



KONICA MINOLTA

KONICA MINOLTA AUSTRALIA MODERN SLAVERY STATEMENT 2020



Acknowledgement

Konica Minolta acknowledges Aboriginal and Torres Strait Islander peoples as the Traditional Custodians of the land on which we live. We pay our respects to Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples.

Giving Shape to Ideas



This statement, pursuant to the Australian Modern Slavery Act 2018 (Cth), sets out the actions taken by Konica Minolta Business Solutions Australia to address modern slavery risks in our business and supply chain for the financial year ending 31 March 2020 and will be reviewed and updated annually.

This statement has been prepared and produced pursuant to section 13 of the Modern Slavery Act 2018 (Cth) and covers Konica Minolta Business Solutions Australia as a single reporting entity.

Konica Minolta Business Solutions Australia advocates for the eradication of all forms of Modern Slavery and played a role in the introduction of the Modern Slavery Act 2018 (Cth), in Australia through evidence given to the Joint Standing Committee on Foreign Affairs, Defence and Trade Inquiry into establishing a Modern Slavery Act in Australia. Since 2016, Konica Minolta Business Solutions Australia has been a thought leader and advocate in Australia for action by business to address modern slavery.

Konica Minolta Business Solutions Australia's program of work began in 2015, with the launch of its Human Rights Position Statement, Ethical Sourcing Roadmap and its Supplier Code of Conduct in 2016.

What is Modern Slavery?

Modern slavery refers to a range of acts which are serious crimes and grave forms of human rights abuses. It includes slavery, servitude, forced labour, deceptive recruiting for labour or services, forced marriage, debt bondage, trafficking in persons, and the worst forms of child labour.

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“When a company does good, the company will do well”



It's hard to believe that today there are more people enslaved than at any time in human history. According to the Global Slavery Index there are over 40 million people living in modern slavery, with many of them working in the supply chains of the businesses that operate around the globe to provide the goods and services that we buy or consume.

Working for little or no remuneration, under threat of violence or without basic human rights is something that's unimaginable for most of us, and yet for many people this is a reality. And now, with the COVID-19 crisis affecting health and economies around the world, the most vulnerable in our supply chains are under additional threat.

Modern Slavery is a complex issue that impacts millions of lives and families, and it can't be solved without a genuine commitment from business, government and society.

We welcome the Modern Slavery Act 2018 (Cth) and the greater awareness and responsibility this brings to Australian companies who will now need to actively investigate their operations and supply chains. This, we hope will lead to much needed change and the improvement of working conditions for many.

There's no simple answer to modern slavery, no fast track or fool proof method. But we need to do everything that we can to make a difference. We believe that everyone has a right to live a free and equal life, every day, and that we can all be united in the business of creating a better world.

Interestingly when the corporate world embraces greater respect for human rights the decision does not have to be driven by purely altruistic motives. In fact this commitment is a great example of 'enlightened self-interest'. The Modern Slavery Act, and the change in business practices that it will drive, will assist Australian companies to enhance their reputations as responsible businesses and good corporate citizens. As a result this will enrich their internal cultures, be highly regarded by the market and shareholders and drive improved commercial performance.

Dr David Cooke, Managing Director, Konica Minolta Business Solutions Australia

ABOUT KONICA MINOLTA

Konica Minolta Business Solutions Australia Pty Ltd, also known as 'Konica Minolta Business Solutions Australia' (referred to in this Statement as "Konica Minolta Australia"), ABN: 50 001 065 096, the reporting entity, is a wholly owned subsidiary of Konica Minolta Inc, operating in Australia.

Konica Minolta Australia provides multifunction printers, digital print presses, industrial print products, 3D printers, robotics and enterprise content management. We work with organisations large and small to improve productivity, reduce costs, increase security and achieve sustainability outcomes. Service delivery and ongoing customer support pertaining to our devices and software solutions form a significant part of our business and operations.

At the end of our financial reporting period to 31 March 2020 the annual turnover of the Company was in excess of AUD\$250million.

Our structure, operations and supply chain

Konica Minolta Australia's headquarters are located in the Macquarie Park Business District in Sydney, NSW. We have a total of 7 offices, with two in Sydney, and one each in Melbourne, Brisbane, Canberra, Adelaide and Perth with 500 employees.

Our products and services are sold through direct employees, authorised resellers and accredited representatives. We have over 70 authorised dealers which cover regional Australia and dealers operating in the South Pacific, in Fiji, Papua New Guinea, Solomon Islands, New Caledonia and Vanuatu.

Our operations are mainly in Australia, however, during the reporting period we began outsourcing our customer service call centre to the Philippines through our local supplier company.

We identify 3 broad categories within our supply chain:

1. **Our offices, operations and service providers** – logistics and warehousing, cleaning, professional services, offshore customer support call centre
2. **Goods and services we sell** – KMI manufactured products and 3rd party products, including 3D printers and wide format printers
3. **Goods we don't sell** – brand-affiliated merchandise, uniforms





The vast majority of the products that we sell are manufactured by our parent company, KMI, with factories in China and Malaysia. Other third-party products we sell, being wide-format printing, 3D printing and robotic devices and associated accessories are manufactured in the USA, Denmark, Japan, Malaysia, China and Hong Kong.

Additionally, Konica Minolta Australia partners with a number of software providers to deliver software solutions for our clients, from locations including Australia, the USA and the Czech Republic. Whilst not presenting a known high risk for modern slavery, we recognize the hidden nature of risk with respect to labour exploitation and the existing risks concerning the outsourcing of labour globally, particularly with respect to geography and local contexts. Accordingly, we have engaged with our key software solutions partners with respect to building a shared understanding of and commitment to the protection and promotion of human rights in business through our supply chains.

Konica Minolta Inc.

Our parent company, Konica Minolta Inc. (referred to in this Statement as “KMI”), is a multi-corporate enterprise of worldwide operating subsidiaries and affiliates with over 43,000 employees, with its headquarters in Tokyo, Japan.

KMI is engaged in the development, manufacturing and sale of multi-functional peripherals, printers, equipment for production printing systems and graphic arts; inkjet printheads and textile printers for industrial use; related consumables and solution services; equipment for healthcare systems, measuring instruments for industrial and healthcare applications; the development, manufacturing and sale of electronic materials (including TAC films); lighting source panels; functional films and optical products.

For more details about the corporate structure and business areas of KMI visit the website here: <http://www.konicaminolta.com/about/corporate/index.html>

UNDERSTANDING THE RISKS OF MODERN SLAVERY IN OUR OPERATIONS AND SUPPLY CHAINS

In line with the UN Guiding Principles on Business and Human Rights, we conduct an ongoing human rights due diligence process to identify the risks of modern slavery within our operations and supply chains. We recognise that the 'risks of modern slavery' means the potential for Konica Minolta Australia to cause, contribute to, or be directly linked to modern slavery through its operations and supply chains. This is the risk that our business may be involved, either directly or indirectly, in modern slavery. Importantly, when assessing this risk, we recognise that the emphasis is on the risk of harm posed to the people within our operations and supply chains.

Following a high level overview and assessment of our supply chains, using a wide variety of sources of information, including by reference to the Global Slavery Index, the International Labour Organisation, the US Bureau of International Labor Affairs List of Goods Produced by Child Labor or Forced Labor, the Business and Human Rights Resource Centre as well as guidance from the Responsible Business Alliance, Sedex and FRDM, our ethical supply chain partners, we have identified the following risk areas:

- **Conflict Minerals** – these are minerals which are mined in conditions of armed conflict and human rights abuses, which are sold or traded by armed groups. The mining of the mineral resources for tungsten, columbite-tantalite, gold, and cassiterite in the Democratic Republic of the Congo or adjoining countries can end up fueling conflict. Associated with this are the risks of the worst forms of child labour, forced labour and slavery with respect to the mining itself and the associated operations. Whilst our Company or our parent company are not directly involved in the mining of these raw materials, noting that 19 countries are identified as using forced labour in the extraction of the 7 main minerals used in electronics manufacturing (gold, tin, tungsten, cobalt, copper, iron and tantalum), we recognise the risk this presents further upstream in our supply chains.
- **Electronics manufacturing** – there is a documented risk of forced labour in the electronics industry in Malaysia, where some of our goods are produced, associated with migrant labour, concerning deceptive contracting, withholding of identity documents and excessive recruitment fees.
- **Logistics** – given the nature of work in this sector, there are inherent risks of worker vulnerability and labour exploitation, which is significant to our local business and operations.

- **Cotton** – the uniforms of our employees are made of cotton, an industry which is well-known to have child labour and forced labour involved in the preparation of the raw materials further upstream in the supply chain.
- **Electronics** – there are risks of forced labour and child labour associated with the manufacturing of electronic goods in Malaysia and China, where some of our products are made as well as products which we procure for our business operations.
- **Cleaning & security** – given the nature of work in this sector, there are inherent risks of worker vulnerability and labour exploitation, which is significant to our local business and operations.
- **Outsourcing & sub-contracting** – any area of work in which there is less visibility over the contractual arrangements may create a heightened risk of vulnerability for the workers involved. Whilst the risks of exploitation might not rise to the level of modern slavery, we recognise that modern slavery is at the extreme end of a spectrum, which has substandard working conditions and other forms of labour exploitation along the continuum.



Human Rights Due Diligence

The UN Guiding Principles on Business and Human Rights provide that Human Rights Due Diligence is a process of identifying and addressing the human rights impacts of a business enterprise across its operations and products, and throughout its supplier and business partner networks. It includes assessments of internal procedures and systems and external engagement with groups potentially affected by its operations as well as ensuring effective avenues exist to address problems when they arise.

With a full-time ethical sourcing manager with human rights expertise on staff, this function is embedded into our business operations.

Ethical Sourcing in the COVID environment

Towards the end of and following the end of the reporting period, integrating ethical sourcing with procurement of PPE has been a key consideration. We have identified PPE as an additional area of risk for modern slavery with a heightened significance in the COVID environment. We are working with other industry bodies to share insights and better understand the risks and how to mitigate risk in this area. We have drawn from the Commonwealth Government's Guidance note on COVID-19 as well as attended seminars facilitated by the UN Global Compact, Sedex and FRDM, to better understand how the global pandemic is increasing the vulnerability of workers in global supply chains and potentially increasing the risks of modern slavery. In the short term, we were able to direct expenditure on PPE to an indigenous-owned business.

Our supplier engagement has continued in an online environment, and we have broadened the scope of requests for information to cover the particular work health and safety issues arising out of the global pandemic. We have instituted regular updates and monitoring of worker wellbeing and health and safety with respect to our offshore operations.



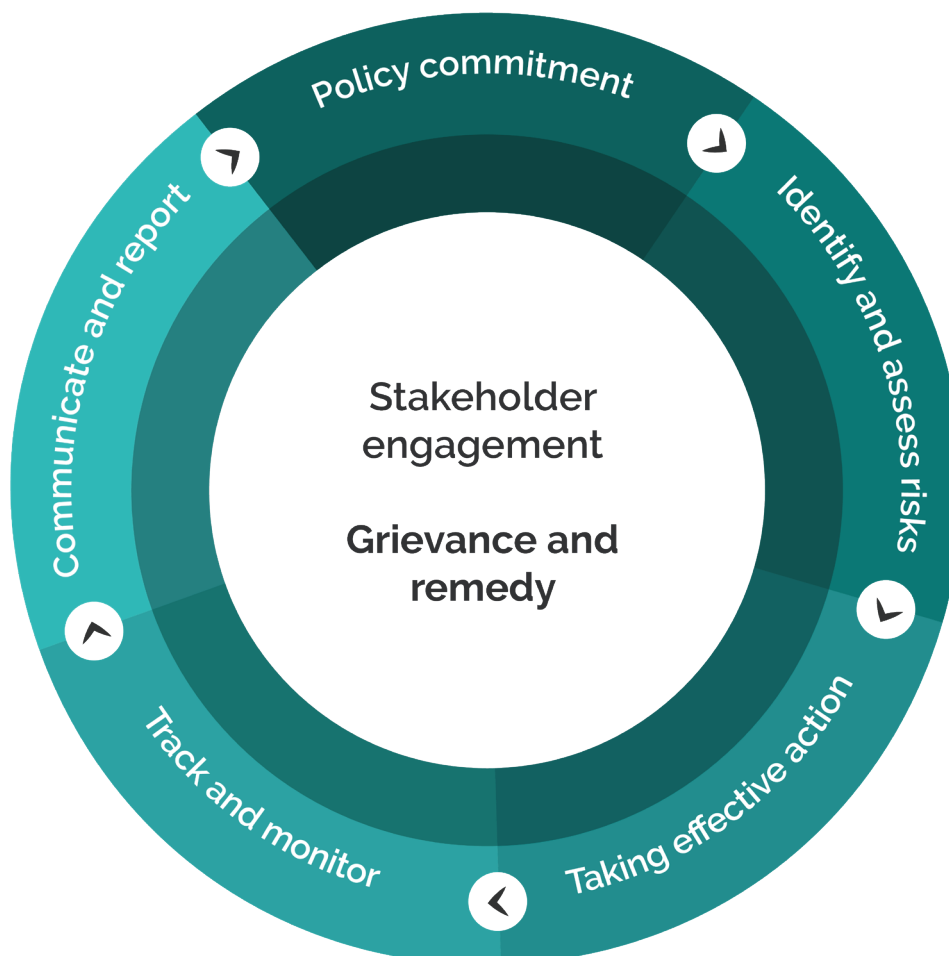
ACTIONS KONICA MINOLTA AUSTRALIA HAS TAKEN TO IDENTIFY AND ADDRESS RISKS OF MODERN SLAVERY

Konica Minolta's Commitment to Human Rights

Our Human Rights Position Statement first published in December 2016 sets out Konica Minolta Australia's commitment and approach to the mainstreaming and implementation of human rights across our business, which are aligned with the Sustainable Development Goals as well as key internationally recognized human rights laws and standards. We deliver on this commitment in three key areas:

1. **Our people** - by respecting and promoting the human rights of our employees, such as through the launch of our Gender Equality Strategy in December 2016, a leading Parental Leave Policy and the implementation of progressive policies, such as Domestic and Family Violence Support and our Indigenous procurement strategies.
2. **Our Customers** - by engaging with human rights in our value chain through the launch and implementation of our Ethical Sourcing Roadmap and our Supplier Code of Conduct and playing an advocacy role by regularly engaging our customers in discussions around ethical procurement and modern slavery risks. We also offer our expertise to assist them with their own operations
3. **Our Community** - by supporting human rights through our non-profit partners, business and human rights networks and in pursuing our vision of being a business leader in human rights in Australia and the region.

We have developed a human rights due diligence process, in line with the UN Guiding Principles on Business and Human Rights as follows, which we aim to develop and improve over time:





Overview of Konica Minolta Australia's Ethical Sourcing Program

Konica Minolta Australia takes the protection of human rights seriously, working to cascade global practice from our parent company in our value-chain by taking action to embed ethical sourcing. Our Ethical Sourcing Program is a whole of supply chain initiative which sits across the business and which we are committed to embedding and improving over time.

In recognition of the complex nature of modern slavery in global supply chains and the need for collaboration and deep engagement from industry, Konica Minolta Australia has played a leading role in publicly calling for the introduction of this legislation and sharing our journey with other business leaders and with government to drive action by those within our sphere of influence and as part of business readiness for this new reporting regime.

We have championed a human-rights based approach to doing business and sought to align our program of work with international human rights standards and best practice, recognising that by building a solid foundation, we can strive for continuous improvement over time, with the protection of the rights and well-being of people within our operations and supply chains as our guiding vision.

Konica Minolta Australia works closely with domestic and international organisations to uphold the rights of victims of human trafficking and work to combat modern slavery around the world. For example, Konica Minolta Australia is

- A participant member of the United Nations Global Compact;
- An active participant in the Modern Slavery Community of Practice through the UN Global Compact Network Australia;
- A member of the Responsible Business Alliance through our parent company KMI
- A valued stakeholder of the Sydney Catholic Archdiocese Anti Slavery Taskforce
- A member of Sustainability Advantage, the NSW Government's Program to support businesses and government agencies in driving sustainability initiatives.

Konica Minolta Australia Ethical Sourcing Implementation

Konica Minolta has taken many steps towards achieving practical outcomes from our Ethical Sourcing Program. The aim of this implementation is to gain greater visibility of our stock and non-stock procurement, and to integrate ethical sourcing practices more broadly into these areas going forward.

Modern Slavery is a multifaceted issue that requires a multifaceted approach. At Konica Minolta, our Ethical Sourcing Team has put into place the following workstreams in our targeted approach to Ethical Sourcing;

- **Supply Chain Mapping and Spend Analysis**
 - **Supplier Engagement**
 - **Modern slavery Risk Assessment**
 - **Employee Engagement and training**
 - **Embedding Ethical Sourcing in our business processes**
 - **Modern Slavery Act compliance and reporting**
 - **Thought leadership and advocacy: Driving collaboration and best practice**

1. Supply Chain Mapping and Spend Analysis

We conduct ongoing reviews of our supply chain through analysis of data and engagement with our category managers who are responsible for procurement throughout the business.

2. Supplier Engagement

Konica Minolta engages directly with our suppliers to identify and manage issues and risk and ensure adequate remedy. Part of our action plan in this respect is inviting our suppliers to join Sedex. Where suppliers have pre-existing profiles in other comparable platforms, we engage directly with our suppliers to assess and manage modern slavery and broader human rights risks.

Other ways we engage with suppliers include phone interviews and site visits to better understand their business and operations and speak to workers in an informal way, as well as the following programs and initiatives.

- **Ethical Sourcing Workshop** – In August 2020, we held a workshop with Sedex for key suppliers and our employees, as well as other interested businesses in the Macquarie Park Business District where our headquarters are located. Feedback following the event from suppliers, our employees as well as other businesses and professionals working in this field demonstrated a high level of interest and engagement as well as knowledge transfer and capacity building achieved as a result of the workshop. These workshops are aimed at building capacity and engagement by suppliers with our ethical sourcing program, and we have more planned for the future.
- **Supplier Code of Conduct** – We have rolled out our updated Supplier Code of Conduct and invited key suppliers to sign on and we will continue to do so. With the introduction of our new vendor onboarding process in the second half of 2020, all new suppliers will automatically be required to review and acknowledge this Code of Conduct.
- **Modern Slavery Contract Clauses and tender processes** – Konica Minolta first introduced an Ethical Sourcing contract clause with a key supplier in 2018, making a commitment to roll this out with new suppliers and contracts upon renewal.
- **New Vendor onboarding System** - We have developed a new vendor onboarding system for the business using a software solution which integrates automation of accounts payable processes with ethical sourcing, social procurement and modern slavery act compliance, with a corresponding risk assessment framework and ethical sourcing guidelines for employees to be launched in the second half of 2020. All new suppliers will be required to acknowledge our Supplier Code of Conduct through the new onboarding

process, and provide us with information on where the goods or services they provide to us are sourced from. Due to the impacts of COVID-19 on our business and the resulting reduced staff working hours, the launch of this process, which was due to occur during our reporting period, was delayed.

