620* <sup>8</sup>	0 (net zero)
				Reduction rate (%) over FY2005	63	–	62	61	70	100
		CO <sub>2</sub> reduction at the Konica Minolta production sites* <sup>3</sup>	Social and environmental value	Reduction of CO <sub>2</sub> emissions through energy conservation (thousand tons)	8* <sup>8</sup>	17	22	21	–	–
			Economic value	Monetary equivalent of energy reduction (million yen)	410	630	720	800	–	–
			Social and environmental value	Amount of CO <sub>2</sub> reduced through procurement of renewable energy (thousand tons)	3	13	14	55	–	–
				Percentage of electricity derived from renewable energy (%)	13.5* <sup>8</sup>	–	20.7	–	50	100
		CO <sub>2</sub> reduction from the use/procurement of Konica Minolta products and services	Social and environmental value	Reduction of CO <sub>2</sub> emissions (thousand tons)	19	30	26	35	–	–
			Economic value	Green Products* <sup>4</sup> sales (billion yen)	773	–	777	735	–	–
		Reduction of environmental impact at business partners using DX* <sup>3</sup>	Social and environmental value	Amount of contribution to CO <sub>2</sub> reduction* <sup>1</sup> (thousand tons)	2.2	4.2* <sup>9</sup>	3.2	4.8* <sup>9</sup>	–	–
			Economic value	Monetary equivalent of energy reduction (million yen)	46	95	71	110	–	–
	Using DX to Strengthen Customer Engagement		Economic value	Number of enhanced customer relations* <sup>5</sup>	424	371	359	371* <sup>9</sup>	–	–
				Number of times participating in business negotiations* <sup>6</sup>	372	258	211	258* <sup>9</sup>	–	–
				Sales contributions* <sup>7</sup> (million yen)	1,100	1,100	915	1,100* <sup>9</sup>	–	–

<div></div> <div>Using limited resources effectively</div>	Effective Use of Resources by Transforming Customer Business Processes		Social and environmental value	Contribution to reduction of natural resource use outside Konica Minolta products (thousand tons)	360	380	383	400	500	
			Economic value	Solution sales (billion yen)	83.6	97.0	88.6	100.0	–	
	Toward Zero Use of Natural Resources* <sup>10</sup>		Social and environmental value	Natural resource* <sup>10</sup> use in Konica Minolta products (thousand tons)	91	–	104	108	95	
				Reduction rate (%) over FY2019	32	–	23	20* <sup>8</sup>	30	
	Effective Use of Resources Relating to Konica Minolta Sites, Suppliers, Products and Services	Reduction of environmental impact of Konica Minolta production sites* <sup>11</sup>	Social and environmental value	Reduction of waste discharge* <sup>12</sup> (thousand tons)	1.6	1.6	2.1	1.7	–	
			Economic value	Monetary equivalent of waste reductions (million yen)	610	650	760	670	–	
		Reduction of environmental impact through the use of Konica Minolta products and services	Social and environmental value	Amount of resources saved and recycled (thousand tons)	13	14	13	14	–	
				Of which, circulated resources (recycled and bio-materials) utilization rate (thousand tons)	10	11	10	11	–	
			Economic value	Green Products* <sup>13</sup> Sales (billion yen)	772.8	–	777.0	735.0	–	

\*<sup>1</sup> Contribution to CO<sub>2</sub> reduction: Volume of CO<sub>2</sub> emissions reduced at customers, business partners and the broader society. \*<sup>2</sup> CO<sub>2</sub> emissions over the product lifecycle, from procurement, production, distribution, sales and service to use by the customer. \*<sup>3</sup> Cumulative reductions for each fiscal year from FY2020 to FY2022 and FY2023 to FY2025. The reduction effects of measures implemented from the first fiscal year of each period to the relevant fiscal year are summed up for each fiscal year. \*<sup>4</sup> Green Products: Name changed from Sustainable Solution in FY2023. Promotes the solving of social and environmental issues by defining and certifying solutions that help to solve social and environmental issues and expand sales. \*<sup>5</sup> Number of enhanced customer relations: Number of business opportunities gained by providing customers with environment-related technologies and know-how. \*<sup>6</sup> Number of times participating in business negotiations: Number of cases in which a quotation was submitted for proposed products among the enhanced customer relations. \*<sup>7</sup> Sales contributions: Total amount of sales of products proposed at the above-mentioned business negotiations. \*<sup>8</sup> The figures have been corrected due to errors found in the disclosures for FY2024. \*<sup>9</sup> Targets for FY2025 have been revised based on FY2024 results. \*<sup>10</sup> Natural Resources: Resources that require new drilling or mining, such as crude oil or mineral resources, and are generally synonymous with depletable resources. \*<sup>11</sup> Cumulative reductions for each fiscal year from FY2020 to FY2022 and FY2023 to FY2025. Total reduction amount for each fiscal year due to the measures implemented from the first fiscal year of each period to the relevant fiscal year. \*<sup>12</sup> Targets set for activities to reduce and recycle waste from products that use plastic based on the Act on Promotion of Resource Circulation for Plastics enacted in Japan, which include the reduction of plastic waste at major sites in Japan. \*<sup>13</sup> Green Products: Renamed from Sustainable Solutions in FY2023. The Company will define and certify solutions that contribute to solving social and environmental issues, leading to expansion of sales.

## Toward Net Zero CO<sub>2</sub> Emissions and Zero Use of Natural Resources by 2050



Addressing  
climate change

### Net Zero CO<sub>2</sub> Emissions and Carbon Minus

Konica Minolta aims to achieve net zero CO<sub>2</sub> emissions (Scope 1, 2, and 3) over the Konica Minolta product lifecycle in 2050.

We have also taken the lead over our competitors in adopting the unique concept of Carbon Minus and have been working to contribute to CO<sub>2</sub> reductions outside of our own scope of responsibility (Scope 4), with the goal that the amount of reduction will exceed the CO<sub>2</sub> emissions that are within our scope of responsibility. We will achieve Carbon Minus in fiscal 2025 by providing our solutions and technologies to increase our contribution to CO<sub>2</sub> reduction for customers and society.

In fiscal 2024, we implemented reduction activities as planned, including the introduction of new renewable energy. However, emissions increased due to greater international distribution distances and revisions to the scope of emissions calculations.

### For more details: Eco Vision 2050

<https://www.konicaminolta.com/about/csr/environment/policy/vision2050.html>

### Zero Use of Natural Resources\*

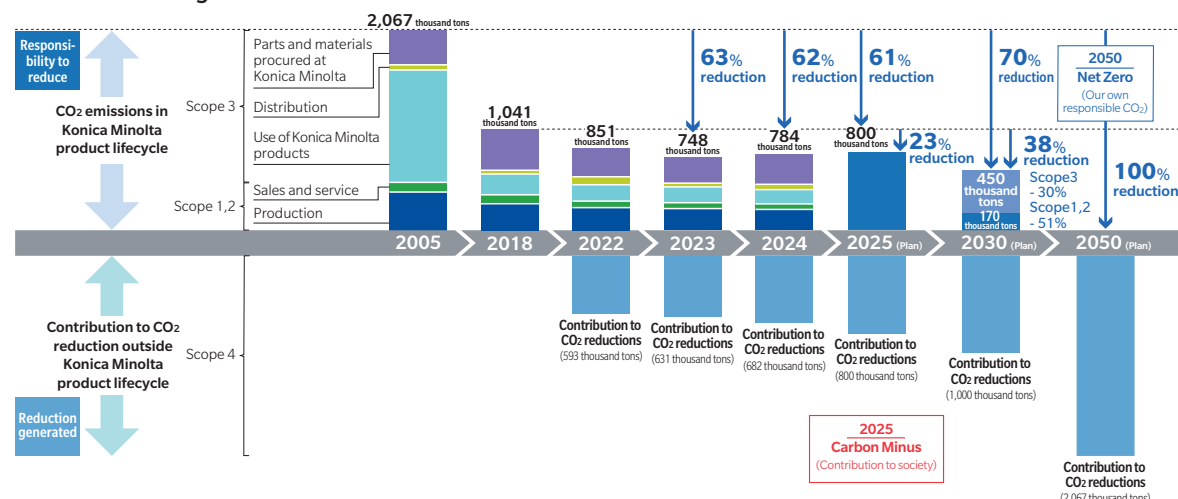
Similar to the reduction of CO<sub>2</sub> emissions mentioned above, we have also set reduction targets for the use of natural resources by 2050 for within and outside of our scope of responsibility, respectively.

Within our scope of responsibility, we have reduced the amount of resources used in our own products to bring the use of natural resources to near zero, and have promoted the use of recycled plastics and other circulated resources in their place. In addition, we will maximize our contribution to the reduction of natural resources outside of the scope of our products.

We will continue to create and grow our business while also contributing to the formation of a decarbonized and recycling-oriented society.

\* Natural resources: Resources that involve new mining, such as crude oil and mineral resources, and are generally synonymous with depletable resources

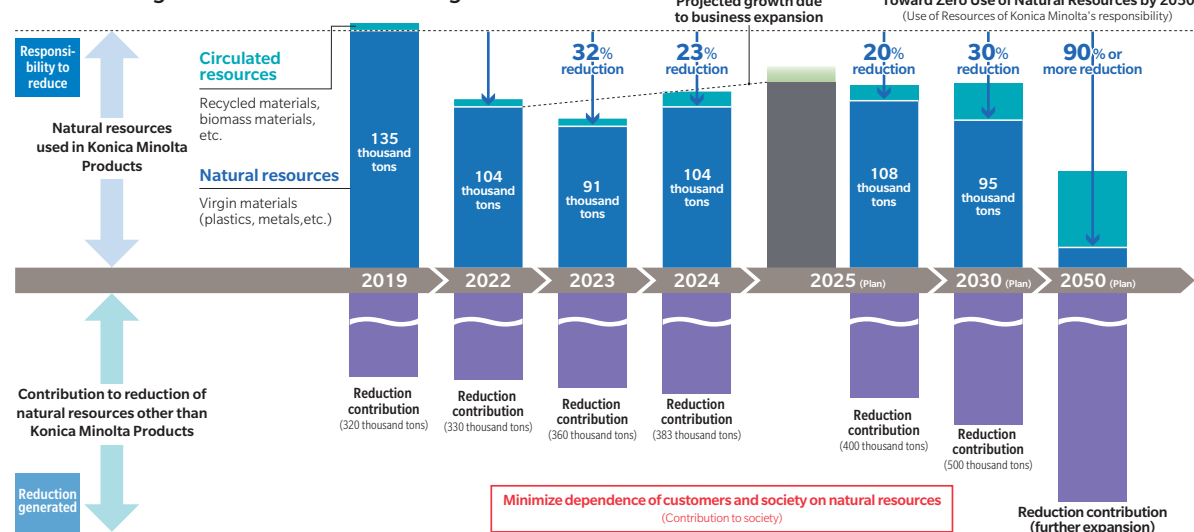
### CO<sub>2</sub> Reduction Targets



In July 2024, we received certification from the SBT Initiative for our "Net Zero Target" and "Short Term Target". For more details, please visit our website:

<https://www.konicaminolta.com/global-en/newsroom/2024/0730-02-01.html>

### Reduction Targets for Natural Resource Usage



\* We are reviewing the scope of our Scope 3 emissions and global resource use for fiscal 2024 to identify activities that we have not previously included.



Using limited  
resources effectively



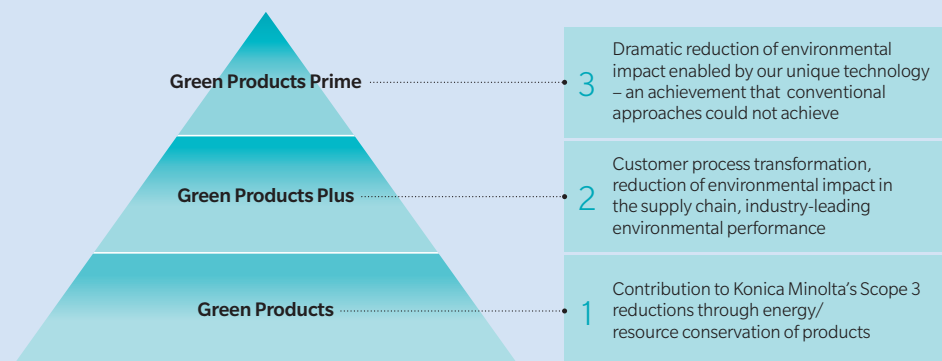
## Focus Growing sales of products and services that contribute to solving environmental issues

Konica Minolta operates the Green Products Certification System to create and expand solutions that help solve environmental issues faced by customers and society.

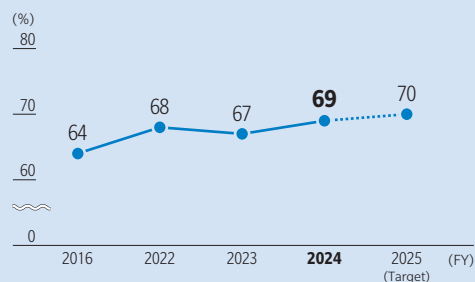
This system defines products that contribute to reducing environmental impact within the customer's value chain and stimulates the creation of products with higher environmental value. It employs a three-tier certification system based on environmental benefits and scope of contribution.

Konica Minolta has set a goal of increasing the sales ratio of certified Green Products and is working to develop and promote sales of certified products and services. As of fiscal 2024, we have successfully increased the sales ratio of Green Products to 69%.

### Green Products Certification System



### Sales of Green Products



Our bizhub i-Series products have been certified as Green Products due to the use of recycled plastic developed in-house and low power consumption performance equivalent to or better than conventional products.

### Case Study

### Professional Print Contributes to Reducing Environmental Impact

### Transforming customers' supply chains and reducing CO<sub>2</sub> emissions in society

Compared to conventional offset printing, Konica Minolta's digital commercial printing system contributes to reducing environmental impact by shortening the customer's processes and supply chain and reducing resources used.

Our digital printers, such as the KM-1e and Accurio Press C14000, can reduce about 30% of CO<sub>2</sub> emissions throughout the entire lifecycle of printed materials by reducing the number of processes required for offset printing, including the production of plates and their materials.

Based on this superior environmental performance, these products are certified as Green Products Plus (see diagram at left) and included in Scope 4 reduction contributions. These initiatives contribute to expanding environmental impact reduction effects across society as a whole.

### Related material issues



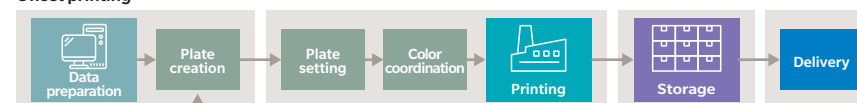
Addressing climate change



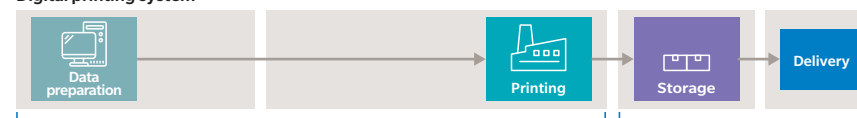
Using limited resources effectively



### Offset printing



### Digital printing system



Reduces CO<sub>2</sub> from printing processes by eliminating unnecessary printing

Reduces CO<sub>2</sub> emissions from transportation by printing only the required amount

## Disclosure Based on TCFD Recommendations

### Governance

At Konica Minolta, addressing climate change is positioned as one of the objectives of our sustainability management, and decisions such as setting and changing key targets are made with the approval of the Board of Directors. Specifically, we have set and changed target values after approval by the Board of Directors in fiscal 2008, fiscal 2017, fiscal 2020, and fiscal 2023.

### Strategy

To address climate change risks, we set out a vision to achieve Net Zero greenhouse gas emissions across the whole value chain by 2050. We aim to achieve our goals through our business by integrating the risks caused by climate change into business risks and linking the medium-term goals and annual plans related to climate change measures with the Medium-term Business Plan for areas such as product planning, development, production, procurement, and sales.

In terms of opportunities, we are targeting the achievement of “Carbon Minus” by the end of fiscal 2025 to increase the level of contribution to energy and CO<sub>2</sub> reduction in customer companies and society and to achieve business growth. We are strengthening the core technologies that each business has cultivated since our founding as an “evolved core technology group” through the use of AI (data-driven development and production) and the integration of technologies across business areas. In this effort, we will increase the contribution toward reducing energy use and CO<sub>2</sub> emissions through workflow and supply chain reforms.

### Climate change scenario analysis and results

Konica Minolta has identified two scenarios by respectively identifying business risks that will impact business performance in 2030 and business opportunities that can be created by proactively addressing the challenges of climate change.

The scenario analysis is carried out based on the following process.

- Identify target business areas for climate change scenario analysis
- Identify key climate-related risks and opportunities
- Consider existing scientific scenarios on climate change
- Consider and clarify risks and opportunities in the scenarios and their expected financial impact
- Consider future response policies and strategies

#### Scenario 1

**If the average global temperature increase is kept below 2°C (equivalent to 1.5°C) and a low-carbon global society is achieved**

### Addressing the “Risks” of Climate Change

Impact on the Konica Minolta Group		Target segment	Classification	Financial impact	Timeline	Handling
Increase in procurement and manufacturing costs	Stakeholders’ demand for renewable energy procurement and net-zero greenhouse gas emissions	Industry Digital Workplace	Market Reputation	Medium	Short-term	Introduce renewable-energy-derived electricity at production, R&D, and sales sites
	Replacing fossil resources and fuels in production	Industry	Policies/Laws	Medium	Medium to long term	Examine the introduction of CO2-free fuels, introduce internal carbon pricing and optimize procurement strategy
	Response to new emissions regulations and tax laws	Industry Digital Workplace Professional Print Imaging Solutions	Policies/Laws	Strong	Short to medium term	Develop energy-saving production technology
Increase in product development costs	Response to new regulations on product energy efficiency and the market	Digital Workplace Professional Print	Policies/Laws Market	Medium	Short-term	Product energy-saving design in keeping with new environmental labeling standards, compliant with public procurement and bidding requirements
Decrease in sales due to changes in demand for products and services	Decrease in office printing demand	Digital Workplace	Market	Strong	Short to medium term	Transformation to an earnings model not reliant on print charges

### “Opportunities” of Climate Change

Impact on the Konica Minolta Group		Target segment	Classification	Financial impact	Timeline
Higher sales due to change in demand for products and services	Digital solutions to transform the printing and apparel industry supply chain	Professional Print	Products/Services	Strong	Short to medium term
	Performance materials with reduced product carbon footprint, material and sensing technologies that contribute to improving the sortability and recycling rate of used plastics, transforming production processes through inkjet technology, and gas leak inspection systems that can contribute to early detection of methane gas leaks and reduction of emissions	Industry Imaging Solutions	Products/Services	Medium	Short to medium term

For more details: Task Force on Climate-related Financial Disclosures (TCFD)  
<https://www.konicaminolta.com/about/csr/environment/strategy/tcfcd/strategy.html>

## Disclosure Based on TCFD Recommendations

### Scenario 2 If the average global temperature increase exceeds 2°C and the predicted physical effects of climate change materialize

#### Addressing the “Risks” of Climate Change

Impact on the Konica Minolta Group		Target segment	Classification	Financial impact	Timeline	Handling
Lower profits due to a reduction in production capacity	Insufficient or interrupted supply of natural resources due to changes in climate patterns	Industry	Chronic physical	Strong	Long-term	Product design and development not dependent on particular natural resources
	Supply chain interruptions following large-scale natural disasters	Digital Workplace Professional Print	Acute physical	Strong	Medium-term	Establish business continuity management (BCM) Decentralize production and supply of consumables by region
Decrease in sales due to changes in demand for products and services	Limited access to forest resources due to abnormal climate and forest fires	Digital Workplace Professional Print	Chronic physical	Strong	Long-term	Transformation to an earnings model not reliant on print charges

#### “Opportunities” of Climate Change

Impact on the Konica Minolta Group		Target segment	Classification	Financial impact	Timeline
Increase in sales due to changes in demand for products and services	Imaging solutions that contribute to prevention and mitigation of disasters caused by acute abnormal climate and natural disasters	Imaging Solutions	Products/Services	Minimal	Medium-term

#### Prerequisites for Scenario Analysis

- **Scientific scenarios references**  
IPCC RCP2.6 and RCP8.5, IEA NZE 2050, CPS
- **Classification of risks and opportunities**  
Transition risks: policies and laws, technologies, markets, reputation  
Physical risks: acute physical, chronic physical  
Opportunities: resource efficiency, energy, products/services, markets, resilience
- **Definition and evaluation criteria for “financial impact”**  
Strong: additional cost or profit decrease of 1 billion yen or more  
Medium: additional cost or profit decrease of 100 million yen to less than 1 billion yen  
Minimal: additional cost or profit decrease of less than 100 million yen
- **Definition and evaluation criteria for “financial impact”**  
Strong: Profit creation of 10 billion yen or more  
Medium: Profit creation of 1 to less than 10 billion yen  
Minimal: Profit creation of less than 1 billion yen
- **Definition and evaluation criteria for timeline**  
Long-term: 10 years or more  
Medium-term: 3 to less than 10 years  
Short-term: 1 to less than 3 years

#### Risk management

Konica Minolta positions risk management as an “activity that seeks to maximize returns while minimizing the negative impact of risk,” and evaluates risk from a medium- to long-term perspective. For environmental risks, including climate change, we assess and manage the impact and uncertainty of climate change risks based on two scenarios. Also, this environmental risk is positioned as one of the management risks of the entire Group and is managed by the Risk Management Committee.

In addition to discussing plans and measures related to climate change response at the Environmental Promotion Committee held every quarter, rolling work to review the degree of change in risks is conducted twice a year at the Committee, and risks are re-evaluated. The Group Environmental Officer reports to the President every month on the progress of the plan. In addition, important environmental issues are also reported by the Group Environmental Officer to the Management Council, other meeting bodies, and the Risk Management Committee, etc. The Board of Directors receives regular reports on the progress of

the management plan for addressing climate change and oversees its implementation.

Details of Konica Minolta’s risk management system and risk management process are described on (see [page 68](#)).

#### Indicators and targets

In addition to “Carbon Minus targets,” “Product lifecycle CO<sub>2</sub> emissions (Scopes 1, 2, and 3),” and “Ratio of electricity derived from renewable energy,” Konica Minolta has set “CO<sub>2</sub> reduction contributions (Scope 4)” as a management indicator for climate change risks and opportunities.

#### Carbon Minus targets

We aim to achieve a “Carbon Minus” state where we create more emissions reduction contributions by our customers and society (CO<sub>2</sub> reduction contributions) outside the scope of Konica Minolta’s product life cycles than our own CO<sub>2</sub> emissions (product life cycle CO<sub>2</sub> emissions) by the end of fiscal 2025 (see [page 42](#)).

#### Product lifecycle CO<sub>2</sub> emissions

Includes all of Scope 1 and Scope 2 emissions (CO<sub>2</sub> emissions at the production stage, sales and service stage) and Key Scope 3 emissions (CO<sub>2</sub> emissions at the procurement stage, logistics stage, and product use stage).

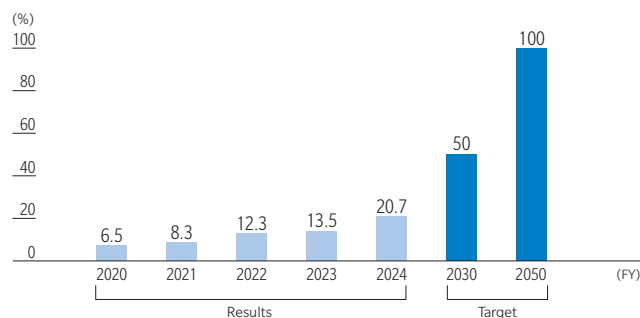
We have set a target of a 61% reduction in CO<sub>2</sub> emissions (800,000 tons) compared to fiscal 2005 by the end of fiscal 2025 and, in the medium term, a 70% reduction (620,000 tons) by 2030. In fiscal 2024, CO<sub>2</sub> emissions were about 780,000 tons (150,000 tons for Scope 1, 120,000 tons for Scope 2, and 510,000 tons for Key Scope 3), achieving a 62% reduction.

In the long term, we have set a goal of Net Zero greenhouse gas emissions across our value chain by 2050 (see [page 42](#)).

## Disclosure Based on TCFD Recommendations

### Renewable energy-derived electricity ratio

Based on our forecast that fossil fuels will no longer be available in the future, we have set a target of increasing the proportion of renewable energy-derived electricity used in our business activities to 50% or more by fiscal 2030 and to 100% by fiscal 2050, contributing to the reduction of Scope 2 emissions over the medium- to long-term.



### Amount of contribution to reduction of CO<sub>2</sub> emissions (Scope 4)

Mainly in the Professional Print Business, we are contributing to our customers' CO<sub>2</sub> reduction by expanding sales of digital printing systems that improve productivity by shifting from analog to digital printing. As for progress toward the goal of achieving 800,000 tons of CO<sub>2</sub> reduction contribution by fiscal 2025, we reached 680,000 tons in fiscal 2024 (see [page 42](#)).

### Green products\* sales

We have set a target of sales of green products that contribute to addressing climate change, and we are aiming for its sales ratio to be 70% by fiscal 2025. In fiscal 2024, sales of green products were 777.0 billion yen, representing a sales ratio of 69%.

\* Our uniquely defined products and services that solve environmental issues

### Internal Carbon Pricing (ICP)

One ton of CO<sub>2</sub> emissions reduction requires different costs, measures, and timeframes between Scope 1 (fuel use) and Scope 2 (electricity purchase). To achieve more effective internal carbon pricing (ICP), we have adopted an approach that identifies the unique characteristics of each environmental value and sets different carbon prices accordingly.

### Executive compensation

In order to increase incentives to achieve the goals of the Medium-term Business Plan, we have set a non-financial indicator within CO<sub>2</sub> emissions in the lifecycle of products (Scope 1, 2, and 3), "CO<sub>2</sub> emission reduction by measures\*," as one of the evaluation indicators that constitutes medium-term stock bonus (performance-linked). After the completion of the Medium-term Business Plan, executive compensation for the President & CEO and other Executive Officers will be determined in the range of 0 to 200% depending on the degree of achievement of the target, and company shares will be issued.

## Disclosure Based on TNFD Recommendations

Konica Minolta has endorsed the principles and recommendations of the Task Force on Nature-related Financial Disclosures (TNFD) to clarify its dependence and impact on natural capital, and its commitment to addressing its assessment, and opportunities and risks. In 2024, we registered as a TNFD Early Adopter and became a TNFD Forum member. We will assess our natural capital dependence and impacts and disclose this information in accordance with the TNFD framework.

We have identified issues from the perspective of the nine global core indicators proposed by TNFD, evaluated dependencies and impacts in our business activities, and identified risks and opportunities. We have begun to establish strategies, indicators, and targets to address these risks and opportunities.

For more details: [Task Force on Nature-related Financial Disclosures \(TNFD\)](#)  
<https://www.konicaminolta.com/about/csr/environment/strategy/tnfd/index.html>

### Risks and Opportunities for Konica Minolta

TNFD Core Indicators			Impact on the Konica Minolta Group	
Natural Factors of Change	9 Core Indicators		Risks	Opportunities
Dependence	Change in Use of Land/Freshwater/Ocean	1 Total land footprint	–	–
		2 Extent of change in land/freshwater/ocean use	–	–
	Resource use	3 Water withdrawal/consumption from water stressed areas	• Supply chain: lower supply from water-stressed areas (Southeast Asia) due to water intake restrictions, etc.	• Dry textile printing process: anhydrous dyeing systems in regions with high water stress (India, Turkey, Italy)
		4 High-risk natural resources sourced from land/ocean/freshwater	• Natural resources: insufficient supply of high-risk natural resources due to tightened regulations, etc. • Paper: reduced opportunities for paper use and printing due to limited access to forest resources, changing social preferences, etc.	–
Impact	Pollution and Decontamination	5 Soil Contamination	–	• Toxic substance-free technology: provide technologies free of persistent toxic substances, etc.
		6 Wastewater	–	• Digital printing/textile printing, inkjet technology: wastewater reduction technology in areas with severe water pollution (South Asia)
		7 Waste generation and disposal	• End-of-life products: Mandatory recycling of products due to measures for Establishing a Sound Material-Cycle Society, etc. • Plastics: Requirement for using recycled plastics for products due to measures for Establishing a Sound Material-Cycle Society, etc.	• Recycled plastic technology: Increased demand for recycling technology, material technology, and sensing technology due to measures for Establishing a Sound Material-Cycle Society, etc.
		8 Pollution by plastics	–	–
		9 Non-GHG air pollutants	–	–



# Respect for Human Rights

## Basic Views

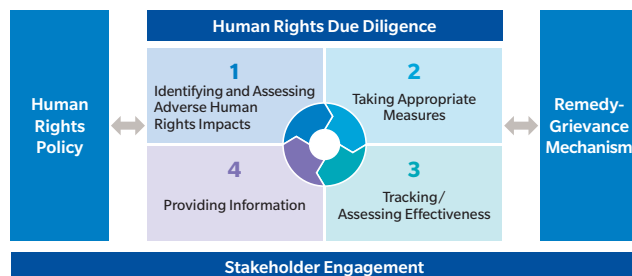
Human rights are universally valued rights that all people are born with. Konica Minolta is a company with global business operations and many component suppliers in Southeast Asia. If human rights are not fully respected throughout the supply chain, negative human rights impacts such as child labor and forced labor may occur. As a result, we believe that there is a risk of social criticism, resulting in lost sales opportunities, damage to our brand image, and a decline in our stock price due to loss of trust from investors and other adverse effects on our business performance.

The Konica Minolta Group Human Rights Policy was established based on the United Nations Guiding Principles on Business and Human Rights. The Konica Minolta Group Charter of Corporate Behavior and Konica Minolta Supply Chain Code of Conduct also specify respect for human rights as one of the most basic requirements in our business activities. Based on these policies, Konica Minolta conducts human rights due diligence and strives to ensure rigorous respect human rights with respect to business partners and other parties connected to the Konica Minolta Group's business.

## Human Rights Due Diligence Process

In compliance with the United Nations Guiding Principles on Business and Human Rights, Konica Minolta has created a human rights policy, conducted human rights due diligence, and established a remedy and grievance mechanism to promote its initiatives.

### Human Rights Due Diligence Process



## Identifying and Assessing Adverse Human Rights Impacts (Impact Assessment)

The Group identified stakeholders who are subject to actual or potential negative impacts and any human rights issues as a result of its business activities and transactions, assessing the level of impact. As a result, 14 high-risk issues were identified, including rights of foreign/migrant workers, overwork and inappropriate work, occupational health and safety, and gender-related human rights issues. Assessments are reviewed on a regular basis, and the departments in charge of human resources, legal affairs, procurement, quality, IT, and sustainability set their own targets and consider and implement measures.

Furthermore, when making new or additional investments, the Group includes human rights-related checks in its due diligence process to assess investment suitability.

## Taking Appropriate Measures and Tracking/Assessing Effectiveness

In addition to fostering awareness of respect for human rights among Group employees through rank-based education and regular compliance education, we conduct an annual engagement survey of employees worldwide to confirm the effectiveness of our measures and identify issues for the next improvements.

We have made all direct material suppliers aware of the Konica Minolta Supply Chain Code of Conduct and requested that they agree to abide by this code. In addition, we conduct risk assessments of key suppliers through questionnaires, and provide corrective support and ongoing follow-up to those suppliers deemed to be high-risk.

## Remedy and Grievance Mechanism

Konica Minolta has established a contact point for anonymous reporting of human rights violations from both inside and outside the Group, and has built a system to promptly investigate any allegations of human rights violations and take corrective measures through appropriate internal and external procedures if it is clear that Konica Minolta has directly caused or was involved in any adverse impact on human rights.

## Voice



**Hirofumi Bito** (left)  
**Hiromi Kiyota** (right)  
 Personnel and General Affairs Department  
 Konica Minolta Mechatronics Co., Ltd.  
 (BMME)

## Konica Minolta Mechatronics becomes the first Group company in Japan to receive a Platinum rating in the RBA's social responsibility audit

BMME was the first production site in Japan to receive Platinum recognition, the highest level in the Responsible Business Alliance's (RBA) Validated Assessment Program (VAP) audit, an international standard for labor, human rights, health and safety, environment, and ethics. Our work to achieve this recognition comes from BMME's original goal to create a safe and secure work environment for all factory workers, and in addition, from necessary action due to business requirements in the European market. We were able to acquire certification in a short period of six months by combining the knowledge of other sites within the Group and related departments. In particular, we had to ensure that temporary employees and onsite contractors were familiar with the rules, and we persistently engaged each member in dialogue to make sure the right principles were permeating the organization.

As a result of our efforts, human rights awareness, occupational health and safety, and standardization throughout the supply chain have increased, leading to improved business performance. In addition, BMME has improved the working and housing environment for foreign employees, provided educational opportunities and other benefits, and deepened relationships of trust, as evidenced by the appreciation expressed at briefing sessions. Going forward, we will continue to accelerate our efforts to realize a sustainable society.



# Human Capital Strategy

**Shinichiro Oka**  
Executive Vice President and  
Executive Officer



Recognizing employees as key drivers of long-term value creation, we are strategically investing in human capital to enhance sustainable corporate value. Central to this initiative is the development of professional human capital capable of creating value in a rapidly evolving business landscape. We believe our competitiveness stems from human capital with the autonomy to think, act, and deliver measurable outcomes.

In fiscal 2024, we executed global, company-wide, structural reforms, optimized our human capital portfolio, and initiated cost structure transformation. Despite short-term challenges, employee engagement levels remained stable year over year, demonstrating organizational agility and resilience to transformation.

Beginning in fiscal 2025, we will lay the foundation for growth and accelerate reinvestment in human capital, including reskilling programs to enhance productivity. Specifically, we aim to support enhancing the market value of each employee by advancing DX leadership development programs and driving operational innovation through AI application. We will also pursue a qualitative transformation of our workforce by recruiting globally competitive talent, implementing diversity-focused talent management, launching targeted development programs for the next-generation management and mid-level leaders, and reallocation and requirement of human capital to strengthening businesses growth areas.

Operating across diverse sectors and business phases, Konica Minolta, which has various fields with multiple business phases, is keen to be selected by human resources seeking for growth opportunities through challenges as their growth stage to carving out their careers. By partnering with such talent, we aim to drive sustainable enhancement of corporate value.

## Human Capital Vision of Konica Minolta

### Basic Strategy for Human Capital

Konica Minolta has articulated a new growth strategy and business transformation policy as a part of its Medium-term Business Plan. In conjunction, we have defined the human capital required to realize our business plan as “professional human capital”—individuals who possess distinctive skills backed by superior knowledge, expertise, and experience, and who are able to solve problems through independent critical thinking. We are committed to developing and empowering such talent.

Konica Minolta is also committed to maximizing the power of each individual, based on 6 Values, our code of conduct, and health & productivity management that regards the physical and mental health of employees as a source of growth, as well as supporting self-directed growth through self-development support and extensive in-house training programs, fostering a culture of taking challenges by introducing in-house open recruitment, and realizing diverse workstyles by lifting the ban on side jobs ahead of other companies. At the same time, we are focusing on building an organization that maximizes the power of individuals and fostering management human capital who can realize strong teamwork.

We believe our efforts will organically connect diverse professional human capital to generate innovation, and at the same time, improve our execution capabilities by strengthening engagement and resilience, and ultimately lead to our sustainable growth.

### Human Capital Vision of Konica Minolta



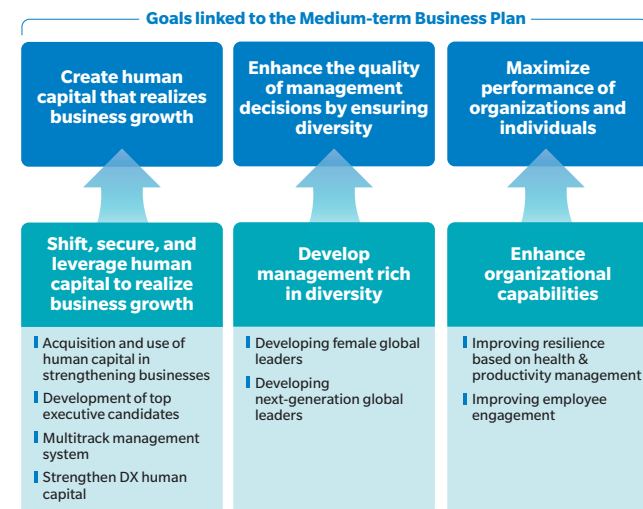
\* Health & Productivity Management is a registered trademark of the NPO Kenkoikei

## Creating Human Capital that Realizes Business Growth

Konica Minolta optimized its human capital in fiscal 2024 as part of cost structure reforms aimed at shaping future growth. These reforms were implemented swiftly and effectively, supported by careful communication from management to employees. However, we recognize that simply reducing headcount and suspending recruitment is not a sustainable path to growth. Therefore, in fiscal 2024, we focused on transforming into an organization with higher per capita productivity by leveraging DX to enhance efficiency and optimize human capital allocation. Simultaneously, we continued to invest in the development of professional human capital and create a work environment where diverse human capital can engage and perform at high levels. As a result, by April 2025, we achieved outcomes exceeding our initial expectations, as there was no significant decline in sales or employee engagement (see [page 18](#)).

Looking ahead, we will continue to invest in the acquisition and development of human capital for our strengthening businesses, while accelerating the early promotion of those identified as top executive candidates.

### Three Pillars of Human Capital Enhancement Measures



## Human Capital Strategy

### Shifting, securing, and leveraging human capital in strengthening businesses

Focusing human capital resources on strengthening areas is essential for Konica Minolta to achieve sustainable growth. In the Industry sector, we are strengthening our development and production capabilities in automotive visual inspections, hyperspectral imaging (HSI), and optical components for semiconductor manufacturing equipment—areas that will lead to business growth. In the Professional Print sector, we are advancing the technology of our Heavy Production Printing machines, which hold top market share, and introducing new UV inkjet printers. We will prioritize securing human capital to support these core technologies.

In addition, across all businesses, we will strengthen our recruitment efforts of human capital who can (1) promote business development by connecting cutting-edge technologies and customers across the industrial value chain beyond business organizations and (2) propose ways to increase the added value of hardware/software and revise entire business processes and workflows by deep-diving into customer needs.

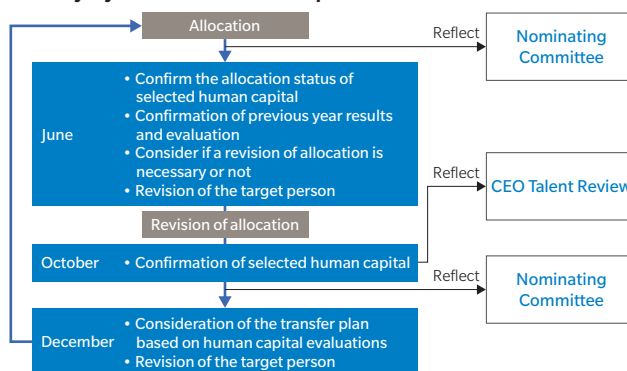
### Systematic development of President & CEO and top executive candidates

To maintain and evolve a strong organization, it is crucial to have human capital that can unite and lead many individuals within an organization. Therefore, we have identified as a key issue the systematic and rapid development of the next generation of leader candidates. Each year, the top managers of each business report to the President and discuss their succession plans for key positions, including their own and those at overseas affiliates, to determine the direction of our succession development plans.

In addition, for fiscal 2024, we established a Human Capital Committee to deliberate upon offering planned job assignments, strategic rotations, and educational programs for the early development of the next generation of leadership candidates for future president. This committee is chaired by the President and comprises executive officers in business, technology, as well as corporate affairs. In fiscal 2024, through the activities of this committee, we finalized the next generation candidates of President, and from fiscal 2025, we are concretely providing external educational opportunities as well as assignments tailored to the individual characteristics of each candidate. For human capital at the business-unit manager level, we are also

implementing rotations across business boundaries to accelerate both personal growth and business enhancement.

#### Activity Cycle of the Human Capital Committee



### Strengthening middle management

In fiscal 2022, we changed our management system from a single-track to a dual-track system. This change clarified the missions demanded of management; this, in turn, aimed to address issues such as the lack of non-management options for human capital with expertise, and the struggle to fully develop the experience and skills that management requires as our diverse workforce grows. Specifically, management roles (exempt positions) are now divided into two categories: “experts” who contribute to the business through their expertise, and “empowerment leaders” who draw out the strengths of diverse human capital and energize the organization to enhance execution capabilities. The requirements for each of these roles were also substantially revised.

For experts, the reformed compensation design has enabled them, based on performance, to be compensated at the Executive Officer-level, which has thereby contributed to the recruitment of highly specialized human capital. Four years since these reforms, 5% of all exempt employees are now experts, who are contributing to business growth by leveraging their expertise.

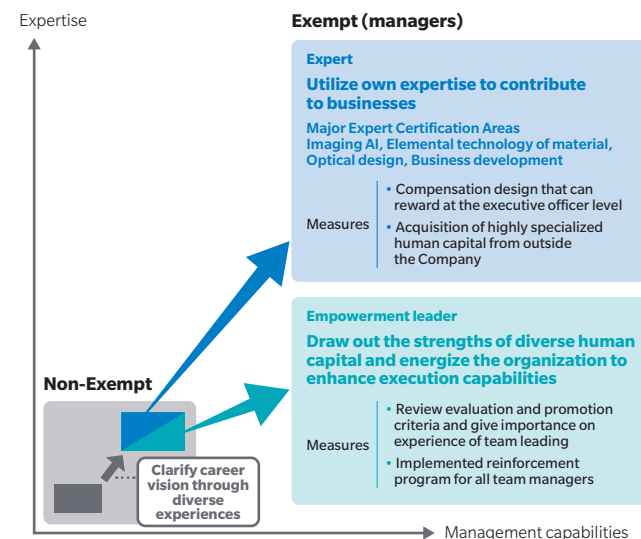
As for empowerment leaders, we are systematically and regularly offering programs, for all team managers, to strength their management skills such as coaching, team building, and communication. In addition, in fiscal 2025, we launched a DX leader development program to improve managers’ task-setting

ability needed to advance DX. Furthermore, for general managers, who are at the core of achieving medium- to long-term profit growth, we will implement a program aimed at strengthening both mindset and action.

In addition, both experts and empowerment leaders regularly undergo multifaceted evaluations to assess their performance in relation to the required behaviors, enabling them to consistently update their own actions. Through these initiatives, we are encouraging continuous growth and further strengthening our human capital.

Going forward, we will continue to leverage the potential of our engineers, who are Konica Minolta’s strength as a manufacturer, and advance as a unified team composed of strong leadership and high IT literacy.

### Dual-track system



### Strengthening and developing DX human capital

Konica Minolta aims to solve the problems that face customers by combining data and digital technology to innovate products and processes. To achieve this, we set out the goal to develop 1,000 DX specialists and met this goal in fiscal 2023 by providing the necessary training programs.

## Human Capital Strategy

Furthermore, solving problems with DX is not something that can be accomplished by individual engineers alone. Rather, it requires identifying what needs to be resolved and involving colleagues to move forward as a team. To improve IT literacy on an individual basis, we conducted assessments of the president, executives, and all employees, and provided follow-up training based on those results. This led to 80% of all employees reaching the required level.

### Enhancing the Quality of Management Decisions by Ensuring Diversity

#### Konica Minolta's human capital rich in diversity

At Konica Minolta, about three-quarters of our employees work outside Japan. With bases in 50 countries around the world, we are made up of a diverse and multinational human capital.

Globally, women make up 30% of all employees and are active in all job categories, with women making up about 21% of sales and other revenue-generating departments and about 14% of STEM fields (fields related to Science, Technology, Engineering, and Mathematics). Women also account for more than 19% of management positions globally.

Our head office in Japan, where women account for 20% of the workforce, has been strengthening its efforts to promote women's workplace participation, and has increased the percentage of female managers through ongoing initiatives. This percentage was around 1% in 2003, at the time of Konica and Minolta's management integration, but by the end of fiscal 2024, it had risen to about 11%. This figure is high even when compared to the average of competitors and domestic manufacturers.

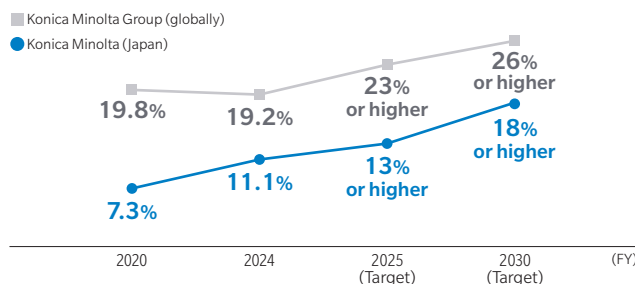
That said, there is still much to be done to further promote understanding women's empowerment. The DEI Office, an appointed body, is leading efforts to deepen understanding within the company regarding the value of improving our ability to identify and solve issues from diverse perspectives. Going forward, we will continue to create opportunities for women's workplace participation, aiming for 18% or more of management positions to be held by women by fiscal 2030.

In addition, fostering a workplace culture with a high level of psychological safety is essential for leveraging diverse human capital. To this end, we provide e-learning for all employees and hold sessions on the nature of unconscious bias and

psychological safety at key junctures such as when employees join the company, are promoted to assistant manager, or to manager. Furthermore, in the UK, initiatives to promote understanding and support for people with disabilities are underway, while in Japan, initiatives that encourage young employees to take ownership of their career path and push all employees to initiate change within the company are growing. Such employee-led initiatives have been spreading across different regions.

At the management level, we will ensure diversity in terms of gender, nationality, age, and other attributes to expand our

#### Percentage management positions held by women at Konica Minolta



experience and expertise, as well as continuously improve the quality of management decision-making.

#### Women 2 Lead, a program to cultivate management-level employees based on "global × women"

Since fiscal 2023, we have been developing a program called 'Women 2 Lead' to select and nurture the next generation of leaders from our globally active female employees. This program is conducted in collaboration with IMD\*, using their assessment methods to select human capital from a variety of fields, including sales, finance, marketing, and HR. The program assesses each candidate's strengths and weaknesses, encourages self-awareness, and conducts eight months of training focused on career path development as well as the knowledge and mindset required of leaders. Upon completing the program, to ensure that graduates can steadily advance their careers, we implement expanded roles and assignments based on individual development plans, with the commitment of their immediate superiors and the top management of their respective business companies, as well as the support of our head office's HR department.

\* IMD: International Institute for Management Development, a world-renowned business school based in Switzerland.

### Voice Women 2 Lead Program



**Minna Tormala**  
Head of Global Marketing  
Commercial Operations  
Specim Spectral Imaging Ltd.

As the global marketing head of Specim, which is based in Finland, and is a leader in the hyperspectral imaging (HSI) field, I aim to grow global sales by enhancing awareness of HSI technology and our brand. To better navigate increasingly complex and rapidly changing business environments, I joined the Woman 2 Lead Program to further my leadership capabilities and business acumen.

This program helped me clarify my leadership style and development path. It also honed my professional skills: I became a more resilient leader, and refined my strategic-thinking, decision-making, and team-building abilities. In addition, I learned the value of collaborating with others across departments and cultures to drive innovation.

By applying these insights, I am now able to empower myself to influence while creating psychological safety within my team, as well as investing in connections both inside and outside the company.

Going forward, I will spread these learnings across Specim and foster innovation through customer and market insights. I am determined to help raise Konica Minolta's overall corporate value by developing scalable and reproducible marketing initiatives.



## Human Capital Strategy

### Developing the next generation of global human capital (GLOW)

To strategically strengthen our pipeline of future management human capital, we have been implementing GLOW, a six-month short-term overseas assignment program. Previously, only Japanese employees were eligible for this program, but from fiscal 2022, the entire program has been revamped to include overseas

**“GLOW” as global expansion of overseas training program for young employees**



**Enabling overseas dispatches from abroad and early development of true global leaders who can compete on the world stage**

Group companies, enabling dispatches not only from Japan to overseas, but also from overseas to Japan, and between any two overseas locations.

This program is unique in that companies do not assign any missions; instead, employees with ambition set up their own missions. Specifically, dispatch candidates must negotiate their acceptance with the host company, then create and execute their own local contributions, missions, and dispatch plans. By seizing opportunities to take on challenges, cooperating with local teams to pursue goals, and polishing their skills and strengths to make them effective abroad, participants aim to cultivate a diverse and global perspective, ultimately becoming true global human capital capable of competing on the world stage.

Since fiscal 2023, about 30 employees in total (including 10 from overseas) have been selected and dispatched through this program. The selected individuals have been working hard to achieve results despite the challenges of gaining the trust and cooperation of local employees during their short-term assignments. The program is expected to benefit both the development of human capital and tackling of business issues, as

the participants' contributions have been highly evaluated by host companies.

In fiscal 2025, we have begun dispatching the third cohort of participants while starting the selection process of the fourth cohort. Moving forward, we will be considering further expansion of this challenging but highly-rewarding program.

### Maximizing Performance of Organizations and Individuals

#### Enhance employee engagement based on dialogue

At Konica Minolta, we believe that the results of all of our initiatives are reflected in employee engagement. Therefore, we conduct an annual global survey called “Your Voice” to identify areas of focus for each workplace and incorporate them into our initiatives for the next fiscal year.

In fiscal 2024, we implemented painful structural reforms, but through dialogue with each business division, company, and workplace based on survey results, we continued to execute cycles of improvement actions, and as a result, we maintained the previous fiscal year's engagement score.

In addition, the global survey helped us identify areas in need of improvement: compensation, career path, and how accessible management is to employees.

With regard to compensation, although a fundamental solution would require improved business performance, we are focused on motivating capable employees by creating a work environment where each employee can contribute to society through the organization as professionals and raise their own

### Voice Glow Program



**Momoko Iizuka**

IJ Ink Development Unit Assistant Manager  
IJ Imaging Tech R&D Center,  
Chemical Products Business Unit  
Konica Minolta, Inc.

#### Leveraging firsthand experience with U.S. sales staff and customers to advance ink development and support

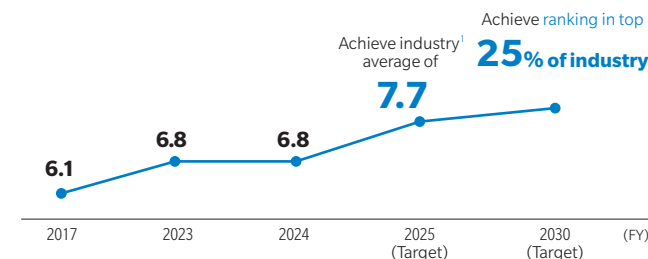
I am responsible for UV ink development for the AccurioJet KM-1 series, our flagship digital inkjet press. Previously, my limited opportunities to engage directly with customers or sales staff left me with only an indirect understanding of development objectives and customer needs. To address this, I participated in the GLOW program to gain firsthand insights into our customers and sales operations. I chose a

U.S. sales company as my assignment, given that the U.S. is the largest market for our current models.

During my assignment, I accompanied local staff on customer visits to introduce our printer ink and assess customer needs, exchanging views and documenting their requests and issues. I relayed this feedback to our headquarters' R&D division, enabling the verification and resolution of key issues. Observing the on-site operations firsthand allowed me to grasp the rationale behind requested improvements, making our R&D objectives and business strategies more concrete.

Looking forward, I intend to continue regular customer visits in Japan, Europe, and the U.S., to deepen my understanding of each market. Building on the insights and relationships developed through GLOW, I aim to collect data that will inform new R&D proposals. Additionally, I am committed to serving as a bridge between the R&D division and sales units, fostering mutual understanding and seamless collaboration.

#### Employee Engagement Score



Note: Adopted Workday's research infrastructure. Average score for questions on "engagement" in the global employee awareness survey (answers on a scale of 0 to 10)

\*1 Industry: Technology companies in general, not only in Japan but globally

## Human Capital Strategy

market value.

With regard to career paths, we are particularly focused on strengthening management training and encouraging managers to seriously consider how to interact with their subordinates. We believe that raising awareness in this area will improve how managers advise and guide employees regarding their individual career plans.

With regard to how accessible management is to employees, the President personally visits each of our bases in Japan and overseas to directly engage with employees. Additionally, during CEO LIVE!, our internal briefings on quarterly financial results, the President provides direct explanations and on-the-spot answers to questions that employees have asked online, enabling direct feedback to management's thoughts and ideas. Each session receives many more questions than can be answered in the allotted time, but he provides thoughtful and sincere responses, fostering a venue for employees to understand management through two-way communication.

Through these efforts, we are closing the gap with the leading companies in employee engagement that we view as

benchmarks.

In fiscal 2025, we will create a dialogue handbook based on best practices identified in the field and, based on the global survey results, roll out a framework to further promote the three steps of sharing results, communicating with colleagues, and taking action. In addition, due to the many comments and questions regarding compensation, benefits, and other HR matters through initiatives such as CEO LIVE!, we plan to establish venues at our main sites in Japan for HR executives and employees to directly discuss HR policies. This initiative aims to improve understanding of HR systems, address challenges, and strengthen efforts to improve workplace satisfaction.

Going forward, we will continue to aim to achieve an engagement score that ranks in the top 25% of our industry by fiscal 2030. To this end, we will increase productivity, ensure psychological safety, and innovation to realize growth across the entire organization. The engagement score is incorporated in the compensation determination scheme and is one of the key management indicators that the whole Group is working on to improve.

### Konica Minolta's health & productivity management

To ensure that the professional human capital sought in our Human Capital Vision continue to work with high engagement, their physical and mental health is foundational.

At Konica Minolta, we consider the health management of our employees from a business perspective. Starting with a health declaration by the President, which recognizes that employee health is the foundation of all, we aim to improve well-being and maximize individual and organizational performance, thereby achieving sustainable growth as a company.

Since fiscal 2023, under our Medium-term Plan for health & productivity management, "Well-being 2025," we are advancing health initiatives closely linked to our business challenges through joint operations between the company and its partnered health insurance society. Specifically, we are promoting three initiatives: enhanced organizational health score by implementing measures based on analyses of various data results such as stress checks; reduced presenteeism by encouraging improved performance that should be delivered as a result of various health enhancement initiatives; and reduced absenteeism by supporting prevention and early recovery from illnesses and poor health that impede employees from working.

Based on the idea that change starts from the top, we have in place a Resilience Program led by occupational health physicians for senior management. This program is based on medicine, psychology, and neuroscience, and aims to improve physical, emotional, cognitive, and spiritual abilities, while also increasing engagement and maximizing organizational performance. To date, about 50 members of senior management, including the President and executive officers, have participated in the program, and the fifth term is currently underway.

### Voice Improving Engagement in Malaysia



**Naoto Uryu**  
Managing Director  
Konica Minolta Business Technologies  
(Malaysia) Sdn. Bhd. (BMMY)

#### Enhancing Employee Engagement by fostering accurate understanding across languages

As the president of BMMY, a key production site for the Business Technologies Business, I recognize that our relatively young company - established just a decade ago - has significant potential to grow stronger by localizing our operations to fit Malaysia's unique characteristics. Central to this transformation is elevating the quality of communication. In our multiethnic workplace, where over 3,000

employees speak a variety of languages, it is essential that everyone shares a clear and accurate understanding of our corporate direction. This shared understanding serves as a catalyst for new ideas and organizational strength.

In fiscal 2024, we reinforced our commitment to open communication by expressing our vision and strategy in straightforward language and by my personal engaging directly with employees through face-to-face dialogue. As a result, our "Your Voice" engagement score rose significantly from 7.2 in the previous fiscal year to 7.6. We also regarded the comment received from employees in the global survey as "Feedback is a Gift," and each supervisor responded thoughtfully to every comment.

Going forward, we will continue to pursue continuous improvement through trial and error, steadily nurturing a sense of pride and professionalism among our employees. These efforts will further enhance BMMY's value as a production site and contribute to the overall corporate value of Konica Minolta.

# DX Strategy

## Basic Policy of Our DX Strategy

Konica Minolta has been promoting digital transformation (DX) since fiscal 2024 by establishing the DX Promotion Office, which is under the direct control of the President, with the aim of achieving two objectives: enhancing operational productivity and improving customer value through data and AI utilization. In the area of enhancing operational productivity, we are working on identifying DX opportunities originating from field challenges, with a scope that spans all businesses and corporate divisions, all value chains, and all geographic regions. With respect to improving customer value, we have started providing services that leverage AI and data at customer touchpoints, and are working to identify further opportunities.

In our DX strategy, we emphasize the following three points.

- Standardization of Group-wide DX promotion processes
- Educating talent to drive DX in the field
- Fostering a culture in which all employees actively utilize data and AI

In promoting DX, we place the highest priority on governance including AI ethics, and on cybersecurity measures, and we have established a Group-wide structure that involves the President, the Executive Officer responsible for Technologies, R&D, and the head of IT and Corporate Legal Division, among others.

## DX promotion concept

### Developing processes

In process development, Konica Minolta focuses on two points: creating mechanisms that produce quality projects and mechanisms that accumulate lessons across the Company.

With regard to the mechanisms that produce quality projects, it is important to review business processes themselves to eliminate waste before planning DX projects, and then design initiatives for the necessary processes. In addition, when planning DX projects, we emphasize calculating return on investment and clarifying the methods for monitoring it, establishing the operational structure after go-live, designing new value-added

operations that arises from improved efficiency, and scaling successful initiatives across the organization.

Regarding mechanisms that accumulate lessons across the Company, we prioritize validating hypotheses through small, inexpensive PoCs on the premise that they are often proven to be incorrect. If a hypothesis is incorrect, we change directions or end the initiative itself, and share the failures experienced during the process with the entire Company to prevent the recurrence of the same mistakes.

### Building organizations

In order to effectively promote DX, the key to success is for the management team, the relevant divisions (the field), and the IT division to work in close collaboration to execute DX projects originating from field challenges. The IT division includes a team responsible for IT implementation, a DX promotion team that develops a management structure to accelerate DX and serves as a bridge between the field and the IT division, and a data science team responsible for data analysis and AI model development.

At the same time, in order for DX to be effective, it is important for field staff to formulate daily improvement hypotheses, validate them with data, accelerate efforts when hypotheses are confirmed, and, when proven incorrect, generate and test new ones, thereby repeating this cycle to continuously enhance field activities. To this end, Konica Minolta has been promoting the development of DX specialists active in the field. As of fiscal 2023, more than 1,000 engineers across the Company have been certified as DX Specialists and are playing active roles in their business units.

The DX Promotion Office also plays the role of linking field challenges to DX opportunities in a top-down approach with major business value chains, as well as serving as a repository for DX opportunity identification activities (bottom-up approach) initiated by the field.

### Fostering culture

The ultimate goal of our DX strategy is for each employee to utilize data and AI in their daily work to enhance operational productivity and improve customer value. To achieve this, it is essential that top management continuously communicate the importance of promoting DX, but even more important is that success stories are steadily accumulated in the field. The DX Promotion Office emphasizes a bottom-up approach that starts

## DX strategy concept



## DX Strategy

with field challenges, and by generating results from many initiatives developed in the field, it fosters success stories. In addition, we post good practices, such as the use of generative AI to improve the efficiency of daily administrative tasks, on the intranet and share them at workshops and other events to help disseminate these success stories. We are working to foster a corporate culture that actively utilizes data and AI through efforts from both top and bottom.

### Case study of enhanced operational productivity

Among Konica Minolta's major value chains (development, production, sales, service, and business administration), our production divisions have been pioneering the promotion of DX. In addition, for divisions with a large number of employees, where productivity enhancements would therefore have great impact, DX is promoted through a top-down approach with the participation of DX Promotion Office members.

For example, in our development divisions, we aim to reduce man-hours spent asking people or searching for information sources via e-mail or in person and man-hours spent resolving defects during software development by training generative AI on past product specifications and defect information. As for the sales divisions, we measure customer loyalty and use the resulting scores as a barometer for AI to automatically send e-mails to customers, instruct sales staff to make visits, and suggest opportunities for cross-selling. Service divisions are attempting to prevent unnecessary dispatch of service engineers by having AI provide optimal responses to customer inquiries.

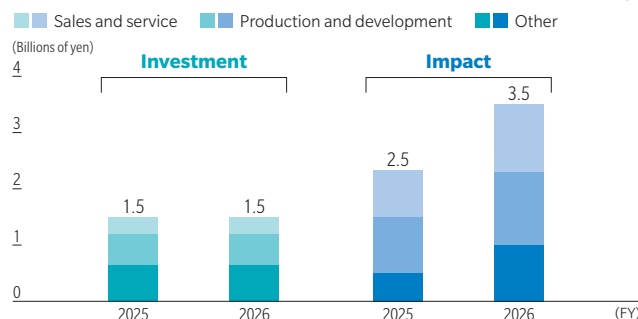
#### Return on investment from enhanced operational productivity

With regard to enhancing operational productivity, as a result of our efforts to identify opportunities originating from the field, more than 200 projects are in progress across the Group, and we expect to achieve a return on investment of ¥2.5 billion in fiscal 2025 and ¥3.5 billion in fiscal 2026, compared to investments of ¥1.5 billion each in fiscal 2025 and fiscal 2026. Furthermore, we aim to accumulate new projects in fiscal 2025, with a total impact of ¥5 billion in fiscal 2026.

For these projects, we are committed to carrying out inexpensive and fast PoCs with the premise that the hypotheses are often proven to be incorrect. For example, at a U.S. sales subsidiary, we selected 11 of 22 projects in fiscal 2024, all of which have proven to provide a sufficiently high return on investment.

We have also confirmed that the use of generative AI has resulted in users saving an average of 30 minutes per day, or approximately 10 hours of work per month. We aim to accelerate this individual use of generative AI to generate further impact.

#### Return on investment from enhanced operational productivity



### Case study of improved customer value

For example, in our monitoring system for elderly care facilities, we enable data-driven care. By utilizing the visualization tool Care Loupe, caregivers can detect from elderly's movement data when the effects of medication are wearing off, enabling them to provide effective care such as administering medication earlier if necessary.

We also provide knowledge management support services, such as a service that uses AI to automatically generate manuals used in convenience stores, and a service that builds an environment at schools for students to study using generative AI.

#### Related information: Konica Minolta's internal DX promotion

<https://img-insight.konicaminolta.com/blog/354/>

## Voice Sales division DX promotion



**Ken Demura**  
Director, General Manager of Business  
Technologies Sales Division  
Konica Minolta Japan, Inc.

### Data democratization activities to implement data-driven management through DX

At Konica Minolta Japan's Business Technologies Sales Division, we are promoting "data democratization activities," in which sales representatives, management, and internal sales supervision and administrative staff take the initiative in identifying business challenges and advance data-driven management by utilizing digital tools.

For example, in sales activities, customer data had been stored across multiple systems, and each sales representative had to draw on their own skills to figure out a way to collect and analyze information in preparation for business negotiations. In this way, while a sales style supported by individual knowledge and experience had been the mainstream, there was room for improvement in terms of greater efficiency and the strengthening of organizational sales capabilities. Therefore, to make it easy for anyone to collect and analyze data, we have centralized data and developed functions that enable the use of dashboards and generative AI. As a result, not only have routine work hours been reduced, information sharing within the team has been facilitated, and decision-making has been accelerated, but the quality and quantity of strategic planning have been dramatically improved by visualizing the challenges and changes for each customer.

In order to improve these data utilization skills and awareness across the organization, we have been conducting training and workshops, as well as sharing best practices and success stories through our internal portal site, and data is now being effectively utilized in a variety of operations. Going forward, we would like to expand these initiatives to other divisions and the entire Group, leading to Group-wide operational reforms and the creation of new customer value.



# Part 5

## Governance

# Enhancing the effectiveness of our corporate governance

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## 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

					
<b>Name and title</b>	<b>Toshimitsu Taiko</b> Director, President & CEO, Representative Executive Officer	<b>Soichiro Sakuma</b> Outside Director, Chairperson of the Audit Committee, Compensation Committee Member	<b>Masumi Minegishi</b> Outside Director, Chairperson of the Nominating Committee, Compensation Committee Member	<b>Takuko Sawada</b> Outside Director, Chairperson of the Board, Nominating Committee Member	<b>Saeko Arai</b> Outside Director, Nominating Committee Member, Audit Committee Member Compensation Committee
<b>Career highlights</b>	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.	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.	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.	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.	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.
<b>Number of shares of the Company held*</b>	191,287 (125,571)	17,000 (0)	0	0	0
<b>Term of office (years)</b>	7	5	3	2	Newly appointed
					
<b>Name and title</b>	<b>Yoshihiko Kawamura</b> Outside Director, Chairperson of the Compensation Committee, Nominating Committee Member Audit Committee Member	<b>Hiroyuki Suzuki</b> Director, Nominating Committee Member, Audit Committee Member, Compensation Committee Member	<b>Noriyasu Kuzuhara</b> Director, Executive Vice President and Executive Officer	<b>Yoshihiro Hirai</b> Director, Executive Vice President and Executive Officer	
<b>Career highlights</b>	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.	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.	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 VATA 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.	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.	
<b>Number of shares of the Company held*</b>	0	148,683 (67,741)	102,409 (55,137)	43,921 (31,721)	
<b>Term of office (years)</b>	Newly appointed	6	2	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

<b>Toshimitsu Taiko</b>	President & CEO, Representative Executive Officer	<b>Noriyasu Kuzuhara</b>	Executive Vice President & Executive Officer	<b>Toshiya Eguchi</b>	Executive Vice President & Executive Officer	<b>Shinichiro Oka</b>	Executive Vice President & Executive Officer	<b>Yoshihiro Hirai</b>	Executive Vice President & Executive Officer	<b>Norihisa Takayama</b>	Executive Vice President & Executive Officer
<b>Keisuke Ichijo</b>	Senior Vice President & Executive Officer	<b>Hiroyuki Uemura</b>	Senior Vice President & Executive Officer	<b>Miwa Okamura</b>	Senior Vice President & Executive Officer	<b>Akiko Murayama</b>	Senior Vice President & Executive Officer	<b>Yusuke Yoshimura</b>	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<sup>\*1</sup>, 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 <sup>*2</sup>	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					●	●		●	●			

<sup>\*1</sup> Experience in management strategies that balance corporate social responsibility and business sustainability

<sup>\*2</sup> "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 indicator 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

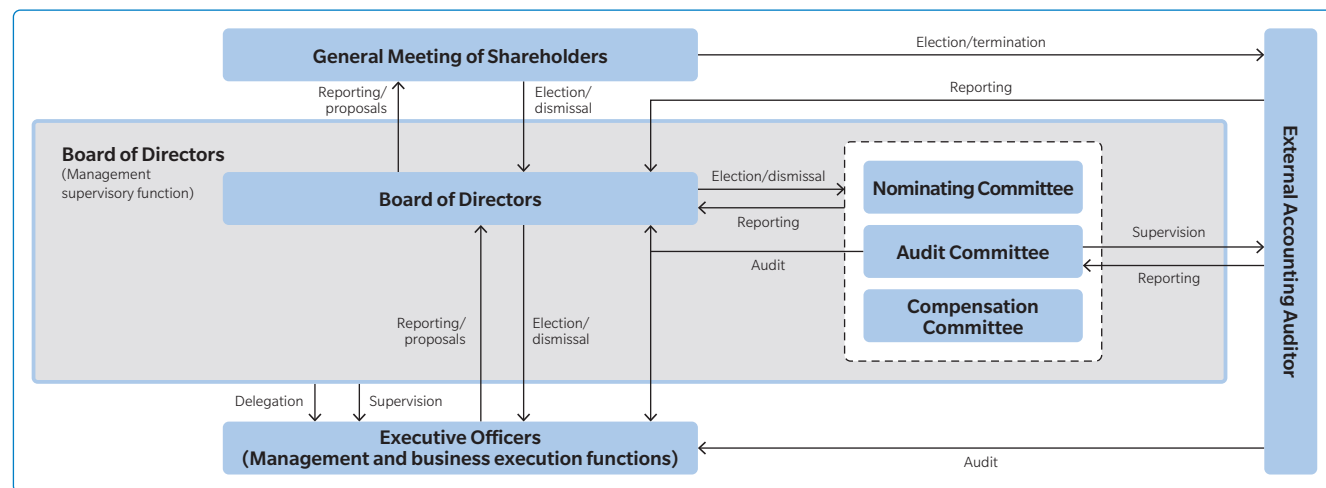
statutory and voluntary structures to support this. The code of conduct expected of each of them is as follows.

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	<ul style="list-style-type: none"> <li>• Outside Director as Chairperson</li> <li>• Majority of Outside Directors (55.6%)</li> </ul>	<ul style="list-style-type: none"> <li>• The Board of Directors will make the following efforts to achieve sustainable growth and enhance corporate value over the medium- to long-term. <ul style="list-style-type: none"> <li>- 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</li> <li>- 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</li> </ul> </li> </ul>
Informal gatherings of Directors	Voluntary	<ul style="list-style-type: none"> <li>• All directors participate</li> </ul>	<ul style="list-style-type: none"> <li>• 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</li> </ul>
Executive session	Voluntary	<ul style="list-style-type: none"> <li>• Independent Outside Directors only</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct frank discussions among Outside Directors only after board meetings and informal gatherings of Directors</li> <li>• 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</li> <li>• 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</li> </ul>
Nominating Committee	Statutory	<ul style="list-style-type: none"> <li>• Outside Director as Chairperson</li> <li>• No Director who concurrently serves as an Executive Officer shall be selected</li> <li>• Majority of Outside Directors (Nominating 83%, Audit 75%, Compensation 75%)</li> </ul>	<ul style="list-style-type: none"> <li>• 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</li> <li>• 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</li> </ul>
Audit Committee	Statutory		<ul style="list-style-type: none"> <li>• 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</li> <li>• 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</li> </ul>
Compensation Committee	Statutory		<ul style="list-style-type: none"> <li>• 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</li> <li>• 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</li> <li>• 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</li> </ul>
Corporate Governance Committee	Voluntary	<ul style="list-style-type: none"> <li>• Outside Director as Chairperson</li> <li>• Majority of Outside Directors</li> <li>• Only committee in which the President serves as a member</li> </ul>	<ul style="list-style-type: none"> <li>• 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</li> <li>• 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</li> </ul>
Evaluation Subcommittee	Voluntary	<ul style="list-style-type: none"> <li>• All Nominating Committee members and Compensation Committee members participate</li> </ul>	<ul style="list-style-type: none"> <li>• 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</li> </ul>

## Structure of the Corporate Governance System



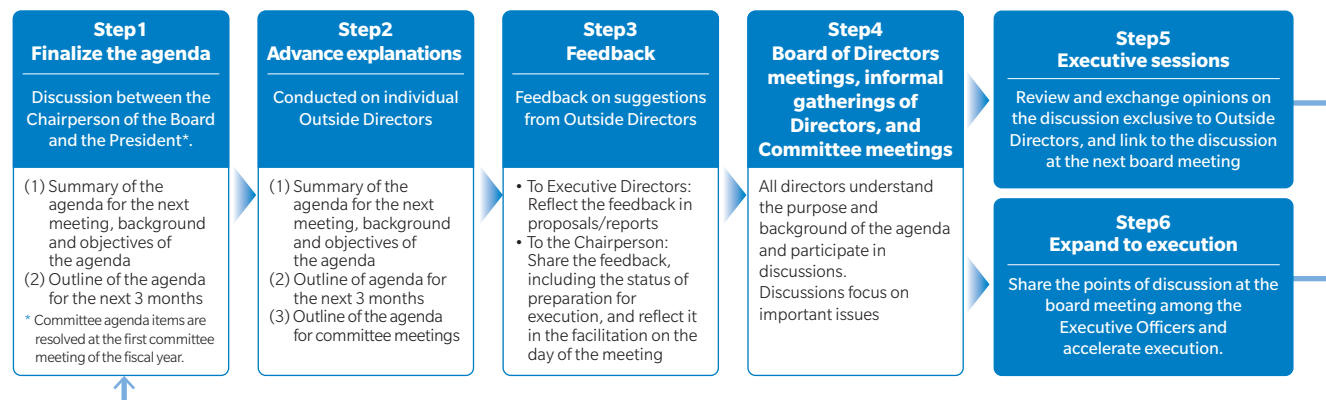
## Mechanisms to ensure the effectiveness of the Board of Directors

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



## 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	<ul style="list-style-type: none"> <li>Confirm the Directors who will retire in accordance with the criteria of tenure or age. Estimate the number of new inside or outside candidates</li> </ul>
Outside Directors	<ul style="list-style-type: none"> <li>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</li> <li>At the request of the Nominating Committee Chairperson, nominate a wide range of candidates from Nominating Committee members, other Outside Directors, and the President &amp; CEO, Representative Executive Officer</li> <li>Distribute the database of candidates prepared by the secretariat to Nominating Committee members, etc., as a reference</li> <li>Narrow down the pool of candidates and determine their order</li> <li>The Nominating Committee Chairperson and, if necessary, a committee member appointed by the Chairperson, interview the candidates and invite them to become Outside Directors.</li> </ul>
Inside Directors	<ul style="list-style-type: none"> <li>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.</li> <li>The Nominating Committee deliberates on the draft.</li> </ul>



## 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, Corporate Vice 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.

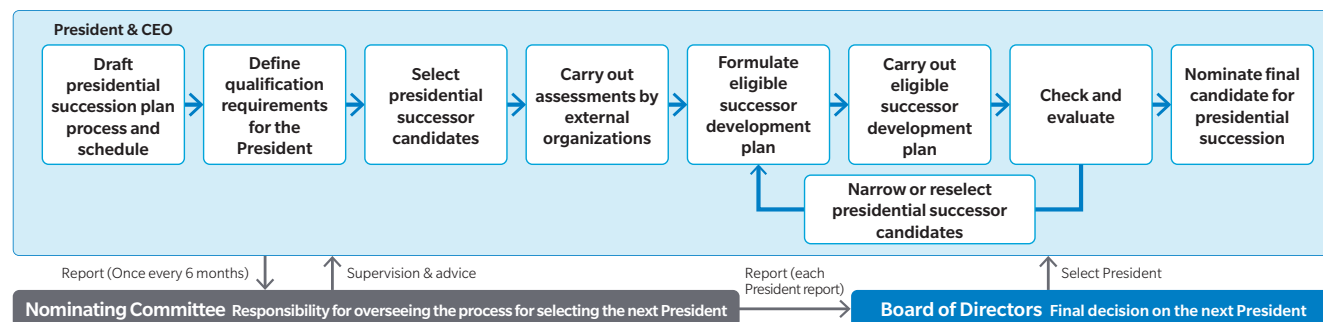
## Effectiveness Assessments for the Board of Directors

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	<ol style="list-style-type: none"> <li>(1) Preparation (study of evaluation method, design of questionnaire)</li> <li>(2) Web-based questionnaire</li> <li>(3) Individual interviews (conducted by the secretariat based on analysis of questionnaire results)</li> <li>(4) Analysis (analysis of evaluation results, summary of issues and countermeasures [hypotheses])</li> <li>(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)</li> <li>(6) Report on countermeasures at the Board of Directors meeting</li> <li>(7) Reflection of the results in the policies of the Board of Directors and each committee for the next fiscal year</li> </ol>

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



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

Areas with high ratings	<ol style="list-style-type: none"> <li>(1) Further improvement of governance with an Outside Director as Chairperson and a majority of Outside Directors</li> <li>(2) Effective utilization of Executive Sessions</li> <li>(3) Overall improvement in the self-assessment scores in the current fiscal year, where there was no turnover of directors</li> </ol>
Issues going forward	<ol style="list-style-type: none"> <li>(1) Early initiation of medium- to long-term strategy discussions at the Board of Directors</li> <li>(2) Clarification of discussion points at the Board of Directors (including operational efficiency of the Board)</li> <li>(3) Improvement of the effectiveness of supervision and advice regarding succession of executive roles and key positions</li> </ol>

### 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.

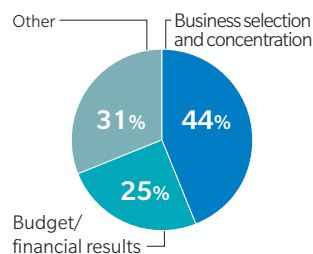
	Fiscal 2024 focus areas for the Board of Directors	Achievements	Continuing challenges in fiscal 2025
Structural reforms and productivity improvement	The Board of Directors monitors the progress of structural reforms in fiscal 2024 and whether target values for productivity and other indicators were achieved	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

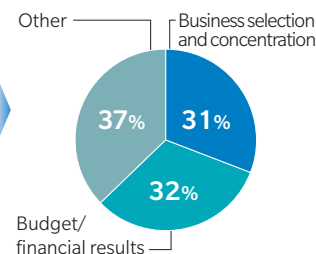
- In fiscal 2024, more time was allocated to "budget/financial results" at the Board of Directors meetings. Monitoring of numerical targets was strengthened.
- In fiscal 2024 "business selection and concentration," which is part of structural reforms, was designated as a theme to be entrusted to the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

## Corporate Governance

### 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<sup>\*1</sup> introduced in fiscal 2023 now includes a medium-term performance-linked stock bonus evaluation indicator that combines financial indicators and non-financial indicators<sup>\*2</sup>.

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.

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

<sup>\*2</sup> CO<sub>2</sub> 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

Directors	Inside Directors (not concurrently serving as Executive Officers)	Base Salary	Medium-term stock bonus (non-performance-linked)	Long-term stock bonus	Structure that eliminates portions reflecting short-term performance <ul style="list-style-type: none"> <li><b>Medium-term stock bonus (non-performance-linked):</b> role and years in office</li> </ul>
	Outside Directors	Base Salary			
Executive Officers	President & CEO	Base Salary 45%	Annual performance-linked cash bonus 30%	15%	The criteria for determining the amount of cash bonuses and the number of shares of the Company's stock to be delivered are as follows. <ul style="list-style-type: none"> <li><b>Annual performance-linked cash bonus:</b> the level of performance for the fiscal year (consolidated operating profit), the degree of attainment of annual performance targets, and the progress in each Executive Officer's key strategic measures</li> <li><b>Medium-term stock bonus (performance-linked):</b> degree of attainment of Medium-term Business Plan targets</li> <li><b>Long-term stock bonus:</b> position or role and years in office</li> </ul>
	Other Executive Officers	Base Salary 50%	Annual performance-linked cash bonus 30%	12%	

### 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 <sup>*</sup>	Financial indicator (Consolidated)	Non-financial indicator	
	ROE	CO <sub>2</sub> emission reduction amount through measures <sup>a</sup>	Employee engagement score
	80%	10%	10%
	Linked to the target achievement rate in the final year of the Medium-term Business Plan		

<sup>\*</sup> All items on a consolidated basis

## Corporate Governance

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
		Amount (million yen)	90	32	122
	Performance-based cash bonus (Note 3)	Persons	–	–	–
		Amount (million yen)	–	–	–
	Stock bonus (Note 4)	Persons	–	1	1
		Amount (million yen)	–	8	8

**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.

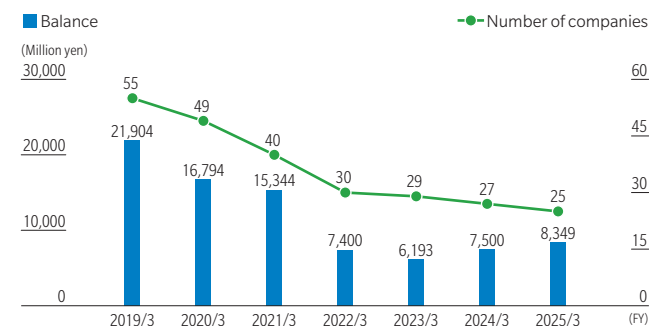
- Transfer of important assets
- Shareholdings structure change due to mergers or acquisition of 100% ownership
- Third-party allotments through favorable issuances
- Introduction of measures to defend against hostile takeovers

### 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](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

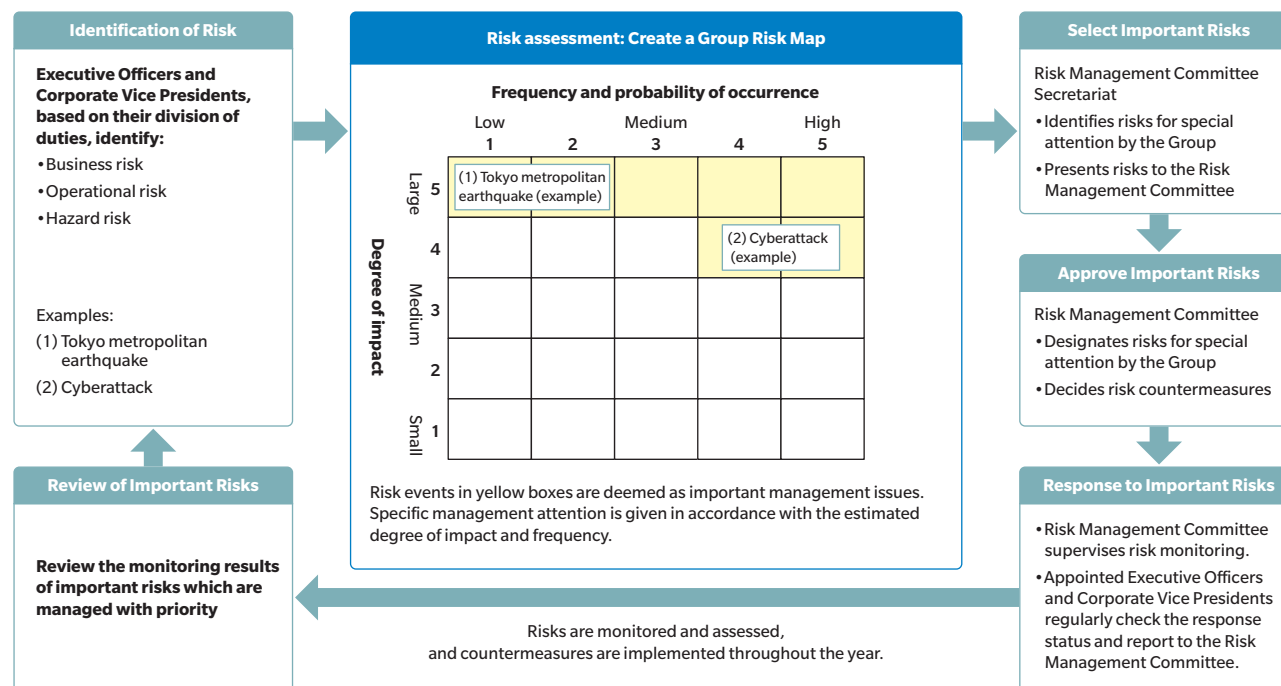
The Risk Management Committee reviews management risk items in 17 categories, including items classified as small and medium risks. It applies the PDCA process, in which the committee reviews the status of countermeasures by conducting monthly and quarterly monitoring. The Risk Management Committee also 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>

