



KONICA MINOLTA

KONICA MINOLTA AUSTRALIA

MODERN SLAVERY STATEMENT 2022

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 fiscal year ending 31 March 2022 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) in relation to Konica Minolta Business Solutions Australia Pty Ltd and its wholly owned subsidiary Konica Minolta Business Solutions New Zealand Limited.

Konica Minolta Business Solutions Australia has advocated for the eradication of all forms of Modern Slavery. The company 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. 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.



“As a company that conducts business globally, we can influence respect and protection of human rights through our supply chain.”

Konica Minolta globally is committed to contributing to a more sustainable world. At the same time, we recognise that many are working in deplorable conditions,

working for little or no remuneration, under threat of violence or without basic human rights, and now with COVID-19 face even more significant risks. Walk Free Foundation’s 2018 Global Slavery Index estimated that G20 member nations, which accounted for 80 percent of the world’s Gross Domestic Product, collectively imported \$354 billion worth of products in categories at risk of modern slavery. The categories include laptops, computers and mobile phones, apparel and accessories, fish, cocoa and timber. These are products many people in Australia and around the globe buy or consume each day.

Konica Minolta believes that by treating people fairly, with dignity and respect and supporting them to achieve their purpose, we can realise a more sustainable society free from modern slavery. We are doing this by taking steps to ensure human rights are respected throughout our supply chain and our operations. We view our suppliers as indispensable to the success of our business and our goal of realising a sustainable society. Therefore, we work with suppliers from raw materials to those we contract for production and distribution services undertaking human rights assessments and promoting improvements in labour conditions, ethics, health, safety, and protection of the environment.

In Australia, we have taken steps to eliminate all forms of discrimination and harassment, protect the privacy of our clients and our people, respect diversity, and promote and inclusion. We also continue to implement human rights due diligence mechanisms to identify modern slavery risks and develop remediation strategies, provide training and education, and continue to collaborate with and seek advice from experts to help improve the effectiveness of our efforts.

Modern slavery is a complex issue that requires a genuine commitment and a coordinated response from businesses, government, and society to solve. The Modern Slavery Act 2018 (Cth) brings greater awareness and responsibility to Australian companies to actively investigate their operations and supply chains, which we hope will lead to much-needed change and improve working conditions for many.

By delivering on the commitments we have made in this Modern Slavery Statement and pursuing year on year improvements, we hope to drive more responsible business practices and protect people’s rights to be treated fairly, with dignity and respect.

Yohei Konaka, Chair and 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 2022 the annual turnover of the Company was AUD\$199million.

Our structure, operations, and supply chain

Konica Minolta Australia's headquarters is in the Macquarie Park Business District in Sydney, NSW. We have a total of 7 offices in Australia, with two in Sydney, and one each in Melbourne, Brisbane, Canberra, Adelaide, and Perth with 500 employees, and in 2021 commenced operations by opening a branch in Auckland, New Zealand.

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, Kiribati Islands, Papua New Guinea, Samoa, Solomon Islands, New Caledonia and Vanuatu.

Our operations are mainly in Australia, but have outsourced 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 do not sell** – brand-affiliated merchandise, uniforms



Our parent company, KMI, manufactures most of the products we sell with factories in China and Malaysia. In addition, we sell other third-party products, including wide-format printing, 3D printing and robotic devices and associated accessories, manufactured in the USA, Denmark, Japan, Malaysia, China, and Hong Kong.

Additionally, Konica Minolta Australia partners with several 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 recognise the hidden nature of risk regarding labour exploitation and the existing risks of outsourcing labour globally, particularly concerning geography and local contexts. Accordingly, we are develop guidelines for meaningful regular supplier engagement by procurement contract managers with our key software solutions partners and other stock suppliers 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 39,000 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, Information Sheets published by Australian Border Force, the Business and Human Rights Resource Centre as well as guidance from the Responsible Business Alliance, Sedex and FRDM, 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 fuelling 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.