- **Access to Remedy and Worker Voice** – we engage closely with civil society and maintain a network of external stakeholders that we can call upon for guidance or referrals as part of our ongoing program management. We have also engaged with the Cleaning Accountability Framework and championed engagement with their accreditation process to our property owners at our headquarters in Macquarie Park, which we will continue to advocate for going forward. Through Sedex we are investigating the possibility of a pilot engagement with the recently launched Direct Worker Reporting Tool.
- We have a dedicated ethical sourcing program email address (ethical.supply@konicaminolta.com.au) through which matters concerning the program and/or our Supplier code of conduct can be raised directly with Konica Minolta Australia, and appears on our website.
- We also have an externally-managed independent whistleblower hotline, which is available for use by suppliers and their employees. Following a review of the effectiveness of this mechanism, we plan to feature it more prominently on our externally-facing website as well as to develop specific communications with our suppliers about it, to raise awareness amongst workers.

3. Modern slavery Risk Assessment

We have conducted an overall human rights due diligence risk assessment of our supply chains based on:

- Sector and industry risks
- Products and services risks
- Geographic risks
- Entity (supplier) risks
- Labour indicators

This due diligence guides our work with internal and external stakeholders, including the following two platforms that we work with to gain greater insights into the risks within our supply chain.

Working with FRDM. FRDM is an enterprise-grade risk SaaS platform, designed to identify and quantify the inherent risks of human rights abuses across the complete supply chain, providing end-to-end risk optics from raw material/ primary inputs to finished products/services, product industries, geographies and suppliers. FRDM segments and stratifies risk for each supplier based on the associated industry, country of manufacturing/service delivery origin, purchases and entity risks, segmenting all suppliers providing transparency on salience and proximity of risk to return a list of priority (highest risk) suppliers with whom oversight and compliance efforts should be prioritized. FRDM also directly supports victims of modern slavery through partial diversion of its profits to a charity, Made in a Free World.

Konica Minolta has been working with FRDM since 2019 and during the reporting period we conducted a pilot data analysis of our purchase data for 34 of our suppliers, which were selected for analysis based on our desktop analysis of inherent industry risks. FRDM assisted us in identifying areas of high risk within the supply chains of 19 of the 34. These suppliers were primarily of office IT products, which have an inherent risk due to the countries from which raw materials are sourced. For the next reporting period, we intend to continue to streamline and improve our data systems to optimise our ability to gain visibility of the risks beyond tier one of our supply chains, and to expand our analysis beyond the initial pilot round, so as to obtain greater visibility of the breadth of our supply chains and across different categories.

Working with Sedex. Sedex is one of the world's leading ethical trade service providers, working to improve working conditions in global supply chains. We have been a supplier (B) member of Sedex since 2013, engaging with our customers through that platform on responsible business and ethical supply chains. Since late 2018, we have become an A+B member of Sedex, which means we are using the Sedex Advance Ethical Data Exchange platform as both a supplier and customer, to better understand and manage the risks in our supply chains. We launched our pilot with two rounds of supplier engagement during the reporting period, directly inviting 20 key suppliers to join Sedex and complete the comprehensive SAQ, based on industry category, country of manufacture and spend, which is used to inform our picture of risk across our supply chain.

High risk areas identified through SAQ responses which indicate potential risks to workers in our supply chains will warrant further enquiries of the supplier. In line with Sedex audit methodology, suppliers may be requested to provide a SMETA audit report. From our pilot supplier engagement conducted during the reporting period, following analysis of the responses received, no high risk areas were identified, however, where such areas are identified through future assessments, a response plan would be developed. What this demonstrates is that the risks of modern slavery are likely found beyond the first tier of our supply chains, and where there are inherent industry risks within the first tier, these can be mitigated by suppliers having appropriate policies and processes in place to address these risks.

Our pilot engagements with Sedex and FRDM have demonstrated the significant shifts that need to occur in the business environment to enable businesses to properly assess and manage risks with respect to modern slavery. In particular, driving strategic supplier engagement is critical, which includes building data systems and cross-functional reporting structures that can facilitate such engagement. Furthermore, the level of engagement received from existing suppliers in response to new requests for information sharing is often a function of their own pre-existing



Nicole D'Souza, Ethical Sourcing Manager speaking at Annual Sales Kick-Off 2019

level of commitment to ethical sourcing and/or the size of the entity. Recognising the significant burden that this might present for smaller businesses, Konica Minolta is committed to working with and supporting our suppliers to build their own capacity and engagement with these requirements over time.

4. **Employee Engagement and training**

We regularly communicate with our employees about modern slavery and why Konica Minolta is committed to eradicating modern slavery through our ethical sourcing program. We do this through our monthly employee newsletter, quarterly roadshows and internal events, as well as through training with category managers and staff. Our on-going training program covers an introduction to modern slavery, Konica Minolta's Program and commitment, indicators of risk and expected actions. Training occurs as part of company-wide 'Culture Days' for onboarding new employees, as well as with category managers and in one-on-one tailored sessions. An online training module for all employees will be rolled out in the second half of 2020, along with training pertaining to the Company's new Ethical Sourcing Guidelines.

5. **Embedding Ethical Sourcing in our business processes**

Embedding ethical sourcing is a companywide and on-going commitment and as such we are continuing to build our systems and processes accordingly.

Embedding Ethical Sourcing project. Over a period of 10 weeks, commencing during the reporting period and carrying into the following period, we worked with a team of 5 Masters of International Management students from The University of Sydney to conduct a review of how we can better embed ethical sourcing into our business processes. The project consisted of desktop research to align with best practice, in-depth interviews with key internal and external stakeholders and business process mapping of key categories from a business and modern slavery risk perspective. The project resulted in over 60 recommendations to the business for general management of our ethical sourcing program and specific categories, including the formulation of the cross-functional Modern Slavery Working Group. Consideration of these recommendations will form part of our work through the Modern Slavery Working Group going forward.

Modern Slavery Working Group. To drive and embed ethical sourcing across our business, we have launched a Modern Slavery Working Group with membership from key stakeholder groups across the business, encompassing the Senior Executive Team, legal, sustainability, marketing, finance and operations, stock and non-stock procurement, sales and service delivery. The group will meet quarterly, or as required in accordance with its mandate. This initiative was developed through the reporting period and launched on 30 July 2020 to coincide with the World Day against Trafficking in Persons.

6. **Modern Slavery Act compliance and reporting**

Following the end of the reporting period, and in preparation for the formulation of our first Modern Slavery Statement 2020, we undertook a project to develop a reporting framework that aligns with the requirements of the Modern Slavery Act 2018 (Cth). This was intended to align our efforts with best practice guidance and relevant International Standards. The resulting framework leverages established and widely recognised indicators and aims to draw on information that can reasonably be obtained by the business.

The framework considers the following resources/standards:

- The Australian Government's MSA Guidance for Reporting Entities
- The UN Guiding Principles on Business and Human Rights
- The UN Guiding Principles Reporting Framework
- The Global Reporting Initiative's Sustainability Reporting Standards
- The Danish Institute for Human Rights' Human Rights Compliance Assessment Tool

The framework also takes into consideration relevant benchmarking initiatives:

- Know The Chain - ICT
- The Corporate Human Rights Benchmark
- The Business and Human Rights Resource Centre benchmarking of the FTSE 100 UK Modern Slavery Statements

7. Thought leadership and advocacy: Driving collaboration and best practice

Konica Minolta collaborates with a broad stakeholder group to build industry engagement and standards. This includes our membership of:

- the UN Global Compact (UNGC)
- the UNGC Network Australia and its Modern Slavery Community of Practice
- the NSW Government's Sustainability Advantage Program

As well as collaboration with other industry, government, academic, non-government and multi-stakeholder initiatives such as

- the Cleaning Accountability Framework
- Australian Catholic Network Against Slavery
- the Sydney Catholic Archdiocese Anti-Slavery Taskforce
- The University of Sydney, Macquarie University, Monash University, UTS and UNSW through their Law and Business Faculties and various institutes concerning research on corporate social responsibility, modern slavery, human rights and responsible business conduct.

Konica Minolta Australia continues to play a key leadership and advocacy role, sharing its learnings with industry stakeholders, government, academia and civil society, building collaboration to drive business action to combat modern slavery.

During the reporting period, Konica Minolta Australia contributed to at least 20 multi-stakeholder forums, sharing our experiences and insights with respect to action by business to eradicate modern slavery reaching more than 2000 people in total, a selection of which are provided below:

- Dr David Cooke, Presenter UNSW Business School seminar, 'Ethical Leadership', 2020.
- Dr David Cooke, Presenter International Women's Forum seminar, 'Responsible Business', 2020.
- Dr David Cooke, Panelist UN Principles of Responsible Investment conference Melbourne, 2019.
- Dr David Cooke, Keynote 'Occasional Address' at Southern Cross University graduation ceremony, 2019
- Dr David Cooke, Panelist 'Trailblazing Women' event at United Nations during UNGA week in 2019.
- Dr David Cooke, Presenter, Australian Human Rights Institute, Innovate Rights, Sydney, 2019.
- Dr David Cooke, Panelist, 'Slavery in the Thai Fishing Industry', premier of 'Buoyancy' Melbourne International Film Festival, 2019.
- Dr David Cooke, Panelist, Dept of Home Affairs, 'Australian Modern Slavery Act' conference, Sydney, 2019
- Nicole D'Souza, Ethical Sourcing Manager, Keynote speaker, NSW Local Government Excellence in the Environment Awards, 2019.
- Nicole D'Souza, Australian Human Rights Commission, Presentation to Vietnamese Chamber of Commerce and Industry, 2019.
- Nicole D'Souza, Panellist, Australian Border Force Modern Slavery and Human Trafficking Section 'Modern Slavery Workshop', 2020.
- Nicole D'Souza, Presenter, The University of Sydney Symposium on Children, Migration and the Right to Health, Sydney 2019.
- Meredith Roach, Chief Communications and Sustainability Officer, Supply Clusters Conference, 2019.
- Meredith Roach, Presenter at "Innovators in IT" customer event, 2019
- Nicole D'Souza, Presenter, Sydney Archdiocese Anti-Slavery Taskforce, 'Catholic Supply Chains Conference', 2019.
- Suzie Brett, Legal Director, Presenter, Anti-Slavery Australia and UTS Faculty of Law seminar, 'A Practical Guide to the Modern Slavery Regime: Regulation, Risk and Best Practice', Sydney 2019.

Case Studies

Ethically sourced merchandising

At the beginning of our ethical sourcing enquiries, one of the first areas we investigated was our merchandising. Working with the marketing agency that supplies our products, we put in place a strict directive around ethically sourced products, covering both social and environmental sustainability considerations. These requirements are verified through audits and certifications, where available. Each time that there is a need for a new product line, the ethical sourcing requirement is part of the procurement brief, and inquiries are made by the category manager, supported by the Ethical Sourcing Manager, as required. Recognising the potential cost implications, senior executive direction has been provided to support this in practice, with adequate allocation of budget.



Ethically sourced staff uniforms

Understanding that the provision of uniforms could involve cotton sourced from and manufacturing undertaken in at-risk countries, as well as the inherent sector risks of labour exploitation and worker vulnerability, we engaged with our local suppliers in 2018 to build their understanding of modern slavery risks and as a result they have committed to secure our uniforms through an ethically sourced organisation. During the reporting period a team comprised of our ethical sourcing personnel as well as the category manager visited the supplier to follow-up and to meet the workers within their local manufacturing facility.

Selecting and on-boarding overseas call centre

Prior to the signing of a Master Services Agreement and Scope of Works with our preferred business process outsourcing (BPO) supplier, Konica Minolta's Chief Financial Officer performed a site visit at the Manila, Philippines location where the Konica Minolta program is now located. Konica Minolta's commitment to human rights and responsible business was an integral part of the onboarding process. Furthermore, throughout the COVID-19 pandemic, we have been in regular contact with our call centre operators to satisfy ourselves as to the safety and wellbeing of the workers on site, conducting in-depth human rights due diligence.

"From the inception of this initiative, I gave a clear instruction to the project team that while cost savings would be a positive outcome of outsourcing our Contact Centre processes to an offshore BPO, we should remain focused on driving higher levels of experience with an organisation aligned with Konica Minolta Australia's values and mission. Specifically, being regarded as 'A company that cares'.

I was extremely impressed with the level of detail our business partner applied to the care and welfare of their staff. Having toured the site, I had the pleasure of meeting the staff, from front line customer facing employees to Senior Management. All the staff demonstrated a level of happiness and engagement with their organisation. The high quality onsite accommodation made available to staff affected by adverse weather conditions in a location that is prone to cyclones, monsoons and flooding reassured me that the actions to maintain the wellbeing of their staff was more than a scripted response to their partners."

Alan Kiloh, Chief Financial Officer, Konica Minolta Australia

Construction Project for the refurbishment of our company headquarters

During the reporting period, we undertook a major refurbishment of our headquarters in Macquarie Park. As part of our ongoing human rights due diligence process, this major procurement exercise was identified as one involving risks and opportunities with respect to human rights, with the construction sector identified as a potentially high risk area for modern slavery. Accordingly, the project design included a requirement for ethical sourcing of furniture and office equipment and adherence to Australian labour laws. Additionally, environmental sustainability was integrated into the requirements, as well as social procurement, with a requirement that the project be communicated to Supply Nation certified businesses, with a view to engaging indigenous owned businesses through the project supply chains. At the end of the project a report was submitted by the contractor, outlining the credentials of suppliers involved with respect to the established ethical sourcing requirements.

Tender for new logistics supplier

In the reporting period, we ran a major tender for a new logistics supplier, which integrated ethical sourcing requirements into the RFP for the first time. We have also conducted a review of the life cycle of high risk contracts to enable integration of ethical sourcing requirements in future tender processes. The integration of ethical sourcing considerations into the management of this category has served as a model for the rest of the business and will continue to do so, as we review and develop our internal business processes.

Konica Minolta Inc's commitment to supply chain responsibility

Konica Minolta Inc (KMI) has a comprehensive responsible supply chain initiative, being one of the 6 identified material issues underpinning its CSR Strategy.

KMI is a member of the Responsible Business Alliance (RBA) since 2013, a leading industry-initiative for the electronics industry. The RBA, which is made up of more than 140 companies, including the world's leading electronics manufacturers and their major suppliers, works to improve worker rights (human rights and working conditions), ethics, health, and safety in the supply chain. KMI has also been listed on the Dow Jones Sustainability Index for the past 8 years in a row. Among all the companies in the Computer & Peripherals and Office Electronics sector, KMI has been ranked first in the social dimension for the second consecutive year, and received the second highest score in total.

KMI aims to help build a more sustainable world, where all human rights are respected. Toward that end, the Group works at CSR procurement (responsible procurement in the supply chain), in order to facilitate appropriate improvements in labor (human rights) as well as ethics, health, safety, and the environment. These efforts are undertaken not only at the Group's production sites but also at the suppliers from which the Group sources raw materials, parts, and other materials, and to which it contracts production and distribution services.

In practicing CSR procurement, Konica Minolta conducts risk assessments and takes corrective actions through CSR assessments using a self-assessment questionnaire and CSR audits, based on the framework of the Responsible Business Alliance (RBA, formerly EICC).

In CSR assessments, Konica Minolta classifies the results of the self-assessment questionnaire from rank A to C.

The targets for overall scores are rank A for all Group production sites and rank B or higher for all suppliers. Even if overall assessment results meet the targets, Konica Minolta asks suppliers to make voluntary improvements in specific components that showed weakness, including labor (human rights).

All KMI product suppliers are required to enroll in the RBA platform for supplier engagement, with completion and review of the Self- Assessment Questionnaire on a three-yearly cycle.

KMI supports and respects the following internationally accepted standards:

- Universal Declaration of Human Rights
- United Nations Guiding Principles on Business and Human Rights
- The International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work
- OECD Guidelines for Multinational Enterprises
- United Nations Global Compact
- ISO 26000

KMI's Procurement Policy

The Konica Minolta Group pursues customer satisfaction by creating innovative products and services that contribute to the development of society, according to our management philosophy, "The Creation of New Value." In procurement activities, firm partnerships are established with suppliers based on fairness and transparency, and with an aim to build a sustainable society by fulfilling social responsibilities with suppliers.

1. OPEN
We will build transparent and reliable relationships with our suppliers and manage procurement in an open manner, while sharing objectives from a long-term and global perspective.
2. FAIR
We will carry out transactions under the principle of free competition with rational evaluation criteria, and seek mutual benefit with suppliers.
3. GLOBAL
We will have a global outlook and carry out procurement in the regions that best suit our operational needs.
4. COMPLIANCE
We will comply with all relevant laws and regulations, corporate ethics, and internal policies and regulations.
5. ECOLOGY
We will contribute to the international society and local communities by striving to take the lead in environmental protection, while reducing the impact of our operations on ecosystems.

Regular engagement occurs between Konica Minolta Australia and KMI on sustainability and ethical sourcing, with knowledge and information sharing.



Speaking on Modern Slavery at Konica Minolta's Global Conference

During the reporting period, our Managing Director, Dr David Cooke, was invited as a special guest to deliver a presentation on human rights and global supply chains at our Global Transform Awards at the company's headquarters, which presentation was disseminated to the entire KMI global workforce of over 43,000 employees.

[You can watch the video here.](#)

ASSESSING THE EFFECTIVENESS OF OUR ETHICAL SOURCING PROGRAM

At the heart of how we assess the effectiveness of our actions is a constant focus on the purpose of the legislation and our program of action, which is to build, implement and manage a program of continuous improvement which delivers on Konica Minolta Australia's commitment to ethical sourcing and protecting human rights in its operations and supply chains and combatting modern slavery and to contribute to Konica Minolta Australia's reputation as a thought leader and advocate in this field.

As a business which supplies goods and services to other businesses, we are both at the top of our own supply chain, as well as forming a part of other businesses' supply chains. As a result, Konica Minolta Australia regularly reports to its customers and provides comprehensive information about its policies and processes as part of tender documentation and other compliance and reporting initiatives. Rather than seeing these requests as a compliance only process, we treat them as a learning opportunity, helping to guide our progress and identify areas for improvement.

Following the launch of our pilot supplier engagement process, we conducted a review of its effectiveness in conjunction with our external provider, making adjustments to ensure a more seamless and effective process for future rounds of supplier engagement.

From a governance perspective, our Modern Slavery Working Group, which meets quarterly will enable monitoring and evaluation of our Ethical Sourcing Program, enable oversight and drive implementation and collaboration across the business by:

- Facilitating roll out and implementation and considering matters referred to it arising from the Modern Slavery and Ethical Sourcing Policy, the Ethical Sourcing Guidelines for Employees, the Supplier Code of Conduct, and other matters as relevant to the Program.
- Driving awareness of and engagement with our policies, processes and practices to address Modern Slavery in line with Ethical Sourcing Program strategy and objectives
- Making recommendations for process or policy changes to support the Program strategy and objectives

A key part of our ethical sourcing program is to raise awareness and understanding of modern slavery and of our commitment to supporting and promoting human rights in our business and supply chain.

During the reporting period, we conducted two surveys of key stakeholders, including our employees, key customers and suppliers, and well as civil society stakeholders, to help inform our strategy and priorities for the next period. These surveys were conducted in

conjunction with Macquarie University, as part of research projects through the Macquarie Business School, CSR unit.

- Key findings from the first research project which concluded in June 2019 were that there is a high level of congruence between corporate values and employees' personal values with respect to corporate social responsibility, as well as awareness of the company's commitments to human rights and action to address modern slavery, with 100% of employees that responded to the survey agreeing with the company's direction to prioritise human rights and ethical sourcing as a cross-functional and key social issue to address as part of the CSR strategy. However, 7 out of 11 people were concerned about how the company can ensure a high standard of ethical sourcing among all the suppliers and eventually end modern slavery, including in the sourcing countries, demonstrating a very high level of engagement from employees with our program of work and a desire to be more directly engaged in the program.
- The results of the second project, which formed part of our materiality analysis in preparation for our new CSR Strategy, confirmed the findings of the earlier project, in that our employees consider human rights and modern slavery to be key material issues for the business for the future, that must form part of our future direction.
- Our CSR Strategy: Pathways to Sustainability and Shared Value 2020 sets out 5 pathways, including our work on 'Human Rights and Ethical Sourcing'. As we take stock of past achievements and prepare our next CSR Strategy, evaluation and planning will include our current and future plans with respect to Ethical Sourcing and human rights within our supply chains.

We plan to conduct a review of our program using the KPMG Modern Slavery Benchmarking tool in the next reporting period, which will further inform our priorities and program of activities.

Future Action at Konica Minolta

Our current priorities at Konica Minolta are;

- Embedding Ethical Sourcing in our Business Processes including through the development and roll-out of Ethical Sourcing Guidelines for Employees
- Vendor terms and conditions project to embed ethical sourcing for all new vendors
- Dissemination of our Supplier Code of Conduct and direct supplier engagement with certain high priority suppliers (stock and cleaning)
- Ongoing human rights due diligence and risk assessments with a particular focus on the changing landscape due to COVID-19
- Establishment of our Modern Slavery Working Group
- Obtaining greater visibility of the risks of modern slavery in our supply chains beyond tier one
- Establishing our Modern Slavery Act reporting framework to benchmark our Program against international best practice and drive continuous improvement
- Continued thought leadership to drive meaningful supplier engagement and best practice

OUR ON-GOING COMMITMENT TO ENDING MODERN SLAVERY AND SUPPORTING VICTIMS

We are committed to working with our suppliers and other stakeholders to ensure we have a positive social impact on those within our sphere of influence and have for many years both in Australia, and globally been working to protect and support human rights within our business, supply chain and community.

In recognition that this complex issue requires on-going commitment, time and resources Konica Minolta created the role of Ethical Sourcing Manager in 2015 and the Senior Executive role of Chief Communications and Sustainability Manager in 2019.

Below is a timeline of some of our other commitments and achievements to date.

April to November 2019: Konica Minolta participated in consultation and briefing sessions with the NSW Interim Anti-Slavery Commissioner on the implementation of the NSW Modern Slavery Act 2018 and made a written submission to the NSW Legislative Council Standing Committee on Social Issues into the 'Inquiry into the Modern Slavery Act 2018 and Associated Matters'.

December 14, 2018: Konica Minolta received the 2018 Human Rights Award for Business from the Australian Rights Commission for leadership in promoting and supporting human rights in our business and supply chain.

November 2017: Konica Minolta received an Anti-Slavery Australia Freedom Award in recognition of its commitment to helping combat exploitation through corporate social responsibility (CSR) and ethical sourcing.

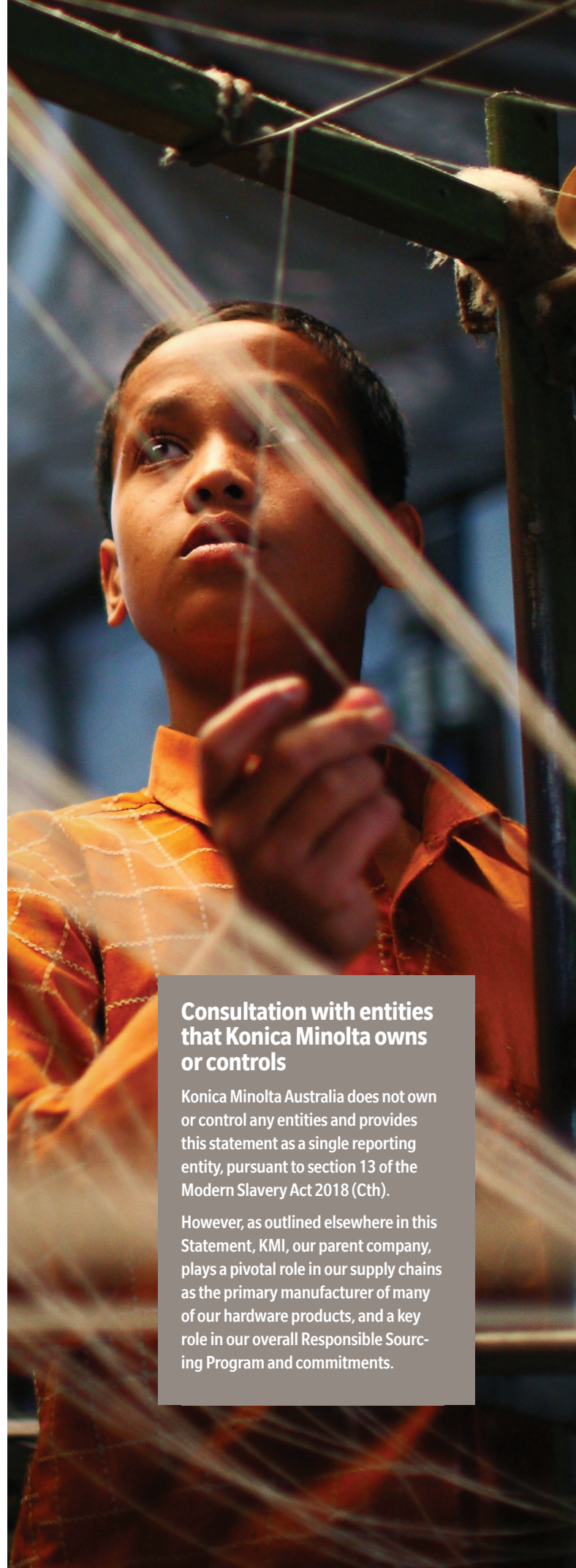
April 2017: Konica Minolta provided a Submission to the Australian Government enquiry into Establishing a Modern Slavery Act in Australia, and presented at a public hearing in Canberra.

