

KONICA MINOLTA



BLUE
DIAMOND

FY2024 DIRECT PROGRAM BYLAWS

A unique and prestigious celebration of our success,
uniting the best of the best at captivating destinations worldwide
to honor exceptional performance and applaud groundbreaking sales achievements.

BLUE DIAMOND ATTAINMENT LEVEL CRITERIA

For Sales, Sales Management and other eligible positions, Blue Diamond qualifications are **based on achieving 100% of revenue quota** for all Business Units, unless otherwise noted.

All positions have a predetermined, maximum number of trip spots available and all eligible employees will be **stack-ranked** based on position.

The qualifying program period for Blue Diamond FY operates on a 12-month period from April 1, 2024 through March 31, 2025.

FY23 BLUE DIAMOND ATTAINMENT LEVEL CRITERIA	BLUE DIAMOND CRITERIA			CIRCLE OF EXCELLENCE CRