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Corporate Governance Report

Last Update: June 27, 2024
Konica Minolta, Inc.
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The corporate governance of Konica Minolta, Inc. (the “Company”) is described below.

I. Basic Views on Corporate Governance, Capital Structure, Corporate Profile and Other Basic Information

1. Basic Views

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

<Basic Concept for Corporate Governance>

The Company believes that corporate governance should contribute to sustainable corporate growth and increased corporate value over the medium to long term by encouraging appropriate risk-taking as part of management execution. On the other hand, the Company has established a corporate governance system from the standpoint of the supervisory side in the belief that setting up and managing a highly effective supervisory function is also necessary. As part of its institutional design in accordance with the Companies Act, in 2003 the Company selected the “company with committees” system (now, a “company with three committees” system) and established a system that eliminated dependency on personal characteristics, thereby pursuing governance in a style specific to the Company. The Company will continue to advance the efficacy of its corporate governance through the efforts of the Corporate Governance Committee, which was established in June 2023 on a voluntary basis in addition to the three statutory committees.

The Company’s basic views with regard to its governance system are as follows.

-Ensuring business supervisory functions by separating the supervisory and execution functions in order to increase the corporate value;

- Election of an Independent Outside Director who can provide supervision from a shareholder perspective; and
- Improvement of the transparency, integrity and efficiency of management through the above-mentioned points.

Specifically, the Board of Directors and committees are composed as follows.

1) Board of Directors

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

2) Three statutory committees (Nominating, Audit and Compensation committees)

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

3) Corporate Governance Committee

- The committee is composed of around five members, and a majority of its members is Outside Directors.
- The Chairperson of the committee is selected from among the Outside Directors.

[The reason for non-compliance with Japan's Corporate Governance Code]

The Company complies with every principle of Japan's Corporate Governance Code (revised on June 11, 2021) based on the above Basic Views.

[Disclosure Based on the Principles of the Japan's Corporate Governance Code] Updated

【Principle 1-3 Basic Strategy for Capital Policy】

<Current Analysis>

In a three-year medium-term business plan started from the fiscal year ended March 31, 2024, the Company has comprehensively evaluated the measures that it has implemented and recognized that it is essential to inherit those that contribute to the enhancement of corporate value and make prompt decisions on areas that need to be changed. Aiming to return to a highly profitable company, the Company has worked to get out of the red and strengthen its earnings foundation and cash generation capabilities.

As a result, in the current fiscal year, the Company marked black through the profit for the year, and operating cash flow recorded an inflow of ¥83.3 billion, which also shows the improvement in cash generation capabilities. In addition, figures on the balance sheet were improved because of reductions in working capital and other assets through inventory reductions and other measures, and a decrease in interest-bearing debt. The

Company has worked on business selection and concentration based on whether these will lead to recovery and business growth going forward, including their time frame, rather than being bound by history.

In fiscal 2023, the Company took a major step towards rebuilding its earnings foundation by transferring all equity capital of Invicro, LLC, which is responsible for drug discovery support services, in the precision medicine unit, previously classified as a non-focused business, and by concluding strategic alliance agreement to transfer 80% of its equity capital in two Chinese manufacturing subsidiaries for the purpose of shifting to high-value-added areas in industrial applications in the optical components unit.

<Plan Formulation and Disclosure>

In the medium-term business plan covering the period from fiscal 2023 to fiscal 2025, we will pursue the following basic policies put forth under “challenging and achievable management” and “return to a highly profitable company.”

- 1) Strengthen business profitability: business selection and concentration, reallocation of resources in strengthening businesses, and maintaining profitability in the Office Business
- 2) Reinforce revenue foundation: cost structural reforms, reinforcement of financial foundation (improved asset efficiency) and emphasis on cash generation
- 3) Reinforcement of business management system: clarification of business performance, accelerate selection and concentration

We have set target ROE of 5% or more for fiscal 2025, the final year of the medium-term business plan, with an emphasis on improving profitability as a driver of ROE improvement, targeting a net profit ratio of 2.5% or more, total asset turnover of 1.0x, and financial leverage of about 2.0x. While maintaining a well-balanced financial base, we aim to promptly achieve ROE of 5%, and aim for 8% or higher beyond that.

Also, in order to increase the attainability of ROE, we will promote continuous improvement of capital efficiency and corporate value. Specifically, we will aim to reduce total assets such as working capital, and to maximize value by continuously evaluating the profitability of each business, using the indicators KM-ROIC and return on invested capital (Note). In addition, we will evaluate investments, such as collaboration with other companies and corporate acquisitions, from the perspectives of strategic compatibility with the Company, probability of the plan’s success, feasibility, appropriateness of the investment amount, and response to risk, to determine whether the investment is feasible or not.

Since 2020, the Company has set the hurdle rate for each business and the weighted average cost of capital (WACC) for each medium-term business plan as one of the criteria as an indicator of expected return on invested capital. Using these indicators, we will promote selection and concentration of businesses and enhance corporate value through evaluation of existing businesses and assessment of the appropriateness of new investments.

< Measures to realize management that is conscious of capital cost and stock price >

The Company's P/B ratio is around 0.5x, and we recognize that this is due to profitability, asset efficiency, and continued results below the expectations of the capital market. ROE of 5% or more in fiscal 2025 is the minimum level set out in the final year of the medium-term business plan, with the goal of achieving the capital market expectation of 8% ROE as soon as possible.

Recovery in the level of profit for the year is essential to realizing this goal, and we will promote improved profitability by increasing business contribution profit, implementing structural reforms on a global basis, etc., improving tax expenses by making overseas subsidiaries profitable, and reducing interest expenses by reducing interest-bearing debt. At the same time, we will allocate resources to invest in businesses for future growth.

We are also working to improve our total asset turnover ratio in order to increase asset efficiency. The Company's total assets have room to be slimmed down relative to the size of its sales. On the asset side, the Company is reducing current assets such as inventories, while on the liability side, the Company is reducing interest-bearing debt, aiming for a total asset turnover ratio of 1.0x.

We have set financial leverage to an appropriate level of 2.0x (50% equity ratio), although this will be reduced by the reduction of total assets to maintain the capital level.

The Company continued to revise its performance downward in the past, and its capital cost reached a relatively high level. By engaging in fair information disclosure, the Company strives to improve management transparency and reduce its capital cost.

Through the above initiatives, the Company will aim for a P/B ratio of 1.0x.

The basic policies and progress of the response are also disclosed in Basic Concept for Corporate Governance, Financial Results Presentations, and Integrated Report.

Basic Concept for Corporate Governance p.13(Attachment 1):

<https://www.konicaminolta.com/shared/changeable/investors/include/management/governance/pdf/governance.pdf>

Presentation Slides for Q4/March 2024 Consolidated Financial Results p.11-21:

https://www.konicaminolta.com/shared/changeable/investors/include/fr/pdf/2024/2024_4q_presentation.pdf

Integrated Report 2023 p.18-24:

https://www.konicaminolta.com/shared/changeable/investors/include/ir_library/ar/ar2023/pdf/konica_minolta_ar2023_e.pdf

Notes:

- KM-ROIC: Return on invested capital. The ratio of business profit divided by invested capital. It indicates the rate that business investment is generating business profit.
- Return on invested capital: Business profit minus the cost of invested capital. It indicates how much value has been created above the cost of invested capital. The Company aims to improve ROIC by maximizing return on invested capital.

【Principle 1-4 Cross-shareholdings】

The Company has prepared and disclosed a policy for cross-shareholdings (reduction policy and voting standards).

(1) Views on cross-shareholdings

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

As of March 31, 2024, the results of examinations into the Company's cross-shareholdings are as follows. Furthermore, each year, the Company verifies the economic justification and checks the qualitative significance of each individual stock through the Management Consultation Committee and reports its findings to the Board of Directors.

In terms of economic justification, each individual stock was examined as to whether revenues from dividends and related-party transactions exceeded the capital cost to the Company and it was confirmed that the most of stocks subject to examination produced revenues that exceeded capital cost of the Company.

In addition to the above, the stocks were checked regarding their qualitative significance which confirmed the purpose of holding stocks that are to continue being held by the Company, such as the maintenance or strengthening of business relations with investees or expectations of collaboration and business synergies.

This also confirmed stocks that the Company should consider selling due to the dilution of the significance or justification for ownership, or other factors. Additionally, six stocks that were recognized as having a diluted significance for ownership (excluding shares deemed held) were sold in fiscal 2023, and the sales amount was 2,668 million yen.

(2) Standard for voting cross-shareholdings

The execution of voting rights is an important means of communicating with investees and the Company exercises its voting rights related to all cross-shareholdings. In exercising these rights, the Company checks each proposal and rather than making a uniform judgement on whether to approve or reject it based on formulaic or short-term standards, it makes a judgement from the perspective of whether said 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 in particular, as they may have a significant impact on shareholder return.

- 1) Transfer of important assets
- 2) Merger or share transfers which cause or cease wholly owned subsidiary
- 3) Third-party allotments through favorable issuances
- 4) Introduction of measures to defend against hostile takeovers

【Principle 1-7 Related Party Transactions】

If the Company, by any chance, engages in transactions with conflicting interests as prescribed in the Companies Act with Directors and Executive Officers (“executives”), the Board of Director rules require a resolution of approval by the Board of Directors. In addition, to identify conflict-of-interest transactions by executives, every year on a regular basis there are confirmations with these executives to determine if there were any transactions (except compensation) between the Konica Minolta Group (the “Group”) and an executive or close relative (relatives within the second degree). Furthermore, with regard to transactions between the Company and its related parties, including major shareholders, subsidiaries and related companies, the Company has created internal approval procedures based on its authority rules equivalent to those governing transactions with third parties to ensure such transactions do not harm the interests of the Company or the common interests of its shareholders.

[Supplementary rule 2-4-1 Goals and Progress as well as Policy and Its Implementation Status for Ensuring Diversity]

The Company welcomes the differences of each Konica Minolta Group employee, including not only those that are easily visible, such as race, gender, nationality, age, disability, and pregnancy status, but also those that are less visible, such as sexual orientation and gender identity, religion, ethnicity, ideology, creed, social status, abilities and skills, and values. We consider these differences to be our strengths, and we pursue and provide an environment in which employees of all attributes can maximize their performance potential as professional human resources. By doing so, we will create new customer value, solve social issues, and achieve sustainable growth for the Company. To this end, the Konica Minolta Group Diversity Management Commitment communicates our strong will to achieve this goal both internally and externally. The Company is also actively promoting the appointment of diverse human resources as managers and executives, by changing awareness through workshops for leaders, identifying potential human resources throughout the Company, and formulating and implementing individual development plans.

Together with the Management Declaration, the Company also discloses information on its policy and goals concerning ensuring diversity as well as the state of their implementation on the Company website.

“Diversity” on the Company’s website:

<https://www.konicaminolta.com/about/csr/social/diversity/index.html>

【Principle 2-6 Roles as Asset Owners of Corporate Pension Funds】

The Company has established a Pension Asset Management Committee comprising the Executive Officer responsible for finance, the General Manager of the Human Resources Department, the General Manager of the Accounting Department, the General Manager of Finance Department, representatives from labor unions, and others. The committee is tasked with the appropriate management of the corporate pension fund.

Also, in order to perform the expected roles as Asset Owners by increasing the expertise used in management of the fund, dedicated fund management personnel who possess appropriate credentials and business experience in the Accounting and Finance departments have been appointed. Furthermore, the Company has declared acceptance of Japan's Stewardship Code for Corporate Pension. In addition, for stocks of listed companies in Japan, management is entrusted to asset management institutions that profess to follow Japan's Stewardship Code, and stewardship activities are monitored.

Conflicts of interest which could arise between corporate pension fund beneficiaries and the Company are managed appropriately as follows: 1) when selecting asset management institutions, the Company carries out a comprehensive assessment that covers not only quantitative aspects such as investment performance, but also qualitative aspects such as an institution's investment policy, management framework, and compliance, 2) asset management institutions are required to formulate and disclose a policy regarding the management of conflict of interests, and 3) decisions regarding the exercise of voting rights are left to the sole discretion of the entrusted asset management institution to remove any possibility of interference by the Company.

【Principle 3-1 Enhancement of Full Disclosure】

The Company discloses information properly in accordance with laws and regulations. In addition, to ensure that decisions are made with transparency and fairness, the following information is disclosed from the standpoint of maintaining an effective corporate governance system. The Company discloses information proactively. Specifically, the Company uses its website, integrated report, sustainability report, corporate governance report, intellectual property report, business report and other reports, and reference materials at general shareholder meeting to disclose information. In addition, there are proactive measures to supply information by using Management Policy Briefings, Investor Briefings for Individual Investors and other activities.

(1) Management Philosophy and Business Plan

The Company's management philosophy and business plan are disclosed in the integrated report and on the Company's website. Furthermore, explanation is also actively provided through Management Policy Briefings and Investor Briefings for Individual Investors and other activities. The following link is provided for this Corporate Governance Report.

Management Philosophy

Please refer to the "Konica Minolta Philosophy" on the Company's website.

<https://www.konicaminolta.com/global-en/corporate/vision.html>

Business Plan

Please refer to the medium-term business strategy on the Company's website.

https://www.konicaminolta.com/global-en/investors/management/midterm_plan_presentations/index.html

(2) Basic views on corporate governance

Please refer to the “Basic Policy on Corporate Governance” on the Company’s website.

<http://www.konicaminolta.com/about/investors/management/governance/index.html>

(3) Policy and procedure for determining compensation for Executive Officers and Directors

Please refer to the Supplementary Explanation of “Incentives” and the Policy on Determining Compensation Amounts and Calculation Methods of “Compensation for Directors and Executive Officers” in section II. 1 of this report.

(4) Policy and procedure for selections or dismissals of Executive Officers and nominations of Director candidates

(a) Policy and procedure for selections or dismissals of Executive Officers

The Board of Directors uses a fair, timely and appropriate method to select human resources who have the capabilities to serve as Executive Officers. These individuals must be able to create new value for the Group and earn the support of internal and external stakeholders. Standards for making these judgments about capabilities are defined in “Standards for the Selection of Executive Officers.” These standards include qualification standards. Individuals must have the ability and experience for the internal and external management of the Group’s business operations. Qualification standards also take into consideration knowledge about specialized fields and technologies, an individual’s age when the time for renewing the appointment comes, and other items. In addition, the Board of Directors selects individuals with a strong commitment to ethics, the ability to put customers first, the ability to drive innovation, strong motivation to achieve goals, and other characteristics.

To select new Executive Officers, candidates who have completed senior executive candidate training must do the first stage of the selection process, which involves submitting documents and completing an interview. Next, an assessment is performed in order to reach a highly objective and appropriate decision. This process includes input from both an external perspective and from the perspective of people at the Group who frequently interact with these candidates as part of their jobs. An evaluation conference, which consists of the President & CEO and the Executive Officer responsible for personnel, is held to examine the results of this process. This results in the selection of candidates to become Executive Officers.

To determine the new team of Executive Officers, the President & CEO selects from the list of Executive Officer candidates the individuals who are believed to be well suited to serve as Executive Officers. Next, a proposal for the selection of Executive Officers for the new fiscal year is prepared and submitted to the Board of Directors with a list of the duties for each Executive Officer. Prior to the submission of this proposal to the Board of Directors, the Nominating Committee performs oversight of the whole process, including a confirmation that a suitable process was used. Oversight includes receiving the proposal for the new Executive Officer team (including the proposed new Executive Officer selections from the President & CEO) and a report about the proposed duties of each Executive Officer.

Prior to the submission of this proposal to the Board of Directors, the Nominating Committee performs oversight of the whole process, including a confirmation that a suitable process was used. Oversight includes receiving the proposal for the new Executive Officer team (including the proposed new Executive Officer selections from the President & CEO) and a report about the proposed duties of each Executive Officer.

The Nominating Committee considers observing the character of Executive Officer candidates is an important matter and utilizes opportunities such as attending meetings of the Board of Directors and reporting to informal gatherings of Directors. After receiving the proposal for the selection of Executive Officers mentioned above from the President & CEO, the Nominating Committee discusses the content of the proposal, creates a summary of its conclusions regarding matters such as the appropriateness of candidates and training issues, and provides these as feedback to the President & CEO.

Also, the Board of Directors takes the “Standards for the Selection of Executive Officers” into full consideration when deciding whether or not to dismiss an Executive Officer.

(b) Policy and procedure for nomination of Director candidates

Based on reviews concerning the composition, standards for selection, etc. of the Board of Directors and committees by the Corporate Governance Committee, the Nominating Committee raises its policy to upgrade its selections of Director candidates by performing yearly examinations from the standpoints of balance of knowledge, experience and capabilities, and diversity, and uses the following process to make selections.

<Board of Directors>

1) Confirmation of Directors who will resign due to standards for the number of years as a Director or age and expected number of new Outside Director and new Inside Director candidates.

<Outside Director candidates>

2) To select Outside Director candidates, after the Nominating Committee confirms the selection process, the members of this committee determine the knowledge, experience and capabilities that will be required of new Outside Directors in order to enable them to be a good match with Outside Directors to be reelected. The purpose is to receive beneficial oversight and advice concerning management issues at the Company.

3) The Nominating Committee chairperson asks for a broad range of recommendations for candidates, based on information from Nominating Committee members, other Outside Directors and the President & CEO. To provide reference information, the Board of Directors Office distributes to Nominating Committee members etc. a candidate database, centered on “chairpersons” of global companies, that includes information about independence, age, concurrent positions and other characteristics of candidates.

4) The Nominating Committee takes into consideration the items listed below in order to narrow down the number of candidates, from the recommended individuals obtained through the preceding process in order to determine an order of priority.

- Selection standards for Directors
- Standard for independence of Outside Directors
- Balance of knowledge, experience and capabilities required for Outside Directors and diversity (skill matrix)

5) The Chairperson of the Nominating Committee and, if necessary, a member appointed by the Chairperson, will interview the candidates in order of candidacy, and approach them about assuming the position of Outside Director.

<Inside Director candidates>

6) Candidates for “Internal Directors” shall be discussed between the President & CEO and the Internal Nominating Committee on the basis of the following points; proposed candidates for Directors who shall not concurrently serve as Executive Officers, and proposed candidates for Directors who shall concurrently serve as Executive Officers, once the President & CEO has shared with the Internal Nominating Committee his/her concept for the executive structure for the next fiscal year.

- Selection standards for Directors
- Roles of Directors who do and do not concurrently serve as Executive Officers
- Required skills, experience and other characteristics of Directors who do and do not concurrently serve as Executive Officers (skill matrix)

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

Please refer to the table at the end of this report for the expertise and experience (the so-called skills matrix) expected of each Director candidate.

<Director election standards>

The Nominating Committee has selected candidates who satisfy the following standards as being suitable Directors for achieving good corporate governance i.e. ensuring the transparency, soundness and efficiency of the Company’s operations.

- 1) Good physical and mental health
- 2) A person that is well liked, dignified, and ethical
- 3) Completely law-abiding
- 4) In addition to having objective decision-making abilities for management, the person must have good foresight and insight
- 5) Someone with no possible conflict of interest or outside business relations that may affect management decisions in the Company’s main business areas, and who has organizational management experience in the business, academic, or governmental sectors. Otherwise, someone with specialized knowledge in technology, accounting, law, or other fields
- 6) For Outside Directors, a candidate with a history of performance and insight in that person’s field, someone with sufficient time to fulfill the duties of a Director, and who has the ability to execute required duties as a member of the three relevant committees
- 7) The Nominating Committee has separately set forth points for consideration in the re-election of Directors and requirements concerning the number of terms of office, age and other factors. An Outside Director’s term of office is up to eight years. Specifically, the basic term of office is six years, and it may be extended once

for two years upon approval of the Nominating Committee. The Nomination Committee will review the appointment during the fourth year of the term.

8) Director candidates are not excluded from consideration on the grounds of their gender, nationality, country of birth, cultural background, race, or ethnicity.

9) In addition, the candidate must have the abilities necessary for a Director running and building a public corporation that is transparent, sound, and efficient.

<Independence standards for Outside Directors>

Concerning Independence Standards for Outside Directors, please refer to the “Matters relating to Independent Directors” of “Independent Directors” in section II. 1 of this report.

<Balance of knowledge, experience and capabilities required for Outside Director candidates and diversity>

1) For the diversity of Directors, the Nominating Committee Rules for selection standards for Directors states that candidates should “have experience operating an organization in the industrial, government, or academic sector or have specialized skill involving technologies, accounting, law or other fields” and “have achievements and knowledge in their respective fields for Outside Director candidates” and that “Director candidates are not excluded from consideration on the grounds of their gender, nationality, country of origin, cultural background, race, ethnicity, etc.”

2) Candidates should have the character, skill and experience needed for strengthening and upgrading management in order to enable the Board of Directors to determine the Company’s strategic direction.

3) The industries in which Outside Directors to be re-elected and new Outside Director candidates have worked, their major management experience, their fields of expertise, and other characteristics are identified as part of the skill matrix in order to take into consideration the diversity of knowledge, experience and capabilities. The purpose is to receive beneficial oversight and advice concerning the Company’s management issues at the Board of Directors.

<Stance concerning roles of Inside Directors and selection of candidates>

1) An Inside Director who is not concurrently an Executive Officer and who has the ability to ensure the quality of audits is selected as a full-time Audit Committee Member. The Inside Director who serves as a full-time Audit Committee Member should have extensive management experience as an Executive Officer of the Company in order to improve the effectiveness of the Audit Committee. The qualifications required in particular are experience in accounting and finance or internal audit, business management and main business management.

2) Inside Directors who are concurrently Executive Officers, other than the President & CEO, are selected based on their experience, capabilities and character so that these individuals can demonstrate accountability in their execution of business and contribute to energetic and meaningful strategy discussions of the Board of Directors. Requirements for these Inside Directors include responsibility for overseeing strategic planning, accounting and finance, technology, main business and other major elements of the Company’s operations.

(5) Reasons for selections and nominations of Executive Officers and Directors responsible for major duties

(a) Reasons for selections of individual Executive Officers overseeing the major duties

The reasons for selecting Executive Officers in charge of the Company's major responsibilities are the followings.

Mr. Toshimitsu Taiko (President & CEO, Representative Executive Officer)

Mr. Toshimitsu Taiko served in corporate planning and as president of the U.S. sales company for our Business Technologies Business, the mainstay of our business, before assuming his current position as Executive Director in 2015. He subsequently served as General Manager of Corporate Planning Headquarters and General Manager of the Professional Printing Business Headquarters of the Business Technologies Business prior to being appointed Executive Vice President and Executive Officer (concurrently serving as Director) in 2018. Incorporating his experience and rational thinking from 14 years of postings overseas, mainly in Europe and the U.S., as the head of the Business Technologies Business, he also utilized digital technology to create a challenge-oriented digital company in the Office Business and production print business.

In 2020, as Senior Managing Executive Officer (concurrently serving as Director), in addition to the Business Technologies Business, he became responsible for Corporate Planning, Investor Relations, and Corporate Communications, gaining experience in the Group's overall business strategy and communication with stakeholders.

Since assuming the position of President & CEO in April 2022, he has boldly pursued initiatives aimed at the sustainable growth of the Company, and has demonstrated strong leadership to all employees in order to realize "Our Goals FY2025" as set out in the medium-term business plan that launched in April 2023.

These have resulted in his appointment of an Executive Officer in charge of key duties.

Mr. Toshiya Eguchi (Executive Vice President and Executive Officer responsible for Technologies)

Since joining the Company, Mr. Toshiya Eguchi has been engaged in system LSI development for photo printing equipment and information equipment (fax machines, printers), as well as system design for digital cameras and medical equipment. After serving as head of the Architecture Development Office at the Systems Technology Research Laboratory and General Manager of the Systems Technology Development Center, he was appointed as an Executive Officer in 2017. Moreover, in 2021, he assumed the position of Executive Vice President and Executive Officer.

Currently, as an officer in charge of Technologies, he leads the Konica Minolta Group's overall technology strategy, develops AI/data science engineers within the Company, and is in charge of the Imaging-IoT Solutions Business and the Visual Solutions Business, working strategically promotes initiatives to create an IoT accelerate business that fits the Company. growth by creating new value in the ever-evolving AI era.

These have resulted in his appointment of an Executive Officer in charge of key duties.

Mr. Shinichiro Oka (Executive Vice President and Executive Officer responsible for Human Resources)

Mr. Shinichiro Oka first joined Toshiba Corporation, where he was in charge of human resource management at plants and headquarters, including the Medical Equipment Business and Home Appliance Equipment Business divisions. He has since held various positions at several U.S.-based companies, including regional HR manager for Asia Pacific, JV restructuring project leader, and global executive development leader. Between 2015 and 2020, he served as Executive Vice President and global CHRO of Macromill, Inc. where he focused on building a human resource system to support sustainable growth, recruiting and training leadership talent, and leading the company's relisting to the First Section of the Tokyo Stock Exchange. He joined the Company as an Executive Officer in 2020, and was appointed Executive Vice President and Executive Officer in 2021. As an officer in charge of Human Resources, he is responsible for acquiring and developing global talent to support the transformation of our business model, as well as driving organizational transformation himself by getting involved in business sites. In 2023, in addition to human resources, he took charge of corporate general affairs, corporate secretarial services, crisis management, and diversity promotion, while in 2024, he is also taking charge of Precision Medicine, promoting the Company's transformation from diverse perspectives.

These have resulted in his appointment of an Executive Officer in charge of key duties.

Mr. Yoshihiro Hirai (Executive Vice President and Executive Officer responsible for Corporate Accounting, Corporate Finance, Legal, Risk Management and Compliance)

Mr. Yoshihiro Hirai first joined Mitsubishi Bank, Ltd. (now MUFG Bank, Ltd.), where he was involved in promoting large-scale domestic project finance, corporate restructuring support, and domestic and international treasury management, as well as global finance for over 20 years for major companies in the general trading, electronics, information and telecommunications, and chemical industries. In addition, during his time in charge of corporate credit review planning, he gained experience in reviewing the rating systems and credit management of major companies after the Lehman Shock, as well as working on risk predictive management.

He joined the Company in 2019, where, as General Manager of Corporate Finance Division, he promoted the strengthening of cash management and the centralized management of foreign exchange risk at headquarters through the introduction of global netting, and was appointed as Corporate Senior Vice President in 2021.

As Executive Vice President and Executive Officer in, he has been responsible for accounting, finance, and risk management since April 2023, and in addition to Corporate Accounting and Corporate Finance, he is also in charge of Risk Management, for legal affairs and compliance since April of this year. He is committed to achieving the "Our Goals FY2025" set out in the medium-term business plan.

These have resulted in his appointment of an Executive Officer in charge of key duties.

Mr. Noriyasu Kuzuhara (Executive Vice President and Executive Officer responsible for Industrial Business)

Mr. Noriyasu Kuzuhara has been involved in product development for several new businesses since joining the Company. In 2003, we developed the world's first "VA-TAC film with an integrated viewing angle

expansion function for LCDs,” which led to the full-scale expansion of our LCD film business (awarded the Excellence Prize at the 3rd Monozukuri Nippon Grand Awards).

He subsequently served as General Manager of the R&D Department of Performance Materials Headquarters and as General Manager of the same division before being appointed Executive Officer in 2015. He was appointed Executive Vice President and Executive Officer the following year, and since 2017 he has also served as Division President of the Material & Component Business Headquarters, and since 2018 as General Manager of the Corporate R&D Headquarters. He has achieved continuous business growth in our core materials business as the General Manager of Performance Materials Business Unit in charge of technology development and a person in charge of business, as well as General Manager of the Materials & Components Business.

From 2022, he has led the formulation of management strategies for the entire Konica Minolta Group as the person in charge of Corporate Planning. From 2024, he is committed to achieving “Our Goals FY2025” set out in the medium-term business plan as the head of the Industrial Business.

These have resulted in his appointment of an Executive Officer in charge of key duties.

(b) Reasons for nominations of Director candidates

The reasons for selecting Director candidates by the Nominating Committee are the following. See “II 1 Information concerning Outside Directors” for the reasons for selecting Outside Director candidates.

<Reasons for selecting the candidate for Inside Director> (as of the 120th Ordinary General Meeting of Shareholders held on June 18, 2024)

Mr. Toshimitsu Taiko (President & CEO, Representative Executive Officer)

In our core business field of Business Technologies, after serving as CEO of our U.S. sales subsidiary, general manager of various businesses, and being responsible for the Business Technologies business as the Executive Officer in charge of Corporate Planning and Investor Relations, Mr. Toshimitsu Taiko strove to enhance the Group’s corporate value.

Since assuming the position of Representative Executive Officer, President & CEO in April 2022, he has unified the executive team and move forward with initiatives for the Company’s sustainable growth. At the same time, we are formulating a medium-term business plan with key policies of “business selection and concentration,” “thorough cost reduction,” and “optimization of management assets,” and aim to return to a structure that demonstrates high corporate value by fiscal 2025 through the combined efforts of all executives toward the best solution for the group.

Aiming to complete the selection and concentration of our business portfolio in fiscal 2024, Mr. Taiko is currently leading the Company as a whole to achieve the goals of our medium-term business plan, boldly addressing challenging management issues to “strengthen business profitability,” “reinforce revenue foundation,” and “reinforcement of business management systems.” We have taken significant steps toward moving on from the past toward reform, and results are beginning to show. The Company expects that Mr. Taiko can contribute to effective discussions on important management decisions while fulfilling his

accountability as the Director, President and CEO, Representative Executive Officer at the Board of Directors' meetings. Therefore, the Company requested that shareholders reelect him.

Mr. Hiroyuki Suzuki

The Company believes that it is important for the Audit Committee to include a full-time Inside Director who has extensive business management experience and expertise involving the collection of information in order to enhance the effectiveness of the Audit Committee. He will attend management meetings of Executive Officers as a Member of the Audit Committee. He will work to optimize the quality and quantity of information for the audit by the Committee as he will grasp and confirm validity of the determination process about operations, which are commissioned to the Executive Officers by the Board of Directors, as well as the operational status of the internal control system and will provide the Audit Committee with feedback on such information.

After engaging in the secretariat duties to support the Audit Committee at the Audit Committee Office of the Company, Mr. Suzuki has also overseen internal audit as the General Manager of the Company's Corporate Audit Division. Mr. Suzuki has extensive experience and considerable expertise related to internal control. Since 2019, Mr. Suzuki has engaged in supervising management as an Inside Director at the Company not concurrently serving as Executive Officer and properly fulfilled his duties at the Audit, Nominating and Compensation Committees as an Inside Member.

Therefore, the Company believes that Mr. Suzuki can enhance corporate value by securing the effective operation of its corporate governance, and requested that shareholders reelect him.

Mr. Noriyasu Kuzuhara (Executive Vice President and Executive Officer)

In order to ensure active and substantive deliberations at Board of Directors meetings, the Company considers it important for Internal Directors who concurrently serve as Executive Officers to be appointed as Executive Officers with key responsibilities.

Mr. Noriyasu Kuzuhara has achieved continuous business growth in our core materials business in charge of technology development and a person in charge of business, as well as General Manager of the Materials & Components Business.

As Executive Vice President and Executive Officer responsible for corporate planning, in fiscal 2023, he has led the formulation of global structural reform measures, aiming to reform the Company into an organization with high individual productivity by streamlining various operations and strengthening human resources.

In addition, in fiscal 2024, utilizing his extensive knowledge of technology, R&D, and manufacturing, as well as his experience of starting up businesses, he has been working to accelerate implementing strategies in the Industrial Business, which is an area to be strengthened for the Company, and enhance the Group's corporate value as the head of the Industrial Business. The Company believes Mr. Kuzuhara can demonstrate accountability to the Board of Directors and participate in important management decisions. Therefore, the Company requested that shareholders reelect him.

Mr. Yoshihiro Hirai (Executive Vice President and Executive Officer)

In order to ensure active and substantive deliberations at Board of Directors meetings, the Company considers it important for Internal Directors who concurrently serve as Executive Officers to be appointed as Executive Officers with key responsibilities.

Mr. Yoshihiro Hirai possesses a high level of expertise and extensive experience in finance and accounting, as well as knowledge of financial strategy from a global perspective. In addition, as Senior Executive Officer, he has been in charge of Corporate Accounting, Corporate Finance, and Risk Management from April 2023, and Corporate Legal and Compliance since April of this year, and. He is striving to enhance the corporate value of our group by through advancing the medium-term business plan by facing business issues from the viewpoint of in charge of corporate finance.

The Company believes Mr. Hirai can demonstrate accountability to the Board of Directors and participate in important management decisions. Therefore, the Company has nominated him for election by requested that shareholders reelect him.

[Supplementary rule 3-1-3 Disclosure of Information on Sustainability Initiatives]

<Sustainability Initiatives>

For Konica Minolta, sustainability means contributing to the realization of a sustainable society by solving social and environmental issues through its business activities, while growing as a company. Based on this belief, we have constantly placed sustainability at the core of our management. Based on this, with our eyes set on the sustainable society we should achieve by 2030, we have identified five material issues involving social and environmental values to be addressed by the Company from the perspective of addressing potential opportunities and risks posed to the Company by social and environmental issues. We will continue this basic approach in the medium-term business plan that started in fiscal 2023, pursuing the realization of these material issues in line with the value creation process. More information is available in the Company's integrated report and sustainability report posted on the corporate website.

Integrated report p. 2-5,25-30:

https://www.konicaminolta.com/shared/changeable/investors/include/ir_library/ar/ar2023/pdf/konica_minolta_ar2023_e.pdf The Company's website:

<https://www.konicaminolta.com/about/csr/index.html>

(a) Consideration of climate change and other global environmental issues

The Company aims to become a company vital to the world by helping to protect the environment, with its We have formulated Eco Vision 2050, our long-term environmental vision that includes the unique concept of Carbon Minus in our environmental management focused on growing by solving environmental issues. There is a limit to what one company can do on its own to solve the problem of global climate change.

The Company aims to achieve Carbon Minus by actively participating in the reduction of world-wide CO2 emissions by cooperating with our stakeholders, especially our business partners and customers. We define Carbon Minus as “contributing more to CO2 reduction working with our customers and suppliers to achieve

net zero CO2 emissions in our product life cycles by 2050, and to contribute to reducing environmental impact outside the scope of our responsibility compared to the amount of CO2 emissions that we are responsible for.” Our goal is to reduce CO2 emissions directly related to our products and business (Scope 1, 2, and 3 emissions), and at the same time, aim for quickly achieving to create a state in which society and those reductions exceed emissions within our scope of responsibility. We aim to achieve Carbon Minus by 2025 by enhancing the contribution to energy and CO2 reduction by our customers contribute more to emission reductions than the amount of CO2 emissions directly related to those products and suppliers by strengthening the core technologies we have cultivated through the use of AI and business. the integration of technologies across business domains. By creating and enhancing the impact of these environmental contributions, we will link them to the competitiveness of our business.

The Company’s CO2 emissions reduction targets have all been approved by The Company has also signed onto and is participating in international initiatives, such as the “Science Based Targets initiative. On top of that Initiative”, the Company supports the final recommendations by of the “Task Force on Climate-related Financial Disclosures (TCFD) and signed/joined international initiatives, such as RE100.”, the “RE100”, and the recommendations of the new “Task Force on Nature-related Financial Disclosure (TNFD).”

Details as well as information disclosure based on TCFD and TNFD recommendations are available in the Company’s securities report, integrated report, and sustainability report posted on the corporate website.

Securities report p.21-24, p.49:

https://www.konicaminolta.com/jp-ja/investors/ir_library/ms/pdf/120ms_4q_all.pdf

Integrated report p.25-34, p.44-46:

https://www.konicaminolta.com/shared/changeable/investors/include/ir_library/ar/ar2023/pdf/konica_minolta_ar2023_e.pdf

The Company’s website:

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

(b) Respect for human rights

The Company has formulated the Konica Minolta Group Human Rights Policy based on the Guiding Principles on Business and Human Rights, a set of guidelines issued by the United Nations, as well as the Konica Minolta Group Charter of Corporate Behavior and the Konica Minolta Supply Chain Code of Conduct, and requires business partners and other stakeholders related to the Group’s business to respect human rights. We have also established a mechanism for human rights due diligence to identify and address high-priority human rights issues, as well as to investigate and take corrective measures through a system that allows employees to report human rights concerns.

More information is available in the Company’s sustainability report posted on the corporate website.

The Company’s website:

<https://www.konicaminolta.com/about/csr/social/rights/index.html>

(c) Health, work environment, and fair and appropriate treatment of employees

In transforming into a service-oriented business through digital transformation, the Company believes that its most important asset is our human resources, and that every employee must possess superior knowledge, expertise, and unique skills, grasp individual customer issues, thinking autonomously in order to act to solve problems lacking precedents; in other words, they must be professional human resources. The Company is building a strong organization based on this concept, with systems and operations that draw out individual strengths, and acquiring, developing, and utilizing human resources based on these systems and operations in order to maximize our performance as a group with professional human resources.

(d) Fair and appropriate transactions with business partners

The Company promotes CSR procurement that takes into account labor (human rights), ethics, the environment, and health and safety in its supply chain, including its suppliers. The Company is also ensuring compliance with the Conflict Minerals Regulation and other rules to prevent human rights violations at mines in conflict areas, which are at the top end of the supply chain.

The Konica Minolta Procurement Policy, covering overall procurement activities, was formulated in fiscal 2008. In 2013, the Company joined the Responsible Business Alliance (RBA) and established the Konica Minolta Supply Chain Code of Conduct based on the RBA Code of Conduct. Compliance with the Konica Minolta Supply Chain Code of Conduct is included in the basic business agreement requiring suppliers to adhere to this code of conduct.

More information is available in the Company's sustainability report posted on the corporate website.

The Company's website:

<https://www.konicaminolta.com/about/csr/social/suppliers/index.html>

(e) Natural disaster preparedness

In recent years, not only large-scale earthquakes but also typhoons, heavy rains, floods, and other natural disasters have become more frequent and severe due to climate change caused by global warming.

In accordance with its Medium-Term Disaster Readiness Plan, the Company is working to strengthen its ability to respond to disasters with both structural and non-structural measures, including prevention and mitigation, emergency and initial response, and recovery and restoration. In preparation for a large-scale disaster, the Group's major locations regularly assess their disaster preparedness using indicators from public institutions and work to improve issues. In addition, the Company has established an emergency information network for the approximately 220 Group locations in Japan, and have created a system that makes it possible to rapidly collect information on damage and provide necessary support and take necessary measures. On top of which, practical disaster drills are conducted on a regular basis at each location so that employees can take actions for themselves to protect their lives in the event of a disaster.

The Company is using IT tools in response to changes in working styles to ensure that its disaster management system can function even when employees are working remotely.

The Konica Minolta Group continue its business operations, fulfill its corporate social responsibility, and provide a stable supply of products and services customers need. The Group is working to verify and improve the effectiveness of various measures, such as decentralizing the production of major consumables to reduce risks, considering alternative avenues to acquire items subject to high procurement risks, and securing inventories. The Company works with local governments to contribute to local communities at each of its locations by providing evacuation sites, water, and other supplies to aid local communities in the event a natural disaster strikes.

<Investment in intangible assets>

(f) Investment in human capital

Amid a macro environment of a declining working population due to the falling birthrate and aging population, the advance of the digital revolution, and changing values, working and lifestyles of people due to the Covid-19 pandemic, we have set forth a new growth strategy and business transformation policy in our medium-term business plan under the management vision of “Imaging to the people.” In order to achieve this vision, we have changed our picture of the human resources we need. We believe that each employee must have unique skills backed by superior knowledge, expertise, and experience, and must be able to think and act autonomously in order to solve problems, in other words, must be professional human resources. In order to maximize the potential and performance of these professional human resources and link them to business contributions, we are working to create an organizational environment that maximizes the power of these human resources while at the same time maximizing their individual strengths, taking our 6 Values as action indicators for all employees and employee health, by providing support for personal growth (such as annual personal development support up to ¥1.5 million, extensive in-house education programs, etc.), fostering a culture of challenge (such as introducing year-round internal recruitment), and realizing diverse work styles (such as lifting the ban on side jobs at other companies). We are also focusing on developing strong management personnel who can empower these diverse professional human resources and realize strong teamwork.

The Company’s website: Human Capital

<https://www.konicaminolta.jp/about/csr/social/human-capital/index.html>

(g) Investment in intellectual property

The Company’s approach to intellectual property strategies as well as the outcome from implementing these strategies can be found on the Company’s integrated report.

See the intellectual property report available on the Company’s website for strategies related to patent and other intellectual property rights, achievements in the acquisition and exercise of intellectual property rights, and internal systems.

Integrated report p. 38,77:

https://www.konicaminolta.com/shared/changeable/investors/include/ir_library/ar/ar2023/pdf/konica_minolta_ar2023_e.pdf

Intellectual property report:

https://www.konicaminolta.com/global-en/investors/ir_library/intellectual_property/index.html

[Supplementary rule 4-1-1 Scope of Matters Delegated to the Management (Roles and Responsibilities of Board of Directors)]

Since the Company is a company with three committees, the Board of Directors delegates to Executive Officers as much authority as allowed by laws and regulations for making operational decisions. This contributes to the speed and flexibility of managing business operations. The Board of Directors makes decisions solely about items, such as fundamental management policies, that can be determined only by the Board of Directors, according to laws and regulations. In addition, the Board of Directors makes decisions about investments larger than a certain amount and such other items that will have a significant impact on the Konica Minolta Group.

【Principle 4-9 Independence Standards and Qualifications for Independent Outside Director】

The standards for determining independence are explained in II. 1. [Independent Directors] Matters relating to Independent Directors. For information about the required qualifications, see I. 1. [Disclosure Based on the Principles of the Japan's Corporate Governance Code] [Balance of knowledge, experience and capabilities required for Outside Director candidates and diversity].

[Supplementary rule 4-11-1 Total Balance, Diversity and Size of the Board of Directors]

The Board of Directors is composed of a number of Directors within the scope provided in the Articles of Incorporation, taking into account the management issues the Board of Directors is required to address. The approach regarding this is as follows.

- (1) To ensure management transparency and supervisory objectivity, oversight of management, one-third or more of Directors are Independent Outside Directors, and Directors who do not concurrently serve as Executive Officers constitute the majority of the total number of Directors.
- (2) The Company believes that the number of Outside Directors should be five to six to enable both diversity of discussion and speed of decision-making.
- (3) To enhance the management supervision function, liaise with the Independent Outside Directors and strengthen communication and cooperation with Executive Officers, more than one Inside Directors not concurrently serving as Executive Officers will be appointed.
- (4) To further enhance deliberations on important decisions from a management standpoint, in addition to the President & CEO, several Executive Officers in charge of principal duties will be appointed as Directors.
- (5) The Nominating, Audit and Compensation committees are all chaired by Outside Directors to ensure transparency and objectivity. In addition, to ensure that each committee adequately fulfills its respective roles, each committee is composed of around five members, and a majority of its members is Independent Outside Directors.

(6) For information about the diversity of the Board of Directors, see I. 1. [3-1 Enhancement of Full Disclosure] [Balance of knowledge, experience and capabilities required for Outside Director candidates and diversity].

[Supplementary rule 4-11-2 The other Jobs and Duties of Directors]

For the selection standards for Outside Directors, individuals must “be able to spend sufficient time to perform their duties” and candidates are selected after thoroughly examining their other jobs and duties. The other jobs and duties of the Directors who were elected at the 120th Ordinary General Meeting of Shareholders in June 2022 are as follows;

Furthermore, the Company requires all Directors to have an attendance rate of at least 80%, and in order to realize this, as a general rule Directors should aim to hold concurrent positions (positions as Officers as stipulated in the Companies Act) at no more than three (listed) companies other than the Company.

Name	Main position concurrently held (as of July 1, 2024)	Position
Chikamoto Kenneth Hodo (Outside Director)	Bayhills Co., Ltd. Mynavi Corporation Mitsubishi Chemical Group Corporation ORIX Corporation Sumitomo Mitsui Banking Corporation (Concurrent positions in listed companies (Directors under the Companies Act): 2 companies)	Representative Director Outside Director Outside Director Outside Director Outside Director
Soichiro Sakuma (Outside Director)	NS Solutions Corporation JX Nippon Mining & Metals Corporation (Concurrent positions in listed companies (Directors under the Companies Act): none)	Advisor Outside Director
Akira Ichikawa (Outside Director)	Sumitomo Forestry Co., Ltd. SUMITOMO CHEMICAL COMPANY, LIMITED (Concurrent positions in listed companies (Directors under the Companies Act): 2 companies)	Chairperson of the Board and Representative Director Outside Director
Masumi Minegishi	Recruit Holdings Co., Ltd.	Chairperson and Representative Director of the Board

(Outside Director)	ANA HOLDINGS INC. (Concurrent positions in listed companies (Directors under the Companies Act): 2 companies)	Independent Outside Director
Takuko Sawada (Outside Director)	Shionogi & Co., Ltd. Arsaga Partners, Inc. (Concurrent positions in listed companies (Directors under the Companies Act): 1 company)	Director and Vice Chairperson of the Board Outside Director

[Supplementary rule 4-11-3 Evaluation of Effectiveness of the Board of Directors]

In 2003, the Company became a company with committees (now a company with three committees). To determine if the corporate governance system is functioning as intended, the Company started performing self-assessments in 2004 concerning the Board of Directors' effectiveness.

Self-assessments are conducted on the effectiveness of the Board of Directors, the three statutory committees and Corporate Governance Committee, looking back over the activities of the past year to confirm whether or not the construction and operation of the Company's corporate governance system is contributing to the realization of sustainable growth and enhancement of medium- to long-term corporate value of the Company that the system is designed to facilitate. The results of these self-assessments are used to identify items that the Board of Directors should work on in the following fiscal year in order to further improve effectiveness.

Self-assessments are conducted on the effectiveness of the Board of Directors, the three statutory committees and Corporate Governance Committee, looking back over the activities of the past year to confirm whether or not the construction and operation of the Company's corporate governance system is contributing to the realization of sustainable growth and enhancement of medium- to long-term corporate value of the Company that the system is designed to facilitate. The results of these self-assessments are used to identify items that the Board of Directors should work on in the following fiscal year in order to further improve effectiveness.

The previous evaluation of the effectiveness of the Board of Directors was conducted in fiscal 2022, the first year in which both a new President and CEO and the Chairperson of the Board of Directors took office, the first year in which an outside director became the Chairperson of the Board, and the first year in which the majority of directors were outside directors. Given that this was a major inflection point in our corporate governance since the management integration in 2003, we conducted a questionnaire and interviews with an external organization with the aim of increasing objectivity by including a third-party perspective. As a result, we recognized that (1) redefining the role of the Board of Directors, (2) shared recognition of the composition of the Board of Directors, (3) further advancement of strategic discussions, and (4) improving the operational efficiency of the Board of Directors and its committees were the main issues of corporate governance effectiveness to be addressed in fiscal 2023, and worked to improve them. The fiscal 2023 effectiveness evaluation added questions regarding the newly

established Corporate Governance Committee and self-assessment by individual directors. The questionnaire was updated to take into account recognition of new issues, and individual interviews were conducted. From the analysis of the results of the evaluation, we confirmed the current position of our corporate governance, and identified essential issues to be addressed in fiscal 2024. These will be reflected in the Chairperson's Fiscal 2024 Board of Directors management policies and the agenda of the Corporate Governance Committee, and will lead to improvement actions in the next and subsequent years.

(1) Survey schedule

The fiscal 2023 evaluation of effectiveness was as follows.

- February to March 2024: Distribution and return of self-evaluation questionnaires
- March to April 2024: Conduct individual interviews, analyze and evaluate results
- April 2024: Report and discussion at the expanded Corporate Governance Committee (attended by all Directors)
- May 2024: Reporting results to the Board of Directors
- June 2024: Explanation of Board of Directors Operation Policy for Fiscal 2024 by the Chairperson of the Board, Q&A session and opinion exchange (Board of Directors meeting immediately after the ordinary general meeting of shareholders)

(2) Survey target

Survey was conducted for all Directors (Total nine Directors).

(3) Survey objective

To analyze and evaluate the effectiveness of the Board of Directors and its committees in order to improve their functions.

(4) Composition of questions

The questions were divided into the following categories, with several questions for each. In addition, a free-response field was provided for each category.

- (a) Overall rating (e.g.: contribution to corporate value, ensuring effectiveness) (Seven questions)
- (b) Composition of the Board (Six questions)
- (c) Questions on operation of board meetings (Preliminary preparation, agenda setting, Importance of the agenda, discussion time, etc.) (Ten questions)
- (d) Discussions (quality of discussions and supervision) (Six questions)
- (e) Three statutory committees and Corporate Governance Committee (13-16 questions: The number of questions varied per committee)
- (f) Supervisory framework for execution (both supervisory and execution frameworks required for monitoring) (Eight questions)
- (g) Personal evaluation (Seven questions)
- (h) Gap analysis on the importance of agenda items and the actual amount of discussion (12 agenda)

(5) Method of response

Responses are an evaluation from 1 to 5 (5: Strongly agree, 4: Agree, 3: Can't say either way, 2: Don't agree, 1: Don't agree at all)

Also, opinions are written in the free-response field for each category. A 10-point scale was used to compare and review the gap analysis between the importance of the agenda and the actual amount of discussion.

(6) Summarized results

From the results of our efforts to improve the effectiveness of the Board of Directors under the Board Chair, we have confirmed the effectiveness of the Board of Directors to be at a satisfactory level, both in terms of score-based quantitative evaluation and qualitative evaluation through interviews and exchanges of opinions at the Corporate Governance Committee.

<Improvements in fiscal 2023>

Of the issues identified in the previous evaluation results, “redefining the role of the Board of Directors” and “shared recognition of the composition of the Board of Directors” have improved significantly, and the Company judges itself to have passed the phase in which internal and external directors were aiming to become One Team. Specific results included the following improvements:

- (a) Improved governance by changing the composition of the Board of Directors (Outside Director Chair and majority of Outside Directors)
- (b) Active discussion at Board of Directors meetings and roundtable meetings and reflection in execution
- (c) Ensure information symmetry by strengthening cooperation committees and between outside directors
- (d) Effective use of the new Corporate Governance Committee and outside directors-only meetings

<Issues going forward>

“Further advancement of strategic discussions” and “improving the operational efficiency of the Board of Directors and its committees,” which were recognized in the previous evaluation results, remain ongoing issues, and we will continue to make improvements in fiscal 2024, primarily in the following areas:

- (a) Deepen medium- to long-term strategy (including sustainability and human capital management)
- (b) Promoting time-sensitive measures
- (c) Operational efficiency of meetings of the Board of Directors and its committees
- (d) Corporate governance as a medium- to long-term issue (requirements for outside directors linked to diversity, medium-term strategy, etc.)

(7) Outline of Board of Directors Operation Policy for Fiscal 2024

Based on the evaluation of the effectiveness of the Board of Directors and the current status of the Company, the Chairperson of the Board of Directors presented the “Board of Directors Operation Policy for Fiscal 2024” at the Board of Directors meeting immediately following the Ordinary General Meeting of Shareholders, which consists of the following points.

<Points to focus on in the Operation of the Board of Directors in fiscal 2024>

Fiscal 2024 is the year for Konica Minolta to clear its negative legacy and clarify its vision for mid- to long-term growth. The following are the points that the Board of Directors will focus on to achieve this.

- (a) With regard to the structural reforms to be undertaken in Fiscal 2024, monitor the progress and whether targets such as productivity have been achieved as a result.
- (b) Present the company’s business portfolio after completing business selection and concentration, and answer the question, "In what areas can Konica Minolta succeed?" with a growth strategy that can convince capital markets and other stakeholders.

- (c) Identify the capabilities and culture needed to commercialize innovation and build a profitable company.
- (d) Continue discussions in the Corporate Governance Committee and redefine the role of the Board of Directors in strengthening execution and the role of the Board of Directors in making rational decisions (e.g., composition of the Board of Directors, requirements for director candidates, etc.).
- (e) Continue to work on improving the efficiency of the operation of the Board of Directors and committees.
- (f) Aim to further enhance executive sessions for outside directors, to foster greater communication in order to promote mutual understanding between executive and supervisory roles.

[Supplementary rule 4-14-2 Training of Directors and Auditors]

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

- (1) For new Independent Outside Directors, the Company provides information about the group's structure, business activities and finances as well as information about the medium-term business plan and its progress and other subjects. Independent Outside Directors also receive basic information about the Company's businesses and corporate-level functions, reactions by analysts of Financial Results Briefing Sessions, etc.
- (2) For Independent Outside Directors, the Company arranges visits to the development, manufacturing, sales, service and other operations of every business unit. The Executive Officer, Corporate Vice Presidents and employees of each business unit provide the Directors with the latest information about that business.

The Board of Directors' activities in fiscal 2023 are provided below.

- Three outside directors participated on-site in internal presentations (Value Creation Forum) held jointly by four business areas, where they received direct explanations from employees at each booth and exchanged questions and opinions with them.
 - One outside director participated in internal presentations online (Business Process Innovations Officers' Debriefing).
 - Three outside directors participated online as observers in the Executive Committee, where they received direct explanations about the prospects for business growth from the managers of overseas subsidiaries in the automotive visual inspection business and hyperspectral imaging business, which are areas of strength, and exchanged questions and opinions.
- (3) Inside Directors are provided with opportunities to attend governance training held by external institutions, and Outside and Inside Directors are notified of information on various seminars provided as opportunities to participate in, as appropriate.

【Principle 5-1 Policy for Constructive Dialogue with Shareholders】

The Company encourages constructive dialogues with shareholders and other investors with the goal of using these dialogues to contribute to sustained growth and the medium and long-term growth of corporate value.

The Company will conduct extensive investor relations activities.

<Status of dialogue with shareholders, etc.>

(1) Participation of management in dialogue with shareholders, etc.

Activities for a constructive dialogue with shareholders and other investors are centered on the President & CEO. The Senior Vice President & Executive Officer for investor relations and the department responsible for investor relations assist the President & CEO.

(2) Measures for seamless cooperation among departments

The department responsible for investor relations plays the primary role in encouraging dialogues with shareholders and other investors. The corporate planning, accounting, finance, legal affairs, human resources and sustainability promotion departments and all business units work together to support this division. In addition, the Investor Relations Office works seamlessly with the Management Consultation Committee and other major councils as well as the Corporate Information Disclosure Committee for the purpose of ensuring that dialogues are timely and appropriate.

(3) Measures used for dialogues other than individual meetings

The Company positions general shareholder meeting as an important opportunity for a dialogue with shareholders. The goal is to operate these meetings in a manner that can earn the trust of shareholders. This includes the disclosure of information about business operations so that information is supplied in a sufficient volume and in a format that is easy to understand. In addition, there are quarterly Financial Results Briefing Sessions, Management Policy Briefings from the President & CEO, Investor Briefings for Individual Investors, Business Briefings from Executive Officers responsible for each business, and Konica Minolta Days, which focus on ESG and involve Outside Directors taking the stage, held as necessary, and aimed at maintaining strong lines of communication with shareholders and other investors.

(4) Initiatives to feedback shareholder opinions and concerns to management

The President & CEO submits reports on information including opinions and concerns about the Company that were received through dialogues with shareholders and other investors to the Board of Directors, management council meetings and other major councils, as necessary.

(5) Disclosure of material information and management of material facts

The Company has a Corporate Information Disclosure Committee for the purpose of ensuring that the disclosure of important corporate information is timely, appropriate and fair. This Committee establishes a procedure for the disclosure of information. In addition, as stated in Rules for the Prevention of Group Insider Trading, etc., the managers of departments that have information about significant facts are responsible for managing this information. Disclosure must be timely, appropriate and fair. Information must be managed to prevent the provision of information only to some shareholders and investors.

(6) Dialogue with persons responsible for exercising voting rights of effective shareholders.

The Company performs investigations and other activities in order to identify effective shareholders. The purpose is to know all shareholders, both registered and effective shareholders, who make investment decisions and stock voting decisions. Dialogue with these effective shareholders is one of the Company's priorities.

After the Ordinary General Meeting of Shareholders held in June 2023, in April, respectively, dialogues with persons responsible for exercising voting rights of multiple institutional investors, representing more than 25% of the Company's our outstanding shares, on our governance and medium-to long-term management strategies were held.

The Company discloses financial information to shareholders and other investors, further focusing on providing non-financial information, including approach to management from medium and long-term perspective of the President & CEO' (including specific measures regarding selection and concentration of businesses, the allocation of management resources, etc.), information about ESG (environmental, social and governance).

Additionally, the status of dialogue with shareholders and other details are also described later in this report under "Status of IR Activities" on page p.55-59.

2. Capital Structure

Percentage of Foreign Shareholders	20% or more and less than 30%
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[Status of Major Shareholders] Updated

Name / Company Name	Number of Shares Owned	Percentage (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	87,357,300	17.59
Custody Bank of Japan, Ltd. (Trust account)	39,586,000	7.97
SMBC Trust Bank Ltd. (Sumitomo Mitsui Banking Corporation Pension Trust Account)	11,875,000	2.39
Nippon Life Insurance Company	10,809,234	2.18
NORTHERN GLOBAL SERVICES SE, LIXEMBURG RE LUDU RE: UCITS CLIENTS 15.315 PCT NON TREATY ACCOUNT	10,280,000	2.07
MUFG Bank, Ltd.	9,519,900	1.92
BNYM AS AGT/CLTS 10 PERCENT	8,741,826	1.76
The Nomura Trust and Banking Co., Ltd. (Holder in Retirement Benefit Trust for MUFG Bank, Ltd.)	8,569,100	1.73
Konica Minolta Employee Shareholding Association	6,750,749	1.36
GOLDMAN SACHS INTERNATIONAL	6,396,573	1.29

Controlling Shareholder (except for Parent Company)	—
Parent Company	None

Supplementary Explanation Updated

- The status of major shareholders shown above is the current status as of March 31, 2024.
- While the Company has 5,956,544 shares of treasury share in its possession, it is excluded from the shareholders in the above list. Ratio of shares held is calculated by deducting treasury shares. Treasury shares do not include the Company's shares held by trust accounts related to the BIP (Board Incentive Plan) trust for compensation for Directors (2,223,585 shares).
- According to a Statement of Large-Volume Holdings (Revised Statement of Large-Volume Holdings) made accessible to the public on March 4, 2024, as of February 26, 2022, a group of shareholders comprising MUFG Bank, Ltd. and three other companies, held the Company's shares as shown below. However, as the Company is unable to confirm the actual number of shares held as of March 31, 2024, the number of shares owned on the registration of the shareholder name is shown in the status of major shareholders above. Additionally, the percentages shown in parentheses is based on the total number of all issued shares, including treasury shares.
- Mitsubishi UFJ Financial Group, Inc. (group shareholding comprising four companies): 37,663,000 shares (7.49%)

- According to Statements of Large-Volume Holdings (Revised Statements of Large-Volume Holdings) made accessible to the public, the companies shown below have significant holdings of the Company's shares, however, as the Company is unable to confirm the actual number of shares held as of March 31, 2024, they have not been included in the status of major shareholders above. Additionally, the percentages shown in parentheses is based on the total number of all issued shares, including treasury shares.
- SMBC Nikko Securities Inc. (group shareholding comprising three companies): 37,278,000 shares (7.42%) held as of November 30, 2023
(Revised Statement of Large-Volume Holdings as of December 7, 2023)
- Sumitomo Mitsui Trust Asset Management Co., Ltd. (group shareholding comprising two companies): 30,296,000 shares (6.03%) held as of February 15, 2024
(Revised Statement of Large-Volume Holdings as of February 21, 2024)
- Nomura Securities Co., Ltd. (group shareholding comprising three companies): 26,219,000 shares (5.22%) held as of November 15, 2022
(Revised Statement of Large-Volume Holdings as of November 21, 2022)

3. Corporate Attributes

Listed Stock Market and Market Section	Tokyo Prime Market
Fiscal Year-End	March
Type of Business	Electric Appliances
Number of Employees (consolidated) as of the End of the Previous Fiscal Year	1,000 or more
Sales (consolidated) as of the End of the Previous Fiscal Year	From ¥1 trillion
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	From 100 to less than 300

4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholder

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5. Other Special Circumstances which may have Material Impact on Corporate Governance

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II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management

1. Organizational Composition and Operation

Organization Form	Company with three committees (Nominating, Audit and Compensation)
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[Directors]

Maximum Number of Directors Stipulated in Articles of Incorporation	15
Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board	Outside Director
Number of Directors	9

[Outside Directors]

Number of Outside Directors	5
Number of Independent Directors	5

Outside Directors' Relationship with the Company (1)

Name	Attribute	Relationship with the Company*											
		a	b	c	d	e	f	g	h	i	j	k	
Chikatomy Kenneth Hodo	From another company									○			
Soichiro Sakuma	From another company									△			
Akira Ichikawa	From another company									○			
Masumi Minegishi	From another company									○			
Takuko Sawada	From another company									○			

* Categories for "Relationship with the Company"

* "○" when the Director presently falls or has recently fallen under the category;

"△" when the Director fell under the category in the past

* "●" when a close relative of the Director presently falls or has recently fallen under the category;

"▲" when a close relative of the Director fell under the category in the past

a. Executive of the Company or its subsidiaries

b. Non-executive Director or Executive of a parent company of the Company

c. Executive of a fellow subsidiary company of the Company

d. A party whose major client or supplier is the Company or an Executive thereof

e. Major client or supplier of the listed company or an Executive thereof

f. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Company besides compensation as a director/*kansayaku*

- g. Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a legal entity)
- h. Executive of a client or supplier company of the Company (which does not correspond to any of d, e, or f) (the director himself/herself only)
- i. Executive of a company, between which and the Company Outside director/*kansayaku* are mutually appointed (the Director himself/herself only)
- j. Executive of a company or organization that receives a donation from the Company (the director himself/herself only)
- k. Others

Outside Directors' Relationship with the Company (2)

Name	Committees			Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons of Selection
	Nominating	Remuneration	Audit			
Chikatomo Kenneth Hodo	○			○	<p>Bayhills Co., Ltd. Representative Director</p> <p>The transactions between Bayhills Co., Ltd, and the Company accounted for less than 1% of their respective consolidated net sales in the case of both.</p>	<p>Reasons for selection as an Outside Director: The Company focuses on 1. having professional records and visions in their respective fields; 2. having no material business relations with the Company and thus a high degree of independence; and 3. ability to dedicate sufficient time to fulfill the duties of the Board of Directors and committees. Mr. Chikatomo Kenneth Hodo has been in management of a company providing business consulting and IT services for years at Accenture Japan Ltd. He has extensive experience and a broad range of knowledge on digital business as a corporate executive. Following his election as a Director in June 2018, Mr. Hodo has performed well as a member of the Board of Directors and other committees, and was selected to become the Company's first Outside Director to serve as Chairperson of the Board of Directors in June 2022. Key items monitored by the Board of Directors were clearly stated in the operating policy, and drove its implementation. The evaluation of the effectiveness of the Board of Directors in fiscal 2023 confirmed that, under the lead of the Chair of the Board of Directors, the discussions of the Board of</p>

						<p>Directors were reflected in the execution of duties, as a result of active dialogue between the supervisory and executive functions with a sense of trust but also a sense of tension. The Company expects that Mr. Hodo can continue contributing to the maintenance and upgrading of its corporate governance as before.</p> <p>Reason for selection as an Independent Director: Mr. Hodo meets the standards for independence specified by the Nominating Committee. Also, as explained in the column to the left, Mr. Hodo is not a business executive or other significant person at a major supplier or customer or a major shareholder. There are no conflicts of interest with shareholders concerning his role as an Outside Director. As a result, Mr. Hodo is designated an Independent Director.</p>
Soichiro Sakuma		○	○	○	<p>NS Solutions Corporation Advisor</p> <p>The transactions between NS Solutions Corporation and the Company accounted for less than 1% of the consolidated net sales of each company.</p>	<p>Reasons for selection as an Outside Director: Same as above for 1 to 3</p> <p>At Nippon Steel Corporation and Nippon Steel & Sumitomo Metal Corporation (currently Nippon Steel Corporation), Mr. Soichiro Sakuma was involved for many years in management in the manufacturing sector and was in charge of main head office functions, including general administration, human resources, environment and IT, mainly in legal and internal control & audit. He has extensive experience and a broad range of knowledge as a corporate executive. Following his election as a Director in June 2020, Mr. Sakuma has performed well as a member of the Board of Directors and other committees. The Company expects that Mr. Sakuma can continue contributing to the maintenance and upgrading of its corporate governance as before.</p> <p>Reason for selection as an Independent Director: Mr. Sakuma meets the standards for independence specified by the Nominating Committee. Also, as explained in the column to the left, Mr. Sakuma is not</p>

						a business executive or other significant person at a major supplier or customer or a major shareholder. There are no conflicts of interest with shareholders concerning his role as an Outside Director. As a result, Mr. Sakuma is designated an Independent Director.
Akira Ichikawa	○	○	○	○	Sumitomo Forestry Co., Ltd. Chairperson of the Board and Representative Director The transactions between Sumitomo Forestry Co., Ltd. and the Company accounted for less than 1% of the consolidated net sales of each company.	Reasons for selection as an Outside Director: Same as above for 1 to 3 At Sumitomo Forestry Co., Ltd., which operates various businesses, including those related to lumber and building materials, housing and construction, and overseas housing and real estate, Mr. Akira Ichikawa promoted sustainability management, and raised that company's corporate value over the medium to long term. He has extensive management experience and broad-ranging insight as a corporate executive. Following his election as a Director in June 2021, Mr. Ichikawa has performed well as a member of the Board of Directors and other committees. The Company expects that Mr. Ichikawa can continue contributing to the maintenance and upgrading of its corporate governance. Reason for selection as an Independent Director: Mr. Ichikawa meets the standards for independence specified by the Nominating Committee. Also, as explained in the column to the left, Mr. Ichikawa is not a business executive or other significant person at a major supplier or customer or a major shareholder. There are no conflicts of interest with shareholders concerning his role as an Outside Director. As a result, Mr. Ichikawa is designated an Independent Director.
Masumi Minegishi	○	○		○	Recruit Holdings Co., Ltd. Chairperson and Representative Director of the Board	Reasons for selection as an Outside Director: Same as above for 1 to 3 Mr. Masumi Minegishi has led the transformation of Recruit Holdings Co., Ltd. into a global tech company through the expansion of the human resources business into the information business and

				<p>The transactions between Recruit Holdings Co., Ltd. and the Company accounted for less than 1% of the consolidated net sales of each company.</p>	<p>digitalization and globalization. He has a wealth of management experience and broad insights as a top leader of companies with DNA related to the commercialization of IT services and business development capabilities. Following his election as a Director in June 2022, Mr. Minegishi has performed well as a member of the Board of Directors and other committees. The Company expects that Mr. Minegishi can continue contributing to the maintenance and upgrading of its corporate governance by monitoring and offering advice from a global perspective based on his experience in management.</p> <p>Reason for selection as an Independent Director: Mr. Minegishi meets the standards for independence specified by the Nominating Committee. Also, as explained in the column to the left, Mr. Minegishi is not a business executive or other significant person at a major supplier or customer or a major shareholder. There are no conflicts of interest with shareholders concerning his role as an Outside Director. As a result, Mr. Minegishi is designated an Independent Director.</p>
Takuko Sawada	○	○	○	<p>Shionogi & Co., Ltd.</p> <p>Director and Vice Chairperson of the Board</p> <p>The transactions between Shionogi & Co., Ltd. and the Company accounted for less than 1% of the consolidated net sales of each company.</p>	<p>Reasons for selection as an Outside Director: Same as above for 1 to 3</p> <p>Ms. Takuko Sawada has played a central role in promoting the previous and current medium-term business plans at Shionogi & Co., Ltd., and has also focused on establishing global functions and collaborating with industry, government, and academia in Japan and overseas. She has extensive global experience and insight in R&D, management strategy formulation, new business development, and DX promotion. The Company expects that Ms. Sawada can contribute to the maintenance and improvement of the Company's governance by monitoring and offering advice from a global perspective based on her experience in management.</p>

						Reason for selection as an Independent Director: Ms. Sawada meets the standards for independence specified by the Nominating Committee. Also, as explained in the column to the left, Ms. Sawada is not a business executive or other significant person at a major supplier or customer or a major shareholder. There are no conflicts of interest with shareholders concerning her role as an Outside Director. As a result, Ms. Sawada is designated an Independent Director.
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[Committees]

Committee's Composition and Attributes of Chairperson

	All Committee Members	Full-time Members	Inside Directors	Outside Directors	Chairperson
Nominating Committee	5	1	1	4	Outside Director
Remuneration Committee	4	1	1	3	Outside Director
Audit Committee	4	1	1	3	Outside Director

[Executive Officers (Shikkoyaku)]

Number of Executive Officers	13
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Status of Additional Duties

Name	Representative Authority	Additional Duties as Director			Additional Duties as Employee
			Nominating Committee Member	Remuneration Committee Member	
Toshimitsu Taiko	Yes	Yes	×	×	No
Noriyasu Kuzuhara	No	Yes	×	×	No
Toshiya Eguchi	No	No	×	×	No
Shinichiro Oka	No	No	×	×	No
Hitoshi Kamezawa	No	No	×	×	No
Yoshihiro Hirai	No	Yes	×	×	No
Keisuke Ichijo	No	No	×	×	No
Hiroyuki Uemura	No	No	×	×	No
Ken Osuga	No	No	×	×	No
Miwa Okamura	No	No	×	×	No
Norihisa Takayama	No	No	×	×	No
Akiko Murayama	No	No	×	×	No
Yusuke Yoshimura	No	No	×	×	No

[Auditing Structure]

Appointment of Directors and/or Staff to Support the Audit Committee	Appointed
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Matters Related to the Independence of Such Directors and/or Staff from Executive Officers (Shikkoyaku)

The Company set up the Audit Committee Office with a full-time staff to support the Audit Committee, and, besides being the secretariat of the Audit Committee, the Audit Committee Office shall perform its duties in accordance with the instructions of the Audit Committee. Furthermore, this principle is to be clearly specified in Company rules and made common knowledge. To ensure the independence of the Audit Committee Office from Executive Officers and Corporate Vice Presidents, and the effectiveness of instructions received from the Audit Committee, personnel matters regarding the Audit Committee Office including appointment, personnel changes and disciplinary action, shall be approved in advance by the Audit Committee.

Cooperation among Audit Committee, Accounting Auditors and Internal Audit Departments

The Audit Committee holds meetings with the External Accounting Auditor many times each year. Committee members receive thorough explanations of the External Accounting Auditor's policy and plans for audits in addition to explanations and other information to be certain that the External Accounting Auditor is performing its duties properly. In addition, members of the Audit Committee state their views, including requests to place emphasis on certain audit items, and actively exchange other information. The aim is to perform audits that are appropriate and strict. Committee members also receive explanations for the auditing system and internal controls of the accounting auditor's company to confirm various items. Receiving detailed reports from the External Accounting Auditor about the audit method and results is not the only task of the Audit Committee but also Committee members receive frequent audit implementation reports and monitor progress of the External Accounting Auditor's audit. The Audit Committee compares information from the External Accounting Auditor with information obtained by Committee members to reach decisions regarding the suitability of the External Accounting Auditor's audit.

As a company with three committees, the Company has an Audit Committee. Subsidiaries in Japan are companies with *Kansayaku*. The Company has a Corporate Audit Division to perform internal audits. Furthermore, while preserving its independence as an audit organization, the Audit Committee, Corporate Audit Division and *Kansayaku* of the subsidiaries cooperate with each other to make audits even more efficient and effective.

The Corporate Audit Division has established a dual reporting line, issuing audit reports on internal audits to the President and Representative Executive Officer and the Audit Committee, and Chairperson of the Audit Committee reports the Audit Committee reports at the meeting of the Board of Directors, each time. In addition, regular audit activities and monthly monitoring activities are summarized in a report and reported to the President and Representative Executive Officer as well as to full-time Audit Committee members. The contents of the report are then shared with the Audit Committee by the full-time Audit Committee members. Rules stipulate that the Audit Committee has the right to ask the Corporate Audit Division to perform special audits.

[Independent Directors]

Number of Independent Directors	5
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Matters relating to Independent Directors

All Outside Directors who are qualified to be Independent Directors are designated Independent Directors. In 2007, the Nominating Committee established "Independence Standards for Outside Directors." Regarding such standards, the Nominating Committee selects Outside Director candidates for whom none of the following items are applicable.

(1) Person affiliated with Konica Minolta

- Former employee of the Konica Minolta Group

- Having a family member (spouse, child, or any blood or marital relative within the second degree) that has served as a Director, Executive Officer, Auditor or senior management in the Konica Minolta Group during the past five years
- (2) Person affiliated with a major supplier/client
- Currently serving as a Managing Director, Executive Officer, or employee of a major supplier/client company/group that receives 2% or more of its consolidated sales from the Konica Minolta Group or vice versa
- (3) Specialized service provider (lawyer, accountant, consultant, etc.)
- Specialized service provider that received annual compensation of 5 million yen or more from the Konica Minolta Group for the past two years
- (4) Other
- A shareholder holding 10% or more of the voting rights in the Company (Executive Director, Executive Officer, or employee in the case of a corporate body)
 - A Director taking part in a Director exchange
 - A Director, Executive Officer, *Kansayaku* or equivalent position-holder of a company that competes with the Konica Minolta Group, or a person holding 3% or more of the shares of a competing company
- Having some other significant conflict of interest with the Konica Minolta Group

[Incentives]

Incentive Policies for Directors and/or Executive Officers (Shikkoyaku)	Performance-linked Remuneration, and others
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Supplementary Explanation

The Company has introduced medium-term stock bonus plan (performance-linked) for Executive Officers in addition to annual performance-based cash bonus. The stock compensation-type stock options have been terminated after the 12th stock compensation-type stock options for fiscal 2016 issued in August 2016.

Recipients of Stock Options	—
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Supplementary Explanation

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[Remuneration for Directors and Executive Officers (Shikkoyaku)]

Disclosure of Individual Directors' Remuneration	Not disclosed
Disclosure of Individual Executive Officers' (Shikkoyaku) Remuneration	Not disclosed

Compensation for Directors and Executive Officers in fiscal 2023 was as shown below.

(1) One Director who does not concurrently hold Executive Officer post

Base salary of 31 million yen

No performance-based cash bonuses

Stock bonus of 8 million yen

(2) The 6 Outside Directors

Base salary of 88 million yen

No performance-based cash bonuses

No stock bonuses

(3) The 9 Executive Officers

Base salary of 250 million yen

Performance-based cash bonus of 102 million yen

Stock bonus of 54 million yen

Notes

1. The number above includes one (1) Outside Director and one (1) Executive Officer (also serves as Director) who resigned at the date of the 119th Ordinary General Meeting of Shareholders held on June 2016, 2023. At the end of the period (March 31, 2024), the Company has five (5) Outside Directors, one (1) Inside Director (not concurrently holding Executive Officer posts) and eight (8) Executive Officers.
2. In addition to One(1) Inside Directors shown above (1), the Company has five (5) Inside Directors who concurrently hold Executive Officer posts, and the compensation to these Directors is included in compensation to Executive Officers.
3. Regarding the performance-based cash bonus, the amounts which were recorded as expense in fiscal 2022 are stated.
4. Regarding the stock bonus, the amounts which were recorded as expense in fiscal 2022 are stated, based on a calculation of estimated amount of stock bonus of 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 medium-term stock bonus (performance-linked) to be distributed according to the target attainment rate in the period of the medium-term business plan.
5. In addition to the above compensation, the following payment was made during the current fiscal year under review in accordance with the resolution of the Compensation Committee at that time for the previous compensation upon retirement, which was abolished in June 2005.
 - One (1) Executive Officer (also serves as Director) 14 million yen (retired on June 20, 2023)

The officer whose total compensation amount in fiscal year 2023 will be 100 million yen or more is as follows:
Executive Managing Director Kiyotaka Fujii 118 million yen

<Breakdown>

Our company Fixed compensation 35 million yen, performance-linked compensation 13 million yen, stock compensation 6 million yen

Ambry Genetics Corporation (consolidated subsidiary) Fixed compensation 63 million yen, performance-linked compensation 0 yen, stock compensation 0 yen

(Note 1) Kiyotaka Fujii is the chairperson of three consolidated subsidiaries (REALM IDx, Inc., Ambry Genetics Corporation, Invicro, LLC) in fiscal year 2023, and his compensation is paid by Ambry Genetics Corporation.

(Note 2) For performance-linked compensation, the amount to be expensed in this fiscal year is stated.

(Note 3) For stock compensation, the expected amount of compensation for future issuance of our company shares according to the expected number of points to be granted is calculated, and the amount to be expensed in this fiscal year is stated. This amount includes the medium-term stock compensation (performance-linked) that will be paid according to the rate of achievement of targets during the medium-term management plan period.

Policy on Determining Remuneration Amounts and Calculation Methods	Established
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Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods

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

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

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

<Approach to changing policy in fiscal 2023 >

In line with the start of the medium-term business plan this fiscal year, at Compensation Committee meetings held on March 27 and May 16, 2023, the committee resolved to partially change its policy for determining compensation.

Specifically, to link management policies and the governance of compensation, the Committee changed the assessment index and composition of “annual performance-based cash bonuses” and “medium-term stock bonuses (performance-based).”

<Compensation Policy>

(1) Compensation system

- Compensation packages for Directors (Non-executive Inside Directors) exclude a short-term performance-based cash bonus because Directors have a supervisory role, and consist of a “base salary” component in the form of a base salary and “stock bonus.” The “stock bonus” consists of the “medium-term stock bonus” (non-performance-linked) and “long-term stock bonus.” Also, Outside Directors only receive “base salary,” inclusive of bonus according to their roles.
- Compensation packages for Executive Officers consist of “base salary,” “annual performance-based cash bonus,” which reflects the performance, and “stock bonus.” In addition, “stock bonus” consists of “medium-term stock bonus” (performance-linked) and “long-term stock bonus.”

(2) The total amount of individual compensation entitlement and “base salary” are set at an appropriate level with each position and its value taken into account, based upon objective data, evaluation data and other data collected at regular intervals, etc.

(3) The amount of “annual performance-linked monetary remuneration” shall be determined based on the level of performance in the relevant fiscal year (consolidated operating profit), the degree of achievement of annual performance targets, and the progress of each Executive Officer in advancing strategically important policies. The amount based on the degree of attainment of annual performance targets is determined in the 0% to 200% range of the standard amount of compensation. The targets are major consolidated performance indicators (profit for the year, total asset turnover ratio and KMCC-ROIC (*)) associated with results of operations. Executive officers’ key operational measures include those related to non-financial indicators, such as ESG (environmental, social and governance).

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

(4) Details of the stock bonus plan are as follows.

- In the “medium-term stock bonus” plan (non-performance-linked) to Directors, the Company’s shares are distributed to Directors after the end of the medium-term business plan, according to their roles and years they are in office. The plan is aimed to enhance their motivation toward contribution to medium-term improvement of the shareholder value and promote holdings of the Company’s own shares.
- In the “medium-term stock bonus” (performance-linked) to Executive Officers, the Company’s shares are distributed to Executive Officers after the end of the medium-term business plan in the 0% to 200% range. The plan is aimed to enhance their incentives toward attainment of the targets in the medium-term business plan and promote holdings of the Company’s shares. Mid-term management targets shall be consisted of important consolidated financial indicators (ROE) considering for mid-term management

policy, as well as non-financial indicators (The reduction of CO2 emissions through measures and employee engagement score).

- In “long-term stock bonus” plan to Directors (Non-executive Inside Directors) and Executive Officers, the Company’s shares are distributed to them according to their positions, roles and years they were in office after their retirement from office. The plan is aimed to enhance their motivation toward contribution to the long-term improvement of the shareholder value.
 - The standard number of shares is set by the position of each Director or Executive Officer in the first year of the medium-term business plan.
 - Certain portions of shares are distributed in cash.
 - Shares of the Company obtained as stock bonus shall be held in principle for one (1) year after the date of retirement from the post of each Director or Executive Officer.
- (5) The standard for compensation to the President & CEO is a 45:30:25 mix of “base salary,” “annual performance-based cash bonus” and “stock bonus.” For the Executive Officers other than the President & CEO, the “base salary” ratio is set higher than that for the President & CEO.
- In addition, the ratio of “medium-term stock bonus” (performance-linked) and “long-term stock bonus” in “stock bonus” is 60:40.
- (6) Compensation for non-Japan residents may be handled in different ways from the treatment said above according to legal and other circumstances.
- (7) When the Board of Directors resolved a correction to financial statements after the announcement due to a material accounting error or fraud, the Compensation Committee considers corrections to performance-based bonuses and limit payment or request return of the bonuses when necessary. (“Clawback clause”)
- (8) The Company reviews levels, composition and others of compensation in a timely and proper manner in accordance with changes in the management environment.

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

(1) Annual performance-based cash bonus

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

- 1) The indicator for the level of performance results portion is the amount of Group consolidated operating profit. It was judged that operating profit is the most appropriate indicator for determining the responsibility for performance that should be taken on by Executive Officers with the aim of realizing sustainable growth and enhanced corporate value by achieving higher levels of operating profit.
- 2) The indicators for the portion according to attainment of performance targets are the amount of profit for the year, total asset turnover ratio, and KMCC-ROIC. These indicators attach strong significance to the Company’s sustainable growth and the enhancement of the medium- to long-term corporate value. Current profit, was selected in order to improve ROE by achieving a fundamental recovery in profitability and to secure funds for dividends, total asset turnover was chosen with the aim of

reducing total assets and interest-bearing debt while ensuring cash allocation, while KMCC-ROIC was selected to increase the efficiency of invested capital.

In addition, these indicators have been weighted at 40%, 30% and 30%, respectively.

- 3) The reason for this is that the “Individual Evaluation” takes as indicators the progress of each Executive Officer’s strategic priority policies and targets, and evaluates them using perspectives and items that are different from those of the “Performance Level” and “Achievement of Performance Targets.” In particular, we take care to implement in a timely and appropriate manner measures that are strategically necessary to improve our corporate value in the medium- to long-term, even if they do not appear in financial indicators or are accompanied by a temporary deterioration of financial indicators.

(b) Methods for determining the amount of compensation

- 1) The amount paid for the level of performance results portion is calculated by multiplying a value determined according to the amount of Group consolidated operating profit by a number of points set for each position. Said value is decided in accordance with a table formulated in advance.
- 2) The amount paid for the portion according to attainment of performance targets is calculated by multiplying the payment rate calculated from the annual performance target attainment rate (calculated based on the weighting of each indicator) by a set amount according to position. This is intended to leverage the combined power of all our Executive Officers toward the group’s optimal solution by applying the Group’s Executive Officers to its consolidated performance on a joint basis. The rate of the payment varies from 0% to 200%, depending on the attainment level of the target.
- 3) The “Individual Evaluation” is calculated by multiplying the standard amount for each position by the evaluation of the state of achievement of strategic priority policies for each Executive Officer, which is drafted by the President & CEO (the evaluation ranges from 0% to 200%, taking 100% as a base). In order to ensure objectivity and fairness in this evaluation, the Compensation Committee shall receive an explanation from the President & CEO at the beginning of each fiscal year of each Executive Officer’s strategic priorities and targets, and confirm consistency with the annual management plan outline and medium-term business plan determined by the Board of Directors.
- 4) The ratios of the “performance level portion,” “performance target attainment portion,” and “personal appraisal portion” are set as theoretical design values at 20%, 40%, and 40%, respectively.
- 5) The payment amounts in the three items listed above will be discussed and settled by the Compensation Committee.

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

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

In order to achieve sustainable growth and increase corporate value over the medium to long term, we use ROE as a financial indicator, and the reduction of CO₂ emissions through measures and employee engagement score as non-financial indicators (all on a group-wide basis).

ROE was selected to enhance profitability from an investor’s perspective, the CO₂ emissions reduction rate was selected to link environmental value to business growth while addressing the social issue of

climate change, and employee engagement score was selected to maximize performance by developing and acquiring human resources and strengthening organizational capabilities.

In addition, these indicators have been weighted at 80%, 10% and 10%, respectively.

(b) Methods for determining the amount of compensation

1) The number of stock to be distributed is determined by multiplying the payment rate calculated from the target attainment rate in the final fiscal year of the medium-term business plan, reflected with the weighting of the indicator, by the number of points set for the position accumulated over the same period, with one point equaling one share that will be transferred as compensation.

The rate of the payment varies from 0% to 200%, depending on the attainment level of the target.

2) Points set per position is calculated by dividing the amount of resources allocated per position by a reference stock price.

3) The reference stock price is the average price over the first three months of the medium-term business plan period.

4) The number of shares transferred listed above will be discussed and settled by the Compensation Committee

[Supporting System for Outside Directors]

There is the Board of Directors Office that functions as a secretariat for the Board of Directors, Nominating Committee, Compensation Committee and Corporate Governance Committee and has a similar function to that of the Audit Committee Office that is the secretariat for the Audit Committee. The members of the Board of Directors Office and the Audit Committee Office provide assistance for the Outside Directors to help enable the board and its each committee to function properly. The secretariat distributes materials to outside directors in advance and provides an overview of the agenda up to three months in advance. The secretariat and the executive officers or corporate vice presidents in charge of the agenda also explain important agenda items in advance, thereby creating an environment in which the Board of Directors can focus on important issues and operate efficiently and smoothly. The secretariat also plans, proposes, and accompanies on site visits as part of the provision of information.

[Status of Persons Who Have Retired from a Position Such as Representative Director and President etc.]

Retired Representative Director and Presidents, etc., holding Advisory or Any Other Position in the Company

Name	Title/ Position	Responsibilities	Working Form and Conditions (Full-time/Part- time, Paid/Unpaid, etc.)	Date of Retirement from Position Such as President (Note)	Term
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Shoei Yamana	Honorary Advisor	External activities using the title of senior advisor	Part-time/Unpaid	June 20, 2023	One year
Masatoshi Matsuzaki	Honorary Advisor	External activities using the title of honorary advisor	Part-time/Unpaid	June 17, 2022	One year
Yoshikatsu Ota	Honorary Advisor	External activities using the title of honorary advisor	Part-time/Unpaid	June 19, 2014	One year
Hideo Tashima	Honorary Advisor	External activities using the title of honorary advisor	Part-time/Unpaid	June 29, 1999	One year

Total Number of Retired Representative Director and Presidents, etc. Holding Advisory or Any Other Position in the Company	4
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Other Matters

There is no senior advisor position at the Company because it was terminated in 2006. Past presidents of the Company or the Company's predecessors (Konica Corporation and Minolta Co., Ltd.) can receive the title of Special Advisor or Honorary Advisor once an individual is no longer a Director as defined in the Companies Act. A summary of this position is as follows.

- A Special Advisor is an individual who performs external activities that are beneficial to the Company. This includes the activities of industry and economic associations that represent the Company, public service activities such as social activities and committee studies, and other types of activities. A Special Advisor also may be requested by the Company to provide reference opinions and advice on management issues, etc. Compensation shall be approximately 30% of the fixed remuneration at the time of retirement as the President, but shall be determined in accordance with the role, service, etc. The term of office shall be for one year, with a maximum of four years or until the age of 75, whichever is shorter.
- An Honorary Advisor is given to a former president who wants to use this title for external activities and when the Company determines that these activities would be meaningful to the Company. There is no compensation. The term of office is one year and can be extended every year by mutual agreement.
- Special Advisors and Honorary Advisors have no rights involving decisions or other influences on management decisions and judgments.

- The President & CEO selects Special Advisors and Honorary Advisors and their status and submits reports to the Board of Directors.
- The Board of Directors establishes rules for this advisor system as part of the Company Rules.

As stated above, as of June 20, 2023, there are no Special Advisors and four Honorary Advisors.

(Note) Date of retirement from position such as President is the day the former CEO was no longer a Director as defined in the Companies Act.

2. Matters on Functions of Business Execution, Auditing, Oversight, Nominating and Remuneration Decisions (Overview of Current Corporate Governance System)

(1) Activities of the Board of Directors

1) Frequency of Meetings held

In fiscal 2023, 16 meetings were held.

2) Main matters for consideration

In the current fiscal year, as the first year of the medium-term business plan, the Board of Directors focused on making solid progress in business selection and concentration by defining priority areas to monitor to ensure the achievement of the annual plan. At the same time, we worked to further improve the executive power that supports the execution of the plan, and as a theme beyond that, we worked to increase the sophistication of strategic discussions, and supervised execution to ensure the Company's sustainable growth and increase its corporate value over the medium to long term. By holding a directors' roundtable meeting prior to the Board's deliberations and confirming key points for the Board to focus on in the early stages of its consideration of execution, we have created an environment in which the Board can focus its discussions on the important issues. In addition, efficient operations have been achieved by discarding precedent, through means such as the distribution of agendas in advance for the purpose of information sharing, so that only questions need be asked. The Board of Directors also intensively discussed the following: implementation of divestitures and other actions to accelerate business selection and concentration, medium- and long-term growth strategies, development of a framework to improve investment efficiency, and clarification of the structure of executive responsibility.

3) Attendance of each Director

All Directors attended all board meetings in fiscal 2023 (100% attendance rate).

(2) Business execution

(a) Transfer of authority to Executive Officers by the Board of Directors

The Board of Directors delegates significant authority concerning decisions about business operations to the President & CEO. The Board of Directors concentrates on fundamental items involving business operations, such as "Fundamental Policies for Management" as well as on the oversight of how business operations are managed.

(b) Framework for business operations

The Board of Directors appoints Executive Officers and selects from these Executive Officers the President & CEO and senior Executive Officers. In addition, the Board of Directors assigns specific duties to the Executive Officers and determines the flow of orders and instructions. The President & CEO and the other Executive Officers make decisions and conduct business operations for the business operations they have been given responsibility by a resolution of the Board of Directors.

(c) Management Consultation Committee

The Management Consultation Committee provides assistance to the President & CEO for making decisions and discusses important items concerning management of the Group.

(3) Functions and roles of Outside Directors involving corporate governance

Upgrading an oversight function from the perspective of shareholders is one of the priorities of the Company. The Nominating Committee selects highly independent Outside Director candidates based on “Independence Standards for Outside Directors” established by this committee and the standards for Independence in Rule 436-2 of the Securities Listing Regulations of Tokyo Stock Exchange, Inc. The primary role of Outside Directors is to use the perspective of shareholders. In particular, the Outside Directors are responsible for supervising management in order to protect ordinary shareholders and ensure the common interests of shareholders when there is a conflict of interest with senior management team.

At meetings of the Board of Directors, Outside Directors make statements from the perspective of shareholders concerning proposals from Executive Officers and reports about studies involving significant issues. Furthermore, Outside Directors use their many years of corporate management experience to give appropriate advice. All of these activities contribute to upgrading management strategies and improving the efficiency of management. In addition, an Outside Director chairs the Nominating, Audit and Compensation Committees in order to heighten transparency.

The Company has contractual agreements with the Outside Directors that limit the liability of these Directors. These agreements are for the purposes of attracting highly qualified individuals as Outside Directors and enabling these Directors to perform their roles as expected.

(4) Nominations

(a) Please see I. 1. [Disclosure Based on the Principles of the Japan’s Corporate Governance Code] (4) Policy and procedure for selections or dismissals of Executive Officers and nominations of Director candidates.

(b) Activities of Nominating Committee

1) Functions and roles

- Decisions involving proposals submitted to the shareholders meeting concerning the election and termination of Directors
- Receive reports from the President & CEO concerning a plan for a successor (training and selection) at a suitable time and supervision of this plan

2) Frequency of Meetings held

Seven meetings of the Nominating Committee were held in fiscal 2023.

3) Main matters for consideration

Based on the Corporate Governance Committee's review of the composition of the Board of Directors and committees, as well as the appointment criteria, we carefully discussed and exchanged opinions and confirmed our response..

a) The Corporate Governance Committee's approach to the review of the composition, etc. of the Board of Directors, and the results

<Review approach>

- In consideration of the Company's medium- to long-term management challenges and strategies, the Board of Directors shall be of an appropriate total number and composition to aim for sustainable growth and improvement in corporate value.

<Review results>

- There shall be a total of nine (9) Directors, of which five (5) are Independent Outside Directors and four (4) are Inside Directors.
- The Chairperson of the Board of Directors shall be selected from among the Independent Outside Directors.
- One (1) Inside Director shall not concurrently serve as an Executive Officer, and instead be a full-time Audit Committee Member.
- In line with management strategies, etc., Inside Directors who concurrently serve as Executive Officers shall be selected in consideration of the role they should fulfill on the Board of Directors.

b) Following discussions by the Nominating Committee based on the above, it was confirmed that the following conditions shall apply.

<Selection of Directors>

- All nine (9) Directors will reach the end of their term of office and again be selected as Director candidates. The Committee deemed it appropriate to continue discussions from a medium- to long-term perspective through the current Board members.

<Chairperson of the Board of Directors>

- The current Chairperson of the Board of Directors shall again be selected as a candidate. In addition to his thorough fulfillment of the requirements of the Chairperson of the Board of Directors, the Committee looks forward to him accurately leading the operation of the Board of Directors toward achieving the goals of our Medium-term Business Plan that began in fiscal 2023.

<Directors not concurrently serving as Executive Officers>

- The current Directors not concurrently serving as Executive Officers shall again be selected as candidates. With a wealth of experience in internal auditing, the Committee expects them to improve the effectiveness of the Audit Committee as full-time Audit Committee Members.

<Inside Directors concurrently serving as Executive Officers>

- The current Inside Directors concurrently serving as Executive Officers shall again be selected as candidates. Alongside the President and CEO, Representative Executive Officer, the Committee deems that having the Executive Officer in charge of accounting and finance and the Executive Officer in charge of the Industry Business as members would lead to fulfilling their accountability in making important management decisions, while at the same time, contributing to effective discussions.

In appointing Executive Officers, the Nominating Committee received reports on the selection process and reasons for selection and checked them prior to the Board of Directors' resolution. In addition, since the change of President and CEO in April 2022, we have continued to work on succession planning for the next President and CEO. We will continue to receive regular reports from the President and CEO on the progress of the succession plan and provide supervision and advice.

4) Attendance of each member of the Committee

All Nominating Committee members attended all Nominating Committee meetings in fiscal 2023 (100% attendance rate).

(5) Audits and supervision

(a) Auditing Structure

This information is in the previous "Auditing Structure" section.

(b) Accounting audit

1) Accounting Auditor

For fiscal 2022, the Company signed an audit contract with KPMG AZSA LLC to perform Companies Act audits and Financial Instruments and Exchange Act audits.

2) Duration of the audit

After the fiscal year ended March 31, 2007

3) Certified Public Accountants who conducted the audit and individuals who assisted with the audit

(Certified Public Accountants who conducted the audit)

Designated Limited Liability Partner Akihiro Otani

Designated Limited Liability Partner Yuichi Watanabe

Designated Limited Liability Partner Yosuke Sato

(Individuals who assisted with the audit)

21 Certified Public Accountants and 61 others, a total of 82

(c) Audit Committee

1) Functions and roles

Please see II. 1. [Auditing Structure].

2) Frequency of Meetings held

13 meetings of the Audit Committee were held in fiscal 2023.

3) Roles and activities of the Internal Audit Committee

The Company selects an Internal Director who is not concurrently an Executive Officer to serve as a full-time Audit Committee Member responsible for investigations. This individual uses regular auditing activities to collect information and submits reports to the Audit Committee, where a majority of members are Outside Audit Committee Members, in order to improve the quantity and quality of audits. Improving the effectiveness of the Audit Committee is the goal.

Internal members of the Audit Committee mainly perform the following activities.

- Attending important meetings about business operations, audit the suitability of the Board of Directors process for delegating authority to Executive Officers and Corporate Vice Presidents, audit the operation of the internal control system, and other activities
- Visiting business sites, including subsidiaries, in Japan and overseas, receive information from business site and subsidiary managers to determine the status of their business operations
- Receiving monitoring reports at a suitable frequency from the Corporate Audit Division, which performs internal audits, and *Kansayaku* of the subsidiaries; use exchanges of opinions about matters requiring attention and other items for working together to improve audit functions
- Holding meetings at a suitable frequency with the Accounting Auditor to exchange information about important matters involving accounting audits and other activities for performing appropriate and strict accounting audits

4) Attendance of each member of the Committee

In fiscal 2023, all members of the Audit Committee attended all Committee meetings, resulting in an attendance rate of 100%.

(6) Determination of compensation

(a) The policy for the determination of compensation is in II. 1. [Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods].

(b) Activities of Compensation Committee

1) Functions and roles

Decisions about compensation for individual Directors and Executive Officers.

2) Frequency of Meetings held

Five meetings of the Compensation Committee were held in fiscal 2023.

3) Main matters for consideration

In order to further strengthen incentives to achieve the targets of the medium-term business plan that started in fiscal 2023, the Compensation Committee deliberated on revision of the compensation structure from fiscal 2022 and decided on the revision at the Compensation Committee meetings held in March and May of 2023.

In fiscal 2023, in order to appropriately evaluate achievement of strategic priority measures introduced in the personal appraisal as part of the “annual performance-based cash bonus” incentive, the Compensation

Committee met at the beginning (May) and middle (November) of the fiscal year to receive explanation from the President & CEO of the Company on important issues and progress of each executive officer concerning the strategic priority measures and offered supervision and advice. At the Compensation Committee meeting held in May following the end of the fiscal year, the President and CEO proposed the state of target achievement and appraisal plan for each Executive Officer's strategic priority measures (evaluation with a range of 0% to 200% taking 100% as standard). After deliberation, the Compensation Committee determined the amount of annual performance-based monetary compensation to be paid to each Executive Officer combining the "performance level portion" and "performance target attainment portion."

In addressing climate change, which initially set "CO2 emission reduction rate," as an indicator, the Compensation Committee resolved on April 23, 2024 to revise the indicator to "CO2 emission reductions through policy" out of consideration for the impact of production and sales volume.

4) Attendance of each member of the Committee

In fiscal 2023, all members of the Compensation Committee attended all Committee meetings, resulting in an attendance rate of 100%.

At the conclusion of the Ordinary General Meeting of Shareholders held on June 20, 2023, the former chairperson, Sakie Tachibana Fukushima, retired from the Board of Directors due to the expiration of her term of office, and Masumi Minegishi was newly appointed as chairperson of the Compensation Committee at the Compensation Committee meeting held on the same day.

3. Reasons for Adoption of Current Corporate Governance System

The Company is dedicated to corporate governance that can contribute to sustained growth and medium to long-term growth in corporate value. This requires a management style that accepts a suitable amount of risk along with the establishment of a highly effective oversight function for conducting business operations. Consequently, a corporate governance framework has been assembled from the standpoint of supervision.

As the structure prescribed by the Companies Act, the Company selected in 2003 the "company with committees" system (currently a "company with three committees"). We will continue to evolve the effectiveness of our corporate governance through the efforts of the Corporate Governance Committee, which was established in June 2023 on a voluntary basis in addition to the three statutory committees.

The Company's basic approach with regard to its governance system is as follows;

- Ensuring of business supervisory functions by separating the supervisory and execution functions in order to increase the corporate value.
- Election of an Independent Outside Director who can provide supervision from an ordinary shareholder perspective.
- Improvement of the transparency, integrity and efficiency of management through the above-mentioned points.

In addition to the fact that the President and CEO does not serve as a member of the Audit and Supervisory Committee in accordance with the provisions of the Companies Act, the Company does not appoint them as

a member of the Nomination Committee nor the Compensation Committee as a matter of internal policy. In addition, all three statutory committees and the Corporate Governance Committee are chaired by outside director to increase their independence.

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

- FY2000 Started an executive officer system and reduced the number of Directors
- FY2002 Elected two Independent Outside Directors
Shortened the term of Directors to one year
- FY2003 Formation of Konica Minolta Holdings, Inc. due to a management integration
Became a company with committees (now a company with three committees)
Establishment of the Corporate Organization Basic Regulations
Number of independent Outside Directors increased from two to four
Establishment of policy for determining compensation
- FY2004 Started self-assessments (using questionnaires) of the effectiveness of the Board of Directors
- FY2005 Ended lump-sum retirement payments and started stock compensation-type stock options
- FY2006 Chairperson of the Board of Directors started participating in the Nominations Committee
Ended the senior advisor position
First overseas field trip by Outside Directors (two) for a visit to a manufacturing subsidiary in China
Established standards for the independence of Outside Directors
- FY2009 Revised part of the terms for performance-linked compensation in the compensation determination policy
- FY2010 Revised part of the Board of Directors rules
- FY2014 Started establishing a Fiscal Year Policy for the Board of Directors based on results of the Board of Directors effectiveness self-assessments (questionnaires)
- FY2015 Established the Basic Policy on Corporate Governance in response to the implementation of the Corporate Governance Code
The Nominating Committee started overseeing the succession plan of the President & CEO
- FY2016 Started using an external organization for questionnaires and interviews to assess the effectiveness of the Board of Directors
- FY2017 The compensation determination policy was revised, replaced stock compensation-type stock options and introduced stock bonus linking with medium-term performance
- FY2018 Revised some of the Board of Directors Rules
Increased the number of Independent Outside Directors from four to five
- FY2019 Distributed tablet devices to Outside Directors and commenced the electronic distribution of materials for the Board of Directors' meetings
- FY2020 Partially amended performance-linked bonus and stock bonus under the compensation determination policy

FY2021	<p>Disclosure of the expertise and experience expected of Director candidates (skill matrix) (Previously, it was prepared and utilized within the Nominating Committee when selecting candidates.)</p> <p>Changes to tenure standards of Outside Directors (revised from four years in principle to making a two year extension possible, with a maximum of six years)</p> <p>Partial revision of the Basic Policy on Corporate Governance</p>
FY2022	<p>Selected an Outside Director as Chairperson of the Board of Directors</p> <p>Made Independent Outside Directors more than half of the Board (Five of nine)</p> <p>Outsourced a questionnaire and interviews evaluating the efficacy of the Board of Directors to an external organization</p>
FY2023	<p>Corporate Governance Committee established.</p> <p>Partially amended performance-linked bonus and stock bonus under the compensation determination policy</p> <p>Establishment of an Evaluation Subcommittee to improve collaboration between the Nominating Committee and Compensation Committee</p> <p>Establishing a process for the selection of Chairperson of the Board of Directors</p> <p>Partial Revision of the Basic Policy on Corporate Governance</p>
FY2024	<p>Change in criteria for duration of tenure of outside directors (revised from a standard of 4 years/maximum 6 years to a standard of 6 years/maximum 8 years)</p>

III. Implementation of Measures for Shareholders and Other Stakeholders

1. Measures to Vitalize the General Shareholder Meetings and Smooth Exercise of Voting Rights

	Supplementary Explanations
Early Notification of General Shareholder Meeting	<p>The Company has a policy of sending shareholder meeting convocation notices to shareholders at least three weeks before a meeting. In addition, a notice is posted on the Tokyo Stock Exchange website and the Company website prior to sending notices in order to give shareholders sufficient time to consider their votes on proposals.</p> <p>Notice of convocation of the 120th Ordinary General Meeting of Shareholders (for the fiscal year ended March 31, 2024) were sent to shareholders on May 28 ((Tuesday), which was 21 days before the meeting. In addition, before sending these notices, the Company posted the notice of convocation on the Tokyo Stock Exchange website and the Company website on May 21 (Tuesday) (and on May 28 ((Tuesday) for the English-language notice).</p>
Scheduling AGMs to Avoid the Peak Day	<p>To facilitate constructive dialogues with shareholders and share information with shareholders accurately, the Company normally holds its shareholders meeting at least one week before the time that most June shareholders meetings take place.</p> <p>The 120th Ordinary General Meeting of Shareholders (for the fiscal year ended March 31, 2024) was held on June 18, 2024 (Tuesday). This was nine days (seven business days) prior to the June 27 (Thursday), the greatest day of concentration for the general meeting of shareholders for financial results for the fiscal year ended March 31, 2024.</p>
Allowing Electronic Exercise of Voting Rights	<p>To allow shareholders to submit their votes via the Internet, the Company has established a platform that permits the use of several shareholder voting websites.</p> <ul style="list-style-type: none"> ● The Company designated voting site (https://evote.tr.mufg.jp/) ● ICJ's electronic voting platform
Participation in Electronic Voting Platforms and Other Measures to Enable Institutional Investors to Vote with Greater Convenience	<p>The Company posts convocation notices and its English translation on ICJ's electronic voting platform. Japanese and overseas institutional investors who have pre-registered for the use of the platform can directly access the contents of the convocation notices for deliberation, thus enhancing their convenience.</p>
Providing Convocation Notice in English	<p>The Company posts an English-language translation of its shareholder meeting convocation notice for overseas investors (shareholders) on the Tokyo Stock Exchange's website, on the Company's website, on the website designated by the Company to exercise voting rights</p>

	(https://evote.tr.mufg.jp/), and on the electronic voting rights exercise platform operated by ICJ, Inc. on the day of sending the shareholder meeting convocation notice.
Other	<p>At the 120th Ordinary General Meeting of Shareholders (for the fiscal year ending March 31, 2024), as a response to the system of electronic provision of materials for general meetings of shareholders, we will send the “Notice of Convocation of the 120th Ordinary General Meeting of Shareholders” to shareholders who have requested the delivery of paper documents, and a section of the reference materials and Business Report from the “Notice of the 120th Ordinary General Meeting of Shareholders” to those who have not requested the delivery of papers documents. We are also preparing an environment in which shareholders who are unable to attend the meeting can view the meeting via video streaming over the Internet, and a video of the day’s agenda will be posted on our website after the meeting.</p> <p>With the environmentally well-thought-out administration put in place, the Company uses the FSC certified papers and plant-based oil ink for printing the notice of the convocation. Also, electricity purchased for running the shareholders meeting is sourced from solar and other renewable energies to help stop global warming by curbing CO₂ emissions consequentially</p>

2. IR Activities

	Supplementary Explanations	Presentation by President & CEO
Preparation and Publication of Disclosure Policy	<p>For the purpose of ensuring prompt, accurate, and impartial disclosures of important corporate information concerning the Konica Minolta Group, the Konica Minolta Group has adopted principles relating to the disclosure of important corporate information in accordance with the “Konica Minolta Group Charter of Corporate Behavior,” which applies to the Group and all of its employees. The Konica Minolta Group has also established information disclosure controls and procedures and takes measures to ensure that all employees are thoroughly familiar with information disclosure controls and procedures.</p> <p>More information is provided on the Company’s website in Japanese and English.</p>	

	<p>(Japanese) https://www.konicaminolta.com/jp-ja/investors/management/dpolicy/</p> <p>(English) https://www.konicaminolta.com/us-en/investors/management/dpolicy/</p>	
Regular Investor Briefings for Individual Investors	<p>The Company holds information meetings led by the President & CEO, the Executive Officer in charge of corporate communications and investor relations or investor relations staff in order to communicate directly with individual investors regarding the Company's competitive edge based on its strengths and its process for enhancing corporate value through unique growth strategies.</p> <p>In fiscal 2023, meetings were held as follows:</p> <p>November 24, 2023 (Friday) Online presentation by President & CEO and posted online A recording of this information session is available on the Company's website.</p> <p>https://www.konicaminolta.com/jp-ja/investors/event/individual_event/index.html (in Japanese)</p> <p>December 26, 2023 (Tuesday)</p> <p>Online presentation by General Manager of IR Division</p>	Yes
Regular Investor Briefings for Analysts and Institutional Investors	<p>The Company holds quarterly Financial Results Briefing Session for analysts and institutional investors. The President & CEO or Executive Officer responsible for Corporate Communications and IR gives an overview of recent results of operations and explains factors behind the difference in the previous fiscal year's results and the values given in external announcements, and the management goals and key measures for achieving these for the current fiscal year based on management strategies for realizing medium- to long-term sustainable growth. There are also business information meetings held by individual businesses in order to encourage understanding of the competitive edge gained by these businesses through unique measures and the Company's strengths. The following information meetings were held in fiscal 2023.</p> <p>October 10, 2023 (Tuesday) Industrial Business information meeting</p> <p>A recording of this information session is available on the Company's website.</p>	Yes

	<p>(Japanese) https://www.konicaminolta.com/jp-ja/investors/event/other_event/index.html#231010 (English) https://www.konicaminolta.com/global-en/investors/event/other_events/index.html#231010 December 12, 2023 (Friday) Konica Minolta Day (Konica Minolta’s sustainability management, human resources, environment, technology, and intellectual property) A recording of this information session is available on the Company’s website.</p> <p>(Japanese) https://www.konicaminolta.com/jp-ja/investors/event/other_event/index.html#231212 (English) https://www.konicaminolta.com/global-en/investors/event/other_events/index.html#231212 <Direct dialogue between Non-executive Directors and investors></p> <p>Governance meetings are held regularly through which the Chairperson of the Board of Directors who is Non-executive Director and Independent Outside Directors hold dialogue with prominent investors and directly communicate on topics such as the Company’s unique governance system and the aims and background behind it, initiatives aimed at continuously enhancing effectiveness, and the sound advice and oversight given in regard to establishing and implementing medium- to long-term growth strategies. In fiscal 2023, this was conducted as a panel discussion with non-executive directors during the Konica Minolta Day mentioned above.</p> <p>December 12, 2023 (Friday): Konica Minolta Day Panel Discussion</p> <p>The Non-Executive Directors were Mr. Hodo, Outside Director (Chairperson of the Board of Directors) , Mr. Sakuma, Outside Director (Chairperson of the Corporate Governance Committee), and Mr. Minegishi, Outside Director (Chairperson of the Compensation Committee).</p>	
Regular Investor Briefings for Overseas Investors	The President & CEO goes to North America once and Europe once each fiscal year to hold regularly scheduled meetings with major shareholders and new investors. This is a means of realizing direct dialogue with the aim of	Yes

	<p>maintaining and strengthening relationships with medium- to long-term shareholders and building relationships with new investors, and gaining understanding and support for the Company's process for enhancing corporate value in the medium- to long-term (strengths, growth strategies, intangible assets, management targets and related measures and KPI, and portfolio for realizing future income and capital and shareholder return policies for achieving this). In fiscal 2022, we used online meetings and telephone conferences to engage with U.S. and European investors.</p> <p>In addition, the Executive Officer responsible for IR and Corporate Communications, Executive Officers in charge of each business unit, or other IR staff participate in conferences in Japan and overseas held by securities companies (including themed conferences that focus on a specific business area, such as healthcare). These conferences are an opportunity to have discussions with many institutional investors about the Company's policies, performance and outlook. We also visit and invite investors for regular one-on-one meetings, telephone conferences and online meetings.</p> <p>Concerning the disclosure of financial information in English, the scripts for quarterly financial results presentations in Japan are available in English, and videos of the second quarter and full year financial results announcements are also available in English.</p> <p><Information meeting for the fourth quarter of fiscal 2022> (English) https://www.konicaminolta.com/global-en/investors/fr/index.html</p>	
<p>Posting of IR Materials on Website</p>	<p>The Company's integrated report is formulated in compliance with the Value Reporting Foundation International Integrated Reporting Framework and the Ministry of Economy, Trade and Industry's Guidance for Integrated Corporate Disclosure and Company-Investor Dialogues for Collaborative Value Creation. Not limited to an annual financial report, the integrated report introduces the Company's business strategy for sustainable growth as explained by our top management, our diverse human</p>	

	<p>resources that support our business development as a global company, a message from our Chairperson of the Board, and an introduction to our governance initiatives in the form of a dialogue with Outside Directors, as we work to provide an integrated report with complete financial and non-financial information. For the non-financial side in particular, it introduces specific examples of efforts to improve the quality of management by placing ESG initiatives at the core of management activities, which have been underway since the management integration in 2003. The Integrated Report is available on our website.</p> <p>(Integrated Report URL) (Japanese) https://www.konicaminolta.com/jp-ja/investors/ir_library/ar/ar2023/index.html (English) https://www.konicaminolta.com/global-en/investors/ir_library/ar/ar2023/index.html</p> <p>The Company's IR website has integrated reports, financial results, presentation materials, securities reports, shareholder's correspondence, annual financial data, this corporate governance report, CSR reports, intellectual property reports, IT performance reports, corporate information and other information, and the site has received a high evaluation, including gold status and overall first prize, in the Gomez IR Site Ranking 2023 from Morningstar Japan K.K.</p> <p>(IR Library URL) (Japanese) https://www.konicaminolta.com/jp-ja/investors/ir_library/ (English) https://www.konicaminolta.com/global-en/investors/ir_library/index.html</p>	
<p>Establishment of Department and/or Manager in Charge of IR</p>	<p>The Company has an IR Office that is supervised directly by the President & CEO. The purpose is to reinforce the ability to distribute strategic IR information.</p> <p>Department in charge: IR Office (5 people) Senior Vice President & Executive Officer in charge: Miwa Okamura</p>	

3. Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanations
Stipulation of Internal Rules for Respecting the Position of Stakeholders	<p>Under the slogan of management visions; to be “a global company that is vital to society, bringing vision to reality” and “a robust and innovative company, continually evolving and contributing to the sustainable growth of the society and individuals,” with the aim of implementing the corporate philosophy of “Creation of New Value,” the Company practices sustainability management in order to balance the two wheels of the resolution of social issues and corporate growth. There is a Konica Minolta Group Charter of Corporate Behavior setting forth the actions that a corporation ought to demonstrate, in which respect for stakeholders is extensively stipulated. A worldwide Konica Minolta Group Charter of Corporate Behavior Guidance was also established with each provision providing for desirable actions people should emulate. There are activities to make employees of the group worldwide aware of this code. We established 6 Values as a set of beliefs for employees working in the Group, which articulates the specific behavior, key qualities and judgement criteria to fall back on vis-à-vis stakeholders and society in our interactions through the course of our business. The 6 Values clearly stipulate to become a provider of the customer’s genuine needs with an emphasis on “Customer-centric.”</p>
Implementation of Environmental Activities, CSR Activities etc.	<p>[Our sustainability]</p> <p>For Konica Minolta, sustainability means contributing to the realization of a sustainable society by solving social and environmental issues through its business activities, while growing as a company, and we believe that we can achieve sustainable growth by solving social and environmental issues through economically rational business. Since the management integration in 2003, we have constantly positioned sustainability at the core of our management, seeking growth while helping to solve social and environmental issues based on this concept. In 2020, we evaluated the impact that social and environmental issues have on the Company from an opportunity and risk perspective with any eye toward creating a sustainable society that should be achieved in ten years, in 2030. By back-casting from there, we identified five material issues (Notes). We have maintained this basic approach in the new Medium-term Business Plan, which starts from fiscal 2023, and are pursuing the realization of the material issues in line with the new value creation process.</p> <p>(Notes: (1) Improvement of satisfaction in work and corporate revitalization, (2) Realization of healthy and high quality of life, (3) Ensuring safety and</p>

security in society, (4) Countermeasures to climate change, (5) Effective use of finite resources)

[Solving social and environmental issues through businesses to be strengthened]

With various social issues arising, there is a need for innovation in order to solve them. Konica Minolta is committed to transforming the workflow of on-site workers through visualization, and beyond that, to contribute to society and the enrichment of people's lives. We will drive our growth with a focus on Professional Print, Industry, and Medical Imaging in Healthcare, which we are positioning as business areas to strengthen.

With respect to the materiality of "Improved Job Satisfaction and Corporate Revitalization," we will achieve process streamlining and high value-added printing by promoting the digitalization to commercial and industrial printing customers. In so doing, we will contribute to improving the job satisfaction of both those who supply printing services and those who use them.

For "realization of healthy and high quality life," we will provide simple and high value-added diagnostic imaging, promote the spread of dynamic analysis, and strengthen our digital business in emerging economies such as those in the Asia region.

In the area of "Ensuring safety and security in society," we will enable contactless and remote monitoring and inspection at factories and plants. By foreseeing and predicting abnormalities and dangers that exceed the limits of the visual abilities of workers on site, we aim to prevent accidents and ensure the safety and security in factories and surrounding communities.

In the areas of "Countermeasures to climate change" and "Effective use of finite resources," we will help improve production efficiency by transforming customers' production processes from conventional systems through on-demand production. By improving production efficiency, we can help our customers reduce their CO₂ emissions and contribute to resource conservation.

[Consideration for climate change and other global environment issues]

We acknowledge that the global environmental issues are pervasive issues for all human beings, and also the issues affecting the entity's competitiveness. With regard to climate change, which is one of the most pressing issues, we have launched "Eco Vision 2050," our long-term environmental vision that incorporates the unique concept of Carbon Minus.

We define Carbon Minus as working with our customers and suppliers to achieve net zero CO2 emissions in our product life cycles by 2050, and to contribute to reducing environmental impact outside the scope of our responsibility, and to create a state in which those reductions exceed emissions within our scope of responsibility. Our goal is that these ideas and initiatives will embody the concept of environmental management: “growing our business by solving environmental challenges and also creating new businesses.”

Our goal of net-zero product lifecycle CO2 emissions expresses our intention to make our business itself compatible with a decarbonized society. In addition, as society undergoes a major shift toward decarbonization, the early achievement of Carbon Minus is intended to demonstrate the value of the significant social contribution made through our business by demonstrating our contribution beyond our own emissions, which will in turn support the growth of our business. To accomplish these goals, with an eye on the entire life cycle of the product from development to procurement, production, distribution, sales and service, our ecosystem involving suppliers and customers aims to contribute to reducing the environmental burden.

In fiscal 2020, we established the “Environmental Digital Platform” to advance our ecosystem further. By sharing and accumulating the environmental knowledge possessed by the Company and each participating company, the goal is to co-create new value to enhance the efficiency of environmental management and dramatically expand the effects of our ecosystem on solving the environmental burden. The Environmental Digital Platform began with 15 participating companies, which grew to 83 by the end of May 2023. We plan to continue to expand the circle of co-creation. The Company has also added its name to and is participating in international initiatives tackling environmental issues. Our CO2 reduction targets were approved for the Science Based Targets (SBT) Initiative (2°C target level) in February 2017, and in April 2023, we committed to setting SBTs at the 1.5°C target level.

In July 2018, the Company expressed its support for the Final Recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), and began disclosing such information from fiscal 2019. Furthermore, in January 2019, we joined RE100, a global leadership initiative aiming to realize 100% renewable power for member’s business

operations, and we are aiming to source the electricity used in the Company's business operations from 100% renewable power by 2050. In addition, the Company has newly endorsed the recommendations of the Task Force on Nature-related Financial Disclosures (TNFD) to clarify its commitment to address the dependence and impact of its business on natural capital, its assessment, as well as opportunities and risks. In January 2024, we registered as an early adopter of the TNFD at the World Economic Forum in Switzerland. Beginning from 2024, we will disclose an assessment of our dependence on natural capital, its impact, as well as other information in accordance with the TNFD framework.

[Respect for human rights]

Human rights are rights that all human beings are born with, and are one of the universal values.

Adoption of the Guiding Principles on Business and Human Rights (UNGPs) by the United Nations in 2011 clarified the responsibility of companies to respect human rights. In addition, human rights-related laws and regulations are being developed in many countries, and human rights efforts in line with the UNGPs are becoming increasingly important.

Against this background, the Group established the Konica Minolta Group Human Rights Policy in September 2021, based on the UNGPs. In accordance with this policy, we also require our business partners and other parties involved in business with the Group to respect human rights. The Konica Minolta Group Charter of Corporate Behavior, revised in April 2022, also stipulates respect for human rights as one of the most basic requirements of its business activities, and the Group has incorporated this into the annual compliance training for its global employees.

We have established a mechanism for human rights due diligence, to identify stakeholders and their human rights issues that are potentially or obviously negatively impacted as a result of the Group's business activities and transactions, evaluate their impact on the identified negatively impacted stakeholders and their human rights, and identify human rights issues (human rights of the Group's employees, human rights in the supply chain, and customer rights) that are considered of particularly high priority.

Evaluations are reviewed on a regular basis, with goals set and measures considered and implemented for human rights issues considered to be of particularly high priority.

In addition, we will promptly investigate any allegations of human rights violations raised through our system for reporting human rights concerns,

	<p>and take corrective measures through appropriate internal and external procedures when it is clear that we have directly caused or otherwise participated in any activity with a negative impact on human rights.</p> <p>[Fair and appropriate transactions with business partners]</p> <p>The Company sees its suppliers of raw materials and parts as well as businesses to which it outsources production, logistics, and other services as partners who are indispensable to its operations. The Company strives to build a relationship of trust with all its business partners through transparent and fair transactions in order to achieve the common goal of providing innovative products and services to customers around the world in a timely manner. As a global company working to earn the trust of people around the world, Konica Minolta promotes CSR procurement that takes into account labor (human rights), ethics, the environment, and health and safety in its supply chain, including its business partners. The Company is also ensuring compliance with the Conflict Minerals Regulation and other rules to prevent human rights violations at mines in conflict areas, which are at the top end of the supply chain.</p> <p>The Konica Minolta Procurement Policy, covering overall procurement activities, was formulated in fiscal 2008. The policy sets forth the Company's basic stance represented by the five keywords—open, fair, global, compliance, and ecology—and clarifies requirements for suppliers. In fiscal 2013, the Company joined the Responsible Business Alliance (RBA) and established the Konica Minolta Supply Chain Code of Conduct based on the RBA Code of Conduct. Konica Minolta requires its suppliers to comply with this code of conduct in order to make continuous improvements in the supply chain with a focus on labor (forced labor, child labor, freedom of association, etc.), ethics (intellectual property, privacy, anti-corruption, etc.), the environment (energy use, climate change impacts including CO₂/GHG emissions, water use, pollution, waste, use of resources, etc.), and health and safety (emergency preparedness, occupational injury and illness, industrial hygiene, etc.), all with an eye to helping build a sustainable society. Compliance with the Konica Minolta Supply Chain Code of Conduct is included in the basic business agreement requiring suppliers to adhere to this code of conduct.</p>
<p>Development of Policies on Information Provision to Stakeholders</p>	<p>In the Konica Minolta Group Charter of Corporate Behavior, the Company declares “as a company that solves social issues, and to increase corporate value, the Company communicates with society at large and discloses corporate information fairly and adequately.” A Corporate Information</p>

	<p>Disclosure Committee is established to ensure that important corporate information of the Group is disclosed in a timely, appropriate and impartial manner.</p>
Other	<p>[Promoting Health Management]</p> <p>At Konica Minolta, the health of employees is the foundation for all activities. Based on the Konica Minolta Group Health Declaration, we foster a corporate culture that places priority on good health. To utilize corporate resources and the resources of the Company's health insurance association fully, we establish and implement various initiatives to preserve and improve the health of our workforce based on the collaborative health. Under the three-year medium-term health plans, we aim to achieve sustainable growth as a company not only by supporting risk management, but also improved productivity and activity and improved organizational health from the perspectives of organizational health, presenteeism, and absenteeism.</p> <p>For physical well-being, all group companies in Japan participate in a program to prevent health problems from becoming serious. Employees undergo periodic medical examinations. Individuals at risk receive individual guidance from industrial health professionals and are urged to see a physician for a thorough examination. For mental well-being, all employees undergo a stress check twice every year. Results are used for individuals to take better care of themselves. In high-stress workplaces, we collaborate to pursue improvement activities after sharing the root causes with the organizational head and the Corporate Human Resources Division. We have established multiple health indicators for the visualization of how healthy a person is. These indicators are used to make people aware of the need to make improvements and for various support programs that enable people to lead a healthier life.</p> <p>Since 2017, the Company has been recognized as a "White 500" corporation for excellent health management in recognition of its strategically implemented health management initiatives, which consider employee health management from a business perspective. The Company has also been selected seven times since 2015 as a "Health and Productivity" stock, a joint initiative between the Ministry of Economy, Trade and Industry (METI) and the Tokyo Stock Exchange.</p>

[Promoting Diversity]

Konica Minolta believes that the diversity of its human resources will bring unprecedented innovative ideas and is the source of solutions to achieve a higher level of compatibility between its management vision of “the human quest for purpose in life” and “sustainable societies.” In fiscal 2022, the Konica Minolta Group Diversity Management Declaration was disseminated internally and externally, and targets for 2030 and a promotion plan by the end of fiscal 2025 were formulated. In fiscal 2023, in line with this group promotion plan, each of the 27 group subsidiaries in the U.S., Europe, APAC, and Japan has formulated its own promotion plan. We are promoting diversity at all of our locations around the world, focusing not only on the diversity of employee attributes such as gender, nationality, sexual orientation or gender identity, and disabilities, but also on the diversity of the way employees work.

Coinciding with events such as International Women’s Day, Pride Month, etc., the Global Program has been held ten times since 2021 as of the end of fiscal 2023, bringing Konica Minolta Global together online. About 500 Konica Minolta Group employees from around the world participate in each event.

Our U.S. subsidiary has a “Step Forward” program to support the career development of female employees, and the LGBTQ+ support community “VIBRANT” at our European and U.S. subsidiaries have ally and other activities.

In Japan, based on the “Act on Promotion of Women’s Participation and Advancement in the Workplace (Law for the Advancement of Women),” we have formulated an action plan and are working to achieve targets such as by strengthening individual training for female management candidates, etc. As of April 2024, the ratio of female managers stood at 10.7%, slightly below our target of 11% by the end of fiscal 2023, but steadily increasing.

To achieve our goals, we are also working on additional measures such as strengthening the development of young human resources with potential.

As of June 2024, there were four females and one foreign national in Executive Officers and Corporate Vice Presidents. We are also working to promote diversity in the management hierarchy, including the active participation of women.

The Diversity Promotion Office established in April 2017 (renamed the Diversity Equity and Inclusion Office in April 2019) has been working to promote understanding of diversity, equity, and inclusion in Japan, and has

provided training for women and their supervisors to promote women's activities as a foothold for promoting diversity, to eliminate unconscious bias, and training to improve psychological safety in the organization. In addition, from fiscal 2020, the scope of activities has been expanded to include activities that unify Konica Minolta globally, and this continues to the present day.

In addition to these efforts, in November 2016, the Company received L-Boshi Certification from the Ministry of Health, Labour and Welfare, the highest ranking for companies with a strong commitment to creating an environment in which women can play an active role. This ranking recognizes our activities in prior years. In September 2017, the Company received Platinum Kurumin Certification as a company with a strong support program for employees who are raising children.

- Percentage of female managers in the total managers in past three fiscal years of the Company

Fiscal 2021: 9.1%

Fiscal 2022: 9.9%

Fiscal 2023: 10.7%

- Percentage of female managers in the total managers in past three fiscal years of the Group (worldwide)

Fiscal 2021: 19.6%

Fiscal 2022: 20.3%

Fiscal 2023: 21.1%

IV. Matters Related to the Internal Control System

1. Basic Views on Internal Control System and the Progress of System Development

The Board of Directors of the Company adopted resolutions on the matters prescribed by the applicable Ordinance of the Ministry of Justice as those necessary for the execution of the duties of the Audit Committee (Article 416, Paragraph 1, Item 1 (b) of the Companies Act), and on the establishment of systems necessary to ensure that the execution of duties by Executive Officers complies with laws and regulations and the Articles of Incorporation, and other systems prescribed by the applicable Ordinance of the Ministry of Justice as systems necessary to ensure the properness of operations of group companies (Article 416, Paragraph 1, Item 1 (e) of the Companies Act). A summary of the resolutions is as follows.

(1) Requirements for the execution of duties by the Audit Committee

- (a) The Company set up the Audit Committee Office with a full-time staff to support the Audit Committee, and, besides being the secretariat of the Audit Committee, the Audit Committee Office shall perform its duties in accordance with the instructions of the Audit Committee. Furthermore, this principle is to be clearly specified in Company rules and made common knowledge.
- (b) To ensure the independence of the above Audit Committee Office from Executive Officers and Corporate Vice Presidents and the effectiveness of instructions received from the Audit Committee, personnel matters regarding the Audit Committee Office including appointment, personnel changes and disciplinary action, shall be approved in advance by the Audit Committee.
- (c) The Company's Executive Officers or Corporate Vice Presidents in charge of the Group's internal control, including the Corporate Audit Division, Risk Management Committee and the Compliance Committee, shall report on the status of operation to the Audit Committee on a regular basis and without delay if an urgent situation that must be reported has arisen or if requested to make a report by the Audit Committee. The subsidiaries' internal audit division, risk management division, compliance division and auditors shall report on the status of operation to the Audit Committee without delay if requested to make a report by the Company's Audit Committee.
- (d) The Company will secure and manage a budget that is necessary and appropriate for paying expenses arising from the execution of work duties by the Audit Committee members.
- (e) The Company will provide opportunity for Audit Committee members elected by the Audit Committee to attend Management Consultation Committee and other important meetings. The Executive Officers or Corporate Vice Presidents in charge of internal control, including the Corporate Audit Division, Risk Management Committee and the Compliance Committee shall report without delay if requested to make investigations, reports, etc. by the Audit Committee members.

- (2) Systems for ensuring compliance of execution of duties by Executive Officers with laws, regulations and the Articles of Incorporation and other required systems of the Group for ensuring the properness of business operations

- (a) Each Executive Officer and Corporate Vice President shall manage the minutes of Management Consultation Committee and other important meetings, documents requesting formal approval and other information concerning the performance of their duties to ensure that documents are preserved in an appropriate manner and made available for inspection in accordance with the provisions of the Executive Officer document management rules and internal rules concerning the management of other documents.
- (b) The Company set up the Risk Management Committee which is in charge of managing the various risks that arise in connection with the Group's business activities, and the Executive Officer or Corporate Vice President appointed by the Board of Directors shall be responsible for the development of risk management systems including the following, in accordance with the Risk Management Committee Regulations.
- With respect to management of the business risks and operational risks, each Executive Officer and Corporate Vice President shall be responsible in accordance with respective assigned area. The Risk Management Committee shall provide support to each Executive Officer and Corporate Vice President. Further, the Risk Management Committee shall periodically conduct selection, assessment and review of risks material to Group management, develop measures, and confirm management status.
 - The Executive Officer or Corporate Vice President in charge of risk management appointed by the Board of Directors shall be responsible for establishing the contingency plans and countermeasures to minimize the damages by a crisis which is supposed to adversely affect the corporate value.
 - Provide support to the development and strengthening of risk management systems at each group company.
- (c) The Company set up a Corporate Audit Division which is in charge of the internal auditing of the Group to evaluate and improve the status of execution of business operations in all business activities from the viewpoint of legality and rationality, and which shall be responsible for establishing and operating internal auditing systems in accordance with the Internal Auditing Regulations.
- (d) The Company shall be responsible for establishing and operating a system of internal control over financial reporting in the Group and a system for evaluating the efficacy of their operation.
- (e) The Company has established its universal action guidelines for employees, "Konica Minolta Group Charter of Behavior" as a principle of action to embody the Konica Minolta Philosophy, which consists of our philosophy and management vision, and will disseminate it throughout the Group.
- (f) The Company set up the Compliance Committee which is in charge of establishing and operating the Group's compliance systems, and the Executive Officer or Corporate Vice President appointed by the Board of Directors shall be responsible for establishing and operating the compliance systems including the following, in accordance with the Compliance Committee Regulations.
- Defining compliance in the Group as the observance of laws and regulations applicable to corporate activities, corporate ethics and internal regulations and policies, and making this known to every individual working for the Group.

- Establishing and operating systems to promote compliance at each group company. Specifically, preventing fraud at each group company by establishing the function to supervise each company's president.
 - Establishing and operating a whistle blowing system that allows employees to report any compliance violations that are discovered or anticipated. Make this system clear common knowledge in Company rules to halt unfair treatment through the reporting of infractions. Specifically, preventing the concealment of fraud by taking measures like the Company's direct accepting whistle blowing reports from each group company. Furthermore, the department in charge of the whistle blowing system will regularly inform the Audit Committee of report details and status.
- (g) The Company shall be responsible for establishing a system to ensure the effectiveness of each group company's internal control, promote the awareness and understanding of internal control of the president at each group company, and support the establishment and operation of an internal control system that meets each company's characteristics. The Company shall establish a dedicated organization to support the strengthening of internal controls at each group company, share management issues as early as possible, and establish organizations as necessary to support the implementation of measures as a Group, and deal with them.
- (h) The Company established the Corporate Organization Basic Regulations, and shall develop the corporate governance mechanisms of the Company and the Group, including the foregoing systems. The Company shall also work to establish and operate a system for ensuring the appropriateness of business operation through the Management Consultation Committee and other meeting bodies, authority regulations and other internal regulations, and shall endeavor to ensure the legality, rationality and efficiency of business execution by reviewing as necessary systems for management and administration across all the business activities of the Group. Furthermore, based on internal rules, etc. such as Authorization Regulations, the Company will make subsidiaries regularly report and seek preapproval on matters concerning the execution of important work duties, accounting, financial execution, human resources and other important information pertaining to such subsidiaries through Management Consultation Committee and other meetings.

The Company has established the frameworks described in the preceding sections (1) and (2) and, based on the associated policies, is performing the following activities.

Executive Officers, Corporate Vice Presidents and employees at the Corporate Audit Division, Risk Management Committee, Compliance Committee and other units responsible for the Group's internal controls submit reports every month in writing or at periodic meetings to the Audit Committee concerning business operations. Furthermore, explanations are given as needed concerning important subjects and issues involving internal controls.

Members of the Audit Committee, who is responsible for performing examinations, attended all meetings of the Management Consultation Committee during the fiscal year as well as operations meetings of business units and

other important meetings. Audit Committee members used these activities to confirm decision-making processes and how Executive Officers, Corporate Vice Presidents and employees are doing their jobs.

<Risk management>

The Risk Management Committee meets twice each year and at other times as needed. The committee identifies risks associated with business operations and determines measures to deal with these risks. In addition, committee members confirm that the risk management system is functioning effectively and evaluate this system. In fiscal 2023, the Risk Management Committee held two meetings. The committee regularly monitored issues and events that have impacts on the Company's business, such as the issues with procurement of parts and materials and international logistics disruption, mostly stemming from the US-China trade frictions, the situation in Ukraine, and Israel-Palestine conflict, and the events such as financial uncertainty associated with the depressed real estate market in the United States and China. In addition, under the circumstances of frequent cyber-attacks targeting companies, the committee also regularly monitored impacts on the Company's business from confidential information leak and checked the status of response to information security. As represented in a fact that the Financial Services Agency selected the descriptions of business risks in the Company's Securities Report, the Company is working actively on information disclosing.

Furthermore, the Company has reporting rules for the purpose of responding to a crisis in a rapid and suitable manner. Crisis reporting rules are well known to Executive Officers, Corporate Vice Presidents, executives of subsidiaries and others. Based on these rules, the Corporate Vice President in charge of crisis management performs the management of all information involving a natural disaster, accident or other crisis that has occurred anywhere in the world. In fiscal 2023, although there were several incidents related to information security and minor accidents in factories, officers in charge of the concerned departments as well as the Corporate Vice President in charge of crisis management mainly took actions for the incidents and accidents, and the situations returned to normal with no disruption to the business operation.

<Initiatives to reduce quality risks and prevent fraud concerning quality>

The Company has established the Quality Headquarters as a company-wide organization for the maintenance of product and service quality, prevention of market outflow of defective products and services, prevention of fraud, and strengthening of governance in connection with quality such as responses to incidents. In fiscal 2023, continuing from fiscal 2022, the Company ensured thorough compliance with the "Guidelines for AI Quality" in addition to the "Guideline for evaluation of safety," "Guideline for product security," "Guideline for prevention of quality-related fraud" and others, and made efforts for securing the quality of products and services, strengthening security, and preventing quality-related fraud.

<Internal audits>

The Corporate Audit Division is responsible for internal audits for the entire Group. Overseen directly by the Representative Executive Officer, this division performs internal audits of the Company and its subsidiaries. The

Corporate Audit Division has established a dual reporting line, and reports to the President & CEO as well as the Audit Committee, and Chairperson of the Audit Committee reports contents of the Audit Committee reports at the meeting of the Board of Directors, each time. Audits use the risk approach for efficiency from the standpoint of the reliability of financial reports, the efficiency and effectiveness of business operations, compliance, and preservation of business assets. There are also follow-up audits to confirm that actions have been taken concerning items requiring improvements that were identified during audits.

Major subsidiaries also have their own internal audit departments. These departments strengthen the internal audit function of the entire Group while working with the Konica Minolta Corporate Audit Division. In fiscal 2023, the Company performed internal audits in accordance with the medium-term and annual audit plans formulated and refined based on a risk approach in conjunction with the company-wide medium-term business plan.

<Internal control for financial reporting>

To prevent fraudulent accounting activities, the Company prepares an internal controls report that is based on internal evaluations that cover the entire Group of 143 consolidated companies inside and outside Japan. This report is prepared in accordance with the Financial Instruments and Exchange Act for the purpose of ensuring the reliability of financial reports. After an audit by the Accounting Auditor, the report is submitted with the Securities Report. In fiscal 2023, the Company introduced its internal controls assessment at newly established or acquired three companies.

<Charter of corporate behavior>

The Company has established its universal action guidelines for employees, “Konica Minolta Group Charter of Corporate Behavior.” The Company made a total revision to this charter in fiscal 2022, whereby the charter is clearly positioned as “action guidelines” to embody the Konica Minolta Philosophy. In fiscal 2023, continuing from fiscal 2022, the Company promoted education activities to enhance awareness of these action guidelines across group companies in Japan and overseas.

<Compliance>

The Executive Officer, or Corporate Vice President, in charge of compliance (“the Compliance Executive Officer or Corporate Vice President”), who is appointed by the Board of Directors under the oversight of the Representative Executive Officer, determines important issues involving Group compliance activities and oversees compliance activities. The Group Compliance Committee, which consists of Executive Officers and Corporate Vice Presidents for a variety of business and corporate functions, serves as an advisory body to the Compliance Executive Officer or Corporate Vice President. The Committee held one meeting in fiscal 2023. There are regional compliance coordinators for Europe, North America, China and Southeast Asia, who are appointed by the Compliance Executive Officer or Corporate Vice President. This framework allows those coordinators, together with the subsidiary presidents, to perform compliance activities that match the characteristics and needs of each overseas region. In fiscal 2023, the Company obtained, with a view to continuously enhancing compliance awareness, the Compliance-first Declaration from all officers and employees of the Company as well as subsidiaries in Japan and overseas.

Furthermore, to strengthen control of the Group, the group-wide compliance guidelines were formulated and distributed to each group company.

<Whistleblowing system>

The Company has a whistle blowing system for compliance and is always seeking ways to improve this system. In Japan, Executive Officers, Corporate Vice Presidents and employees of the Group can use a telephone call, e-mail, letter or other method to contact general manager of the Corporate Legal Division or an external attorney about a compliance problem or for a consultation. Reported claim is considered for necessity of investigation in fair and sincere manner and the reporter is informed of the actions to be taken. The information obtained from the whistleblowing are shared only among the persons involved in the investigation so to ensure that there will be no negative consequences for the individual who submitted the whistleblowing report. The Compliance Executive Officer or Corporate Vice President submits reports to the Audit Committee about these whistle blowings on a regular basis. The Group has established contacts for notification and consultation with the full regional coverage in North America, Europe, China and Southeast Asia. In fiscal 2023, there were 13 notifications in Japan and 29 overseas, but there was no issue falling under a serious violation of laws and regulations.

<Administration of group companies>

The Company has established an organization dedicated to supporting internal controls at its subsidiaries in Japan and overseas. The organization supports the preparation and improvement of the internal controls system at each subsidiary in cooperation with related departments. In fiscal 2023, it continued initiative for each subsidiary to diagnose the situation and improve it on its own (the fifth time). New items on self-diagnosis were incorporated, such as laws and regulations for the protection of personal information and additional control of information security. The group-wide average of scores exceeded the fiscal 2022 level while the number of subsidiaries with any item failing to meet the standards decreased, confirming that the improvement is smoothly in progress.

2. Basic Views on Eliminating Anti-Social Forces and Progress of System Development

(1) Basic views

The “Konica Minolta Group Charter of Corporate Behavior,” which is the Group’s highest Code on corporate behavior, stipulates that the Company shall not deal with anti-social forces and shall take a resolute stance against all illegal demands.

(2) Progress of system development

The Company is delegated the responsibility for implementation to its Corporate Legal Division. In addition to familiarizing all employees regarding the “Konica Minolta Group Charter of Corporate Behavior” against anti-social forces through the Compliance Manual, a system of cooperation is established with concerned company divisions and external expert organizations.

V. Other

1. Adoption of A policy to deal with takeovers (Anti-Takeover Measures)

Adoption of a policy to deal with takeovers (Anti-Takeover Measures)	Not Adopted
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Supplementary Explanation

(1) Basic policy for the way of being of those who control the Company's financial and business policy decisions

Under the corporate philosophy of "Creation of New Value," the Company aims to be a global company that is supported by and vital to society, bringing vision to reality and to be a robust and innovative company, continually evolving and contributing to the sustainable growth of society and individuals, thereby working to meet shareholder expectations. The Company believes that the final decision as to whether or not to accept a proposal for a large-scale purchase, etc. of the Company's shares should ultimately be left to the shareholders.

Among large-scale purchases, etc., there may be cases where the shareholders are forced to sell their shares, where sufficient information necessary for the shareholders to make an appropriate decision is not provided or where there is a risk of infringement on corporate value and the common interests of the shareholders.

At present, the Company does not prescribe specific measures to defend against a hostile takeover in advance in the event that a party attempts to make a large-scale purchase, etc. of the Company's shares. However, the Company will request such purchaser to provide necessary and sufficient information for the shareholders to make an appropriate decision as to whether the large-scale purchase is appropriate, and will endeavor to ensure that the shareholders have time and information to consider the large-scale purchase. If the Company reasonably determines that a large-scale purchase, etc. may damage corporate value and the common interests of the shareholders, the Company will promptly take appropriate measures to the extent permitted by relevant laws and regulations, and will continue to make efforts to ensure and enhance corporate value and the common interests of the shareholders.

2. Other Matters Concerning to Corporate Governance System

(1) Resolution requirements concerning appointment of Directors

As stipulated in the Articles of Incorporation, resolutions for the appointment of Directors shall be adopted by the majority of the voting rights of those shareholders who attend the General Shareholder Meeting, where shareholders with voting rights having one-third or more of the total voting rights of shareholders shall attend. Resolutions for the appointment of Directors shall not be based on cumulative votes.

(2) Matters regarding General Meeting of Shareholders and resolution of the Board of Directors

As stipulated by Article 37 of the Company's Articles of Incorporation, the payment of dividends from retained earnings, etc., can be set by resolution of the Board of Directors and not by resolution of the General Shareholder Meeting provided that the report by the Accounting Auditor contains an unqualified opinion and that the Audit Committee's Report does not contain any opinions recognizing that the method or results of the audit by the Accounting Auditor were in some way inappropriate.

The reasons for the stipulation in the Articles of Incorporation described above are as follows.

(a) In regard to what kind of policy for paying dividends from retained earnings would be preferable for each shareholder, there is a need to maximize profit for shareholders based on comprehensive consideration of tax systems, the stable payment of dividends, consolidated performance, and funding

requirements to promote strategic investments in growth fields, and we think it is appropriate to entrust this kind of judgement call to the Board of Directors. Additionally, a policy is in place for resolutions on the payment of dividends from retained earnings, etc., by the Board of Directors.

(b) The term of office for the Company's Directors who are entrusted with the judgement call outlined in (a) above is one year and as the Company is a "company with three committees," a framework is in place in which an Audit Committee comprising a majority of Outside Directors oversees the execution of duties by Directors (Board of Directors). Therefore, we think the risk of the Board of Directors abusing its authority is negligible.

(c) Also, the reason the Board of Directors is set as the sole decision-making organizations on payment of dividends, etc. is because policy for paying dividends from retained earnings has a significant effect on profit for shareholders, so we think it would be inappropriate for this to be a purpose of the General Shareholder Meeting to be settled through the exercise of the shareholders' right to make proposals. Additionally, the Company's Articles of Incorporation stipulate that the Company shall decide on the payment of dividends and other matters provided in items of Article 459, Paragraph 1 of the Companies Act by resolution of the Board of Directors, and not by resolution of the General Shareholder Meeting and, in the same vein, may purchase its shares from the market, etc. provided in Article 165, Paragraph 2 of the Companies Act by a resolution of the Board of Directors.

(3) Requirements for special resolution

Article 17 Paragraph 2 of the Company's Articles of Incorporation stipulates that a special resolution of the General Shareholder Meeting can be adopted by two-thirds or more of the voting rights of those shareholders who attend the General Shareholder Meeting, where shareholders with voting rights having one-third or more of the total voting rights of shareholders attend.

The reason for the stipulation in the Articles of Incorporation described above is as follows.

A special resolution comprises a proposal that is of great importance to shareholders and the Company and if a situation were to occur in which there is an absence of a quorum, a proposal would become unable to be enacted even before a resolution can be approved or rejected. Therefore, the Company has reduced said quorum to the level of one-third, which is permissible under the Companies Act, in order to reflect the opinions of shareholders with voting rights as much as possible in voting on proposals.

(4) Exemptions of Directors and Executive Officers from their liabilities

The Company's Articles of Incorporation stipulate that the Company may, pursuant to the provisions of Article 426, Paragraph 1 of the Companies Act, and by resolution of the Board of Directors, exempt the Directors (including former Directors) and Executive Officers (including former Executive Officers) from their liabilities for payment of damages with respect to the acts mentioned in Article 423, Paragraph 1 of the Companies Act to the extent permitted by laws and regulations in order to enable Directors and Executive Officer to fully play their expected roles.

(5) Limited liability contract

Pursuant to Article 427, Paragraph 1 of the Companies Act, the current Articles of Incorporation stipulate that the Company may enter into an agreement with Outside Directors to limit their liability for damages under Article 423, Paragraph 1 of the said Act to the extent permitted by law (agreement to limit liability to a certain extent). In accordance with this provision, the Outside Directors have entered into agreements with the Company to limit their liability for damages, and a summary of the contents of the agreements is as follows.

If, in performing his/her duties as an Outside Director during his/her term of office, the Outside Director neglected his/her duties in good faith and without gross negligence and causes damages to the Company, the maximum amount of his/her liability for damages shall be the sum of the amounts specified in Article 113 of the Ordinance for Enforcement of the Companies Act multiplied by 2 (Article 425, Paragraph 1, Item 1(c) of the Companies Act).

(6) Indemnity agreement

The Company has entered into indemnity agreements with all Directors and Executive Officers as stipulated in Article 430-2, Paragraph 1 of the Companies Act. Under the Company's indemnity agreements the Company will provide indemnity for expenses and losses under Item 1 and Item 2, respectively, of the same paragraph, within the scope stipulated by laws and regulations. To ensure that such indemnity agreement does not impair the appropriateness of the execution of duties, the Company will not compensate each Director and Executive Officer for cases such as when they execute their duties in spite of the knowledge of their illegality.

(7) Directors and officers liability insurance policy

The Company has entered into a directors and officers liability insurance policy in which the Company's Directors, Executive Officers, Corporate Vice Presidents, technical fellows, and officers, etc. of all subsidiaries except North America ("Officers, etc.") are the insured, with an insurance company as provided for in Article 430-3, Paragraph 1 of the Companies Act. The policy covers the Officers, etc. for any damages or litigation expenses incurred by the Officers, etc. as a result of claims for damages arising from acts committed by the Officers, etc. in accordance with their positions. The Company bears the full amount of insurance premiums. To ensure that the insurance policy does not impair the appropriateness of the execution of duties, the Company will not compensate Officers, etc. in cases where they perform their duties in spite of the knowledge of their illegality. The term of the insurance policy is one year.

(8) Outline of the timely disclosure framework

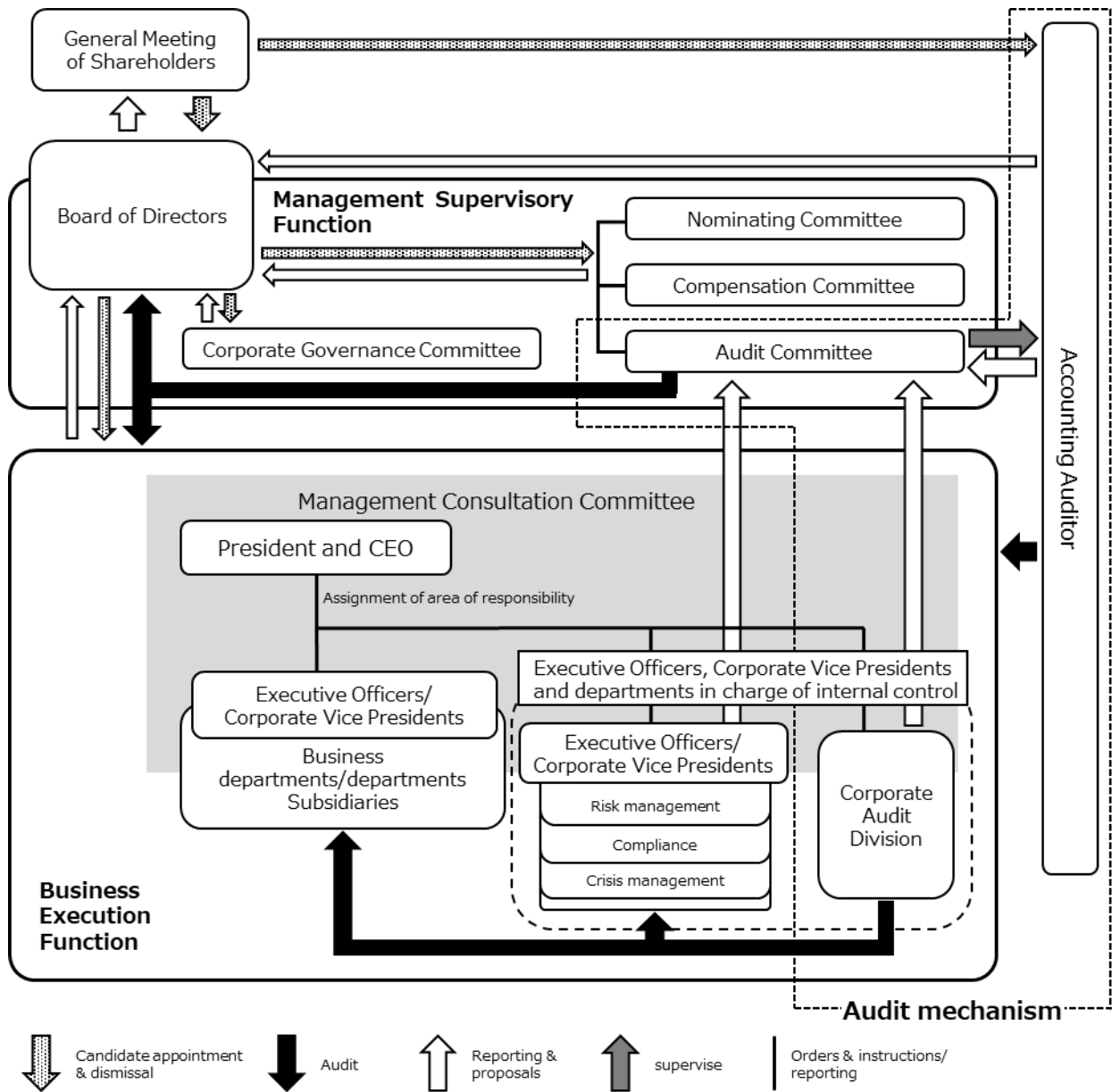
The Company has established Information Disclosure Controls and Procedures to ensure that corporate information is made public with speed, accuracy and fairness in accordance with laws and regulations.

The Corporate Information Disclosure Committee, which is overseen directly by the President & CEO, is responsible for disclosure activities. This committee performs the centralized oversight of corporate

information disclosure based on the Information Disclosure Controls and Procedures and assists the President & CEO.

The chairperson of the Corporate Information Disclosure Committee, who is named by the President & CEO, names members of the committee from among Executive Officers for corporate strategies, risk management, CSR, legal affairs, general affairs, IR, corporate communications, compliance and other activities. To serve as the secretariat for this committee, there is a secretariat consisting of managers from many departments and there is a secretariat support unit consisting of people with expertise concerning laws and regulations and compliance.

Corporate Governance Systems (including Internal Control System)



Description in the Reference Documents for the 120th Ordinary General Meeting of Shareholders

Expertise and experience expected of candidates for Directors (skill matrix)

Directors		Expertise and experience expected of candidates for Directors							
		Top management of listed company	Global executive management *	R&D and manufacturing	Sales and marketing	Finance and accounting, and understanding of investor perspective	HR management	Governance, internal control, legal affairs	Business transformations and new business development (DX)
Director, President and CEO, and Representative Executive Officer	Toshimitsu Taiko	●	●		●				●
Outside Director, Chairperson of the Board of Directors, and Member of Nominating Committee	Chikatomo Kenneth Hodo		●			●			●
Outside Director, Chairperson of Audit Committee, and Member of Compensation Committee	Soichiro Sakuma		●				●	●	●
Outside Director, Chairperson of Nominating Committee, Member of Audit Committee and Compensation Committee	Akira Ichikawa	●	●		●				
Outside Director, Chairperson of Compensation Committee, and Member of Nominating Committee	Masumi Minegishi	●	●		●		●		●
Outside Director, Member of Nominating Committee, and Audit Committee	Takuko Sawada		●	●	●				●
Director, Member of Nominating Committee, Audit Committee and Compensation Committee	Hiroyuki Suzuki				●			●	

Director and Executive Vice President & Executive Officer	Noriyasu Kuzuhara			●	●				●
Director and Executive Vice President & Executive Officer	Yoshihiro Hirai		●		●	●			

* “Global executive management” includes overseas business operations.

Reason for Selection of Expected Expertise and Experience

Expected Expertise and Experience	Reason for selection
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 in terms of 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.
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.