December 2016: We released our Human Rights Position Statement, drawing together Konica Minolta's approach to human rights: diversity and inclusion; ethical sourcing; and strong partnerships with human rights organisations.

August 2016: Konica Minolta Australia created a Supplier Code of Conduct for our operations.

April 2016: We released our Ethical Sourcing Roadmap which describes the measures we're taking locally to ensure that slavery or inequitable employment practices play no part in our business operations.

February 2016: Konica Minolta Australia became the first technology company to join the United Nations Global Compact Network Australia and is an active member on issues of human rights in supply chains and the Sustainable Development Goals (SDGs)



Consultation with entities that Konica Minolta owns or controls

Konica Minolta Australia does not own or control any entities and provides this statement as a single reporting entity, pursuant to section 13 of the Modern Slavery Act 2018 (Cth).

However, as outlined elsewhere in this Statement, KMI, our parent company, plays a pivotal role in our supply chains as the primary manufacturer of many of our hardware products, and a key role in our overall Responsible Sourcing Program and commitments.



Providing support for victims and survivors of Sexual Exploitation & Slavery

As part of our broader commitment to human rights as part of our Corporate Social Responsibility strategy, Konica Minolta supports a female/survivor led NGO, AFESIP, on the ground in Cambodia through our charity partner Project Futures. AFESIP assists women and girls who are victims of sex slavery and human trafficking and of other forms of sexual and gender based violence. In providing this support, we recognize the overwhelmingly gendered nature of sexual exploitation and our capacity as a business not only to contribute financially but also to provide technical assistance and capacity building as appropriate and to leverage our position, influence and networks to have a positive and lasting social impact.

For the past three years, we have run a 'Corporate Immersion Tour' to Cambodia in conjunction with the civil society organisations that we support, as a mechanism to raise awareness and provide further support for their work through fundraising. The trip is designed in such a way as to also support social enterprises which provide skills training and employment opportunities to young people at risk or who have survived abuse or exploitation. In addition, we stay in hotels that support these messages of non-exploitation, and dine at social enterprise cafes supporting victims of exploitation, connecting our commitment to improving the lives of women and girls with the financial impact we can have through our corporate expenditure.

In the reporting period, we piloted a unique approach, inviting one of our key suppliers, Air Road Express, who are also key supporters of Project Futures, to join us on our Immersion Tour. A small group of employees from both Konica Minolta Australia and our supplier travelled to Cambodia together and undertook this immersion.

To mark the World Day Against Trafficking in Persons in 2019, Konica Minolta Australia was proud to support the launch in Australia of 'The Dead Eye and the Deep Blue Sea', a graphic memoir and novel by Mr Vannak Anan Prum, which tells the story of his three-year ordeal as a victim of modern slavery in the Thai fishing industry and subsequently on a palm oil plantation in Malaysia. The reception and book launch, for which Mr Prum was personally present in Sydney, was the culmination of a two day event hosted by the Sydney Catholic Archdiocese' Anti-Slavery Taskforce, bringing together many entities from schools to universities and aged care facilities, to learn about the Modern Slavery Act and efforts to address Modern Slavery in global supply chains. Our Managing Director also spoke at the opening night at the Melbourne Film Festival of the film Buoyancy which depicts the life of a young Cambodian man trafficked into the Thai Fishing Industry.

Following the imposition of social distancing restrictions in Australia in March 2020, one of our tier 2 community partners, The Freedom Hub, a café and events space and social enterprise which supports survivors of modern slavery in Australia, reached out to its supporters seeking help. We were able to make a modest financial contribution in emergency funding to support their continued operations when virtually all their income sources were turned off overnight, enabling them to continue to provide support for some of the most vulnerable people in our community.

Collaboration is critical to the success of the aims of the Modern Slavery Act, both across and within industries and across sectors, including government, civil society and business. As part of our commitment to advocacy and collaborative action to end modern slavery, Konica Minolta Australia has participated in and regularly engages in academic discourse to contribute to a shared understanding of best practice in implementing actions to address modern slavery in supply chains.



This Modern Slavery Statement 2020 was approved by the Board of Directors of Konica Minolta Business Solutions Australia Pty Ltd, its responsible governing body on 16 September 2020, in accordance with the requirements of the Modern Slavery Act 2018 (Cth).

Signed

A handwritten signature in black ink, appearing to read 'D Cooke'.

Dr David Cooke
Chair and Managing Director
Konica Minolta Business Solutions Australia Pty Ltd

Board of Directors

David Cooke Chair
Gabrielle Stevens
Yoshi Narita
David Procter
Yuji Nakata

Members of the Senior Executive Team

David Cooke Managing Director
Yohei Konaka incoming Managing Director
Alan Kiloh Chief Financial Officer
Gabrielle Stevens Chief People Officer
Yoshi Narita Chief Strategic Planning Officer
David Procter Chief Operating Officer
Shane Blandford Chief Marketing Officer
Meredith Roach Chief Communications and Sustainability Officer