Due to significant concerns around the Uyghur community in China's Xinjiang region being in forced labour camps, we confirmed with our primary supplier that no factories were located in the Xinjiang region in China.

Ethical Sourcing in the COVID environment

Coronavirus (COVID-19) continues to have a significant impact on our operations and the rollout of some of our ethical sourcing program initiatives. Combined with staff changes, continued disruptions in the supply chain and the implementation of new finance systems we have altered the delivery timeframes and reassessed the effectiveness of projects designed to embed ethical sourcing practices into our business operations.

We have continued to draw from the Commonwealth Government's Guidance note on COVID-19 and joined webinars facilitated by the UN Global Compact or other expert groups, 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.

We accessed reports and updates about the monitoring of worker wellbeing and health and safety with respect to our offshore operations through published reports and updates.

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 set out Konica Minolta Australia's commitment and approach to the mainstreaming and implementation of human rights across our business and aligned activities with the Sustainable Development Goals as well as key internationally recognised 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, our 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 acting 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 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 seeks to work with domestic and international organisations that uphold the rights of victims of human trafficking and work to combat modern slavery. During the 2021-22 reporting period Konica Minolta Australia was:

- A member of the Responsible Business Alliance through our parent company KMI
- 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, we have grouped our efforts into the following workstreams:

- 1. Supply Chain Mapping and Spend Analysis**
- 2. Supplier Engagement**
- 3. Modern slavery Risk Assessment**
- 4. Employee Engagement and training**
- 5. Embedding Ethical Sourcing in our business processes**
- 6. Modern Slavery Act compliance and reporting**
- 7. 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. This has been and will continue to be an area of significant focus for the coming year as we work to improve how we gather accurate and more complete information about our direct and indirect suppliers for risk assessments.

2. Supplier Engagement

Konica Minolta engages directly and indirectly with our suppliers to identify and manage issues and risk and ensure adequate remedy. In 2021 we increased our engagement with our major supplier to understand the processes and systems in place to assess, verify and address modern slavery risks.

Other ways we have engaged with suppliers are through informal discussions 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.

- **Supplier Code of Conduct** – We have rolled out our updated Supplier Code of Conduct and are working on ways to encourage our suppliers to engage with the aims of the document.
- **Vendor Onboarding** We implemented a simplified new vendor onboarding process requiring all new suppliers to review and acknowledge our Supplier Code of Conduct. The new vendor onboarding system uses a software solution which integrates automation of accounts payable processes with ethical sourcing, social procurement, and Modern Slavery Act compliance.

Modern Slavery Contract Clauses and tender processes – Konica Minolta first introduced an Ethical Sourcing contract clause with a key supplier in 2018. We are reviewing the clause and will continue to roll this out with new suppliers and contracts upon renewal.

- 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 have an externally managed independent whistleblower hotline, which is available for use by suppliers and their employees. During the reporting period we reviewed the Whistleblower Policy and now feature it more prominently in the About Us - Legal and Compliance section of our newly designed website. We will incorporate details of the whistleblower hotline in the guidelines for meaningful regular supplier engagement by procurement contract managers to raise awareness amongst workers.

3. Modern slavery Risk Assessment

We conduct overall human rights due diligence risk assessments 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. Our assessment of risks is informed by information from a range of sources including stories covered in the media government sources, communications from charities and other modern slavery advocacy groups, as well as the work we have previously done with the SEDEX and FRDM platforms.

Konica Minolta had worked with the enterprise-grade risk SaaS platform FRDM in prior reporting periods. Through this work we identified the need to streamline and improve our data systems so that we could obtain greater visibility of the breadth of our supply chains and across various categories. We have focused on improving the quality of our data for this purpose.

Sedex is one of the world's leading ethical trade service providers, working to improve working conditions in global supply chains. Konica Minolta is a SEDEX supplier (B) member. Previous analysis of SAQ responses did not identify any high-risk areas, however what this demonstrates is that the risks of modern slavery tend to be 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 assess and manage risks with respect to modern slavery. 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 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.

As our primary supplier, we engage our parent company, to understand the steps they take to assess modern slavery or other human rights risks in the supply chain. The company has implemented a program to address any issues related to labor conditions (human rights), ethics, the environment, and health and safety in its supply chain. This program also includes assessment of third party factories or manufacturers of electronics products located in Malaysia and China. Key suppliers complete the Responsible Business Alliance self-assessment questionnaire and subject to the results may be asked to implement corrective actions if they do not meet the required standard. More information about this process is available on the Konica Minolta Group website under Konica Minolta's Supply Chain Management.

4. Employee Engagement and training

Modern Slavery training was made compulsory for all staff during this reporting period.

We regularly communicate with our employees in Australia and New Zealand about modern slavery and why Konica Minolta is committed to eradicating modern slavery. We do this through employee newsletters, regular program updates on a dedicated intranet site, or other internal events, as well as through engagement with category managers and staff, regarding process.

For example in October 2021 we promoted a fundraiser and awareness raising event hosted by the International Justice Mission (IJM) Australia which gave insight into the issue of bonded labour slavery and its impact on people across the Asia Pacific region.

It can be hard to understand how modern slavery is identified and treated in countries where it occurs So in March 2022 we invited IJM Australia CEO, Steve Baird, to speak to employees about how IJM identifies and addresses labour exploitation through the justice systems in the countries in which they operate.

Our training covers an introduction to modern slavery, Konica Minolta's Program and commitment, indicators of risk and expected actions. Training is compulsory for all staff as well as with category managers and in tailored sessions for the Modern Slavery Working Group.

In May 2021 we conducted an internal survey inviting staff to provide feedback about their knowledge about modern Slavery and to help identify training gaps. The majority of respondents felt they they knew about modern slavery and were confident enough to speak about it, however more bespoke training was needed targeting specific roles.

We have commenced developing a training module specific to the risks associated with the electronics industry.

5. Embedding Ethical Sourcing in our business processes

Embedding ethical sourcing is a company-wide and ongoing commitment, and as such, we are continuing to build our systems and procedures accordingly.

Modern Slavery Working Group—Meets quarterly to drive and embed ethical sourcing across our business, membership from key stakeholder groups across the business, encompassing the Senior Executive Team, information technology, legal, compliance and risk, sustainability and corporate social responsibility, marketing, finance, and operations, stock, and non-stock procurement, sales, and service delivery. The group meets every two months, 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.

Embedding Ethical Sourcing project—Over a period of 10 weeks, commencing during the 2020 reporting period and carrying into the 2021 reporting 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 formation of the cross-functional Modern Slavery Working Group (MSWG). Consideration of these recommendations continues to inform our work through the MSWG going forward.

During 2020 we launched an internal Ethical Sourcing learning hub, to share knowledge and best practice in relation to respecting and upholding human rights in the supply chain and understanding modern slavery risks. We share regular updates about the work we are doing to embed ethical sourcing in our business practices on this site and measure engagement with the content.

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). In 2021 the framework informed our efforts to achieve best practice and alignment with 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

We continue to refer to the framework to inform our reporting.

7. Advocacy: Driving collaboration and best practice

Konica Minolta collaborates with a broad stakeholder group to build industry engagement and standards. Through the 2021-22 reporting period this included our membership of:

- the UN Global Compact (UNGC) through our parent company
- 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 work of the International Justice Mission, and the Australia Human Rights Commission.

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.

In September 2021 Konica Minolta, Inc. formulated the *Konica Minolta Group Human Rights Policy* in line with the United Nations Guiding Principles on Business and Human Rights. The Policy promotes a common understanding and respect for human rights across the business activities of its group of companies and to those along its supply chain and is built into the Management System for Human Rights at the company.

The Management System contains the Group Human Rights Policy, Human Rights due diligence (i. identifying and assessing adverse human rights impacts, ii. integrating and acting upon the findings, iii. information disclosure, iv. tracking responses), Stakeholder engagement, and a remedy-grievance mechanism.

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 consecutively since 2009.

KMI aims to help build a more sustainable world, where all human rights are respected. Toward that end, the Group works at responsible procurement in the supply chain (called CSR procurement), to facilitate appropriate improvements in labour (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 RBA (formerly known as the EICC). Supplier assessment targets are set and reported publicly on the company's website under the Responsible Supply Chain pillar.

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 labour (human rights).

All KMI product suppliers are required to enrol 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 Guidance on Social Responsibility

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 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.

In line with the company's commitment to working with suppliers, the Konica Minolta Group asks suppliers to focus on the following areas in order to increase customer satisfaction and fulfill social responsibilities.

1. Excellent quality

Ensuring the safety of products and services, including compliance with the safety standards of each country and region, and improving quality to meet the demands of customers

2. Reasonable prices

Pursuing prices with market competitiveness

3. Response to changes in demand

Developing a stable supply system that can respond flexibly to changes in demand

4. Compliance with laws, regulations, and corporate ethics

Complying with all laws and regulations of each country and region, and with corporate ethics

5. Environmental protection

Undertaking environmentally conscious business activities and material procurement

6. Respect for the human rights of workers

Respecting basic human rights, including the prohibition of child labor, forced labor, and discrimination based on ethnicity, gender, and any other grounds

7. Health and safety

Providing safe and clean work environments

8. Information security

Continuously improving information security

9. Firm management foundation

Building a firm management foundation to ensure a continuous and stable supply of materials

Konica Minolta Australia engage with Konica Minolta Group personnel about sustainability and ethical sourcing matters, sharing knowledge and information.

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. We aim 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. To combat modern slavery we review of the effectiveness of our program through:

Engaging with customers

As a business that supplies goods and services to other businesses, we are both at the top of our supply chain and form a part of other businesses' supply chains. As a result, Konica Minolta Australia regularly reports to its customers. It provides comprehensive information about its policies and processes as part of tender documentation and other compliance and reporting initiatives and customer meetings. 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.

Supplier information and risk profiles

Properly assessing modern slavery or labour exploitation risks in supply chains requires year on year improvement in the accuracy and transparency of our supply chain mapping. Following on from work undertaken with previously engaged supplier risk assessment platforms, we have undertaken an in-depth review of the information about our suppliers and identified several opportunities to improve accuracy and tracking.

External assessments of effectiveness

Following the launch of our pilot supplier engagement process, we reviewed its effectiveness in conjunction with our external provider, adjusting to ensure a more seamless and effective approach for future rounds of supplier engagement. We continue to use the recommendations of the review to inform our activities and have commenced developing guidelines to help regular conversations and engagement with suppliers.

We also review progress in each of our Modern Slavery workstreams against the KPMG Modern Slavery Benchmarking tool and a review of our Reporting Framework conducted in previous reporting periods.

From a governance perspective, our Modern Slavery Working Group, which meets every two months, monitors and evaluates our Ethical Sourcing Program. The working group is made up of personnel from across the business thus enabling oversight and collaboration across the business by:

- Facilitating rollout and implementation and considering matters arising from the Modern Slavery and Ethical Sourcing Policy, the Supplier Code of Conduct, and other matters 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 our commitment to supporting and promoting human rights in our business and supply chain. A survey of employees conducted in May 2021 found that the majority of respondents felt they knew about modern slavery and were confident enough to speak about it, however more bespoke training was needed targeting specific roles. Modern slavery training is compulsory for all staff.

Future Action at Konica Minolta

Our current priorities at Konica Minolta are:

- Continue to embed ethical sourcing in our business processes through annual review and deployment of the Modern Slavery and Ethical Sourcing Policy.
- Obtain greater visibility of the risks of modern slavery in our supply chains beyond tier one through targeted rollout of our revised Supplier Assessment Questionnaire.
- Develop guidelines for procurement contract managers to engage in regular, meaningful supplier meetings about human rights.
- Embed supply chain labour rights as a business as usual consideration in the Corporate Risk Assessment framework and as a standing item in quarterly Compliance and Risk Committee Meetings.
- Deepen our engagement with Konica Minolta Group subsidiaries across the world that share parts of our supply chain.
- Review vendor terms and conditions project designed to embed ethical sourcing for all new contracted vendors.
- Continue to disseminate our Supplier Code of Conduct and engage directly with certain high priority suppliers (stock and overseas call centre).
- Ongoing human rights due diligence and risk assessments with a focus on the changing landscape due to supply challenges and COVID-19.
- Utilise the Modern Slavery Working Group to develop and embed ethical sourcing in our business operations.
- Continue to adopt the recommendations of the review of our Modern Slavery Act reporting framework and the KPMG Modern Slavery Benchmarking tool to benchmark our Program against international best practice and drive continuous improvement.

OUR ONGOING 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. We have for many years both in Australia and globally been working to protect and support human rights within our business, supply chain and community.

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

March 2022: Konica Minolta invited International Justice Mission Australia CEO, Steve Baird, to speak to employees about what his organisation is doing on the ground to address Modern Slavery.

August 2021: Konica Minolta hosted a webinar which coincided with the release of the Human Rights Commission's *Human Rights and Technology Final Report*. Edward Santow, Human Rights Commissioner, and Aurelie Jacquet, Chair of Standards Australia Committee on AI, unpacked Australia's national strategy for responsible innovation and discussed how algorithmic bias in artificial intelligence (AI) can result in unfairness in decision making and impact human rights.

2020: Australian Universities Procurement Network Workshop - Konica Minolta participated in a workshop with members of the AUPN recognised that universities in its procurement network had to collaborate to respond to Modern Slavery.

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 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 are 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 (SDG)

Consultation with entities that Konica Minolta owns or controls

In February 2021, Konica Minolta Australia commenced operations in New Zealand. The Managing Director of Konica Minolta Business Solutions New Zealand is on the Leadership Team and meets weekly with the Team. Consultation with the New Zealand business occurs during this forum and through the MSWG, and during the 2022 reporting period, through bespoke presentations.

Konica Minolta Australia does not own or control any other 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 through our Corporate Social Responsibility strategy, Konica Minolta matches staff workplace giving donations to a female/ survivor-led NGO, AFESIP, on the ground in Cambodia through the charity Project Futures Limited. AFESIP assists women and girls who are victims of sex slavery, human trafficking, and other forms of sexual and gender-based violence.

In providing this support, we recognise 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. To leverage our position, influence, and networks to have a positive and lasting social impact.

Konica Minolta invited International Justice Mission (IJM) Australia CEO, Steve Baird, to speak to employees about how IJM identifies and addresses labour exploitation through the justice systems in the countries in which they operate. The event was promoted to staff and donations made to IJM through workplace giving were matched by the company.

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 has taken part in discussions with suppliers, customers and others to contribute to a shared understanding of best practice in implementing actions to address modern slavery in supply chains.

The Board of Directors of Konica Minolta Business Solutions Australia Pty Ltd, its responsible governing body, approved this Modern Slavery Statement 2022 on 30 September 2022, in accordance with the requirements of the Modern Slavery Act 2018 (Cth).

Signed



Mr Yohei Konaka

Chair and Managing Director

Konica Minolta Business Solutions Australia Pty Ltd

Board of Directors

Yohei Konaka Chair

Gabrielle Stevens

David Procter

Yoshida Koji

Secretary of the Board

Richard Morton

Members of the Leadership Team

Yohei Konaka Managing Director

Eric Holtsmark Managing Director New Zealand

Richard Morton Group Financial Controller

Gabrielle Stevens Chief People & Culture Officer

Ted Garner Chief Strategy Officer

David Procter Chief Operating Officer

Mark Brown General Manager Marketing