## Risk Management

### 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.

# Key Financial Data for the Past 11 Years

Konica Minolta, Inc. and Subsidiaries, Business Years Ending March 31

\* The Company uses International Financial Reporting Standards (IFRS)

	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
<b>Consolidated Financial Highlights</b>											
Revenue (Millions of yen) .....	1,002,758	1,031,740	962,555	1,031,256	1,059,120	996,101	863,381	911,426	1,130,397	1,159,999	1,127,882
Business contribution profit (Millions of yen)* <sup>1</sup> .....	78,541	65,623	43,316	45,807	50,694	23,250	-15,018	-12,154	29,739	26,019	31,927
Business contribution profit ratio (%) .....	7.8	6.4	4.5	4.4	4.8	2.3	—	—	2.6	2.2	2.8
Operating profit (Millions of yen) .....	65,762	60,069	50,135	53,844	62,444	8,211	-16,266	-22,297	-95,125	26,091	-64,014
Profit attributable to owners of the Company (Millions of yen) .....	40,934	31,973	31,542	32,248	41,705	-3,073	-15,211	-26,123	-103,153	4,521	-47,484
Basic earnings per share (Yen)* <sup>2</sup> .....	81.01	64.39	63.65	65.17	84.33	-6.21	-30.75	-52.93	-208.89	9.15	-95.98
Net assets per share (Yen) .....	1,067.97	1,037.96	1,057.92	1,060.72	1,123.39	1,058.29	1,093.98	1,113.71	986.87	1,091.68	935.99
Dividends per share (Yen) .....	20.0	30.0	30.0	30.0	30.0	25.0	25.0	30.0	10.0	5.0	0.0
R&D expenses (Millions of yen) .....	74,295	76,292	73,275	77,021	78,396	74,040	65,035	62,678	63,894	65,101	59,597
R&D expense ratio (%)* <sup>3</sup> .....	7.4	7.4	7.6	7.5	7.4	7.4	7.5	6.9	5.7	5.6	5.3
Cash flows from operating activities (Millions of yen) .....	101,989	59,244	68,659	65,367	57,166	30,148	78,060	37,438	13,319	83,338	51,093
Cash flows from investing activities (Millions of yen) .....	-54,014	-110,788	-70,594	-133,737	-41,480	-50,043	-34,330	-50,999	-37,498	-44,534	24,607
Free cash flow (Millions of yen) .....	47,975	-51,544	-1,935	-68,370	15,685	-19,895	43,730	-13,561	-24,179	38,804	75,700
<b>Profitability</b>											
ROE (%)* <sup>4</sup> .....	7.9	6.1	6.1	6.1	7.7	-0.6	-2.9	-4.8	-19.9	0.9	-9.5
ROA (%)* <sup>5</sup> .....	4.1	3.2	3.2	2.9	3.4	-0.2	-1.2	-2.0	-7.5	0.3	-3.6
ROIC (%)* <sup>6</sup> .....	6.4	6.1	5.1	5.0	5.4	0.7	-1.4	-1.8	-7.7	2.1	-5.8
<b>Efficiency</b>											
Total assets (Millions of yen) .....	1,001,800	976,370	1,005,435	1,203,907	1,218,986	1,276,768	1,299,752	1,338,124	1,413,777	1,388,052	1,217,641
Property, plant and equipment (Millions of yen) .....	181,641	187,322	190,580	192,941	207,138	309,457	292,535	287,749	289,127	282,225	265,618
Inventories (Millions of yen) .....	120,803	121,361	136,020	139,536	144,703	162,575	156,942	185,661	242,108	219,065	207,644
Trade receivables (Millions of yen) .....	248,827	245,047	236,721	255,972	269,147	255,058	256,611	273,576	305,131	312,383	281,055
<b>Stability</b>											
Shareholder's equity, Equity attributable to owners of the Company (Millions of yen) .....	535,976	514,285	524,331	524,513	555,689	523,745	539,888	549,810	487,424	539,816	463,154
Equity ratio, Ratio of equity attributable to owners of the Company (%) .....	53.5	52.7	52.1	43.6	45.6	41.0	41.5	41.1	34.5	38.9	38.0
D/E ratio (Times)* <sup>7</sup> .....	0.31	0.33	0.35	0.56	0.49	0.77	0.76	0.82	1.17	0.97	0.97
Net D/E ratio (Times)* <sup>8</sup> .....	-0.02	0.13	0.18	0.27	0.27	0.60	0.53	0.60	0.80	0.73	0.75
<b>Investment Indicators</b>											
Price-to-earnings ratio (PER) (Times)* <sup>9</sup> .....	15.07	14.85	15.65	13.99	12.91	—	—	—	—	54.27	—
Price-book value ratio (PBR) (Times)* <sup>10</sup> .....	1.14	0.92	0.94	0.86	0.97	0.41	0.55	0.46	0.58	0.45	0.53

\*<sup>1</sup> Business contribution profit: Original index of the Company, the profit subtracted sales cost, SG&A from revenue

\*<sup>2</sup> Basic earnings per share = Profit attributable to owners of the Company / Average number of issued and outstanding shares during the year

\*<sup>3</sup> Ratio of R&D expenses to revenues = R&D expenses / Revenues × 100 (%)

\*<sup>4</sup> ROE = Profit attributable to owners of the Company / Equity attributable to owners of the Company (average of beginning and ending balances) × 100 (%)

\*<sup>5</sup> Return on assets (ROA) = Profit attributable to owners of the Company / Total assets (average of beginning and ending balances) × 100 (%)

\*<sup>6</sup> ROIC = Operating profit after tax / (Share capital + Share premium + Retained earnings + Treasury shares + Interest-bearing debt (average of beginning and ending balances)) × 100 (%)

\*<sup>7</sup> D/E ratio = Interest-bearing debt / Shareholder's equity (times)

\*<sup>8</sup> Net D/E ratio = (Interest-bearing debt - Cash reserves) / Shareholder's equity (times)

\*<sup>9</sup> PER = Share price at year-end / Earnings per share

\*<sup>10</sup> PBR = Share price at year-end / Total equity attributable to owners of the Company per share

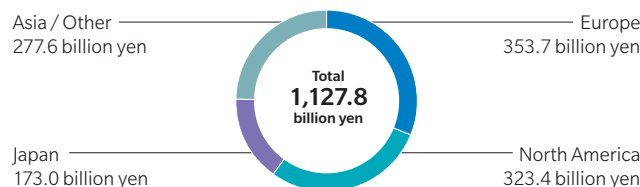


# Company Overview/Stock Information/Independent Valuation

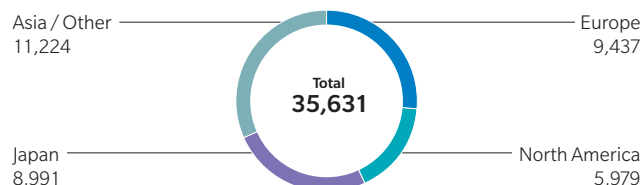
## Company Overview (as of March 31, 2025)

Company name	KONICA MINOLTA, INC.
Stock code	4902 Listed on the Prime Market of the Tokyo Stock Exchange
Date established	1873
Establishment as joint-stock company	1936
Capital	37,519 million yen
Number of employees	Consolidated: 35,631
Head office	JP TOWER, 2-7-2 Marunouchi, Chiyoda-ku, Tokyo 100-7015, Japan

## Revenue by region



## Employees by region\*



\* Data is compiled on a consolidated basis (as of March 31, 2025)

## Stock Information (as of March 31, 2025)

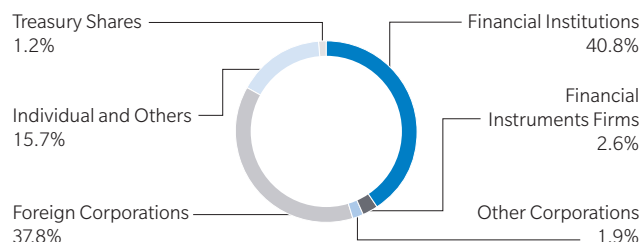
### Stock Information

Total number of authorized shares	1,200,000,000 shares
Total number of issued shares	502,664,337 shares
Number of shareholders	83,264
Minimum trading units	100 shares

### Total Shareholder Return (TSR)

Holding Period	1 year	3 years	5 years	10 years
Konica Minolta (dividend-included stock price)	1.3%	0.1%	5.5%	-5.2%
Dividend-included TOPIX	-1.5%	13.8%	16.4%	8.1%

## Shareholder Composition



## Independent Valuation

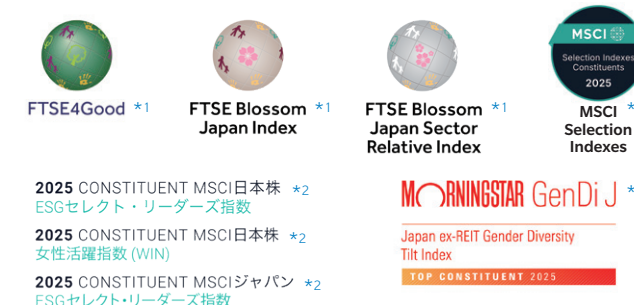
### Credit Ratings\* (As of June 5, 2025)

Institution Name	Rating	Rating Outlook
Rating and Investment Information, Inc. (R&I)	A-	Stable
Japan Credit Rating Agency, Ltd. (JCR)	A	Stable

## Evaluations by International ESG Rating Agencies



## Inclusion in Prominent Japanese/Foreign Investment Indices



## Sustainability-related Awards



\*1 FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that Konica Minolta, Inc. has been independently assessed according to the criteria of each index, and has satisfied the requirements to become a constituent of FTSE4Good Index Series, FTSE Blossom Japan Index, and FTSE Blossom Japan Sector Relative Index.

\*2 The inclusion of Konica Minolta, Inc. in any MSCI index, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement or promotion of Konica Minolta, Inc. by MSCI or any of its affiliates. The MSCI indexes are the exclusive property of MSCI. MSCI and the MSCI index names and logos are trademarks or service marks of MSCI or its affiliates.

\*3 Morningstar, Inc., and/or one of its affiliated companies (individually and collectively, "Morningstar") has authorized Konica Minolta, Inc. to use of the Morningstar® Japan ex-REIT Gender Diversity Tilt Logo ("Logo") to reflect the fact that, for the designated ranking year, Konica Minolta, Inc. ranks within the top group of companies comprising the Morningstar® Japan ex-REIT Gender Diversity Tilt Index ("Index") on the issue of gender diversity in the workplace. Morningstar is making the Logo available for use by Konica Minolta, Inc. solely for informational purposes. Konica Minolta, Inc.'s use of the Logo should not be construed as an endorsement by Morningstar of Konica Minolta, Inc. or as a recommendation, offer or solicitation to purchase, sell or underwrite any security associated with Konica Minolta, Inc. The Index is designed to reflect gender diversity in the workplace in Japan, but Morningstar does not guarantee the accuracy, completeness or timeliness of the Index or any data included in it. Morningstar makes no express or implied warranties regarding the Index or the Logo, and expressly disclaims all warranties of merchantability or fitness for a particular purpose or use with respect to the Index, any data included in it or the Logo. Without limiting any of the foregoing, in no event shall Morningstar or any of its third-party content providers have any liability for any damages (whether direct or indirect), arising from any party's use or reliance on the Index or the Logo, even if Morningstar is notified of the possibility of such damages. The Morningstar name, Index name and the Logo are the trademarks or services marks of Morningstar, Inc. Past performance is no guarantee of future results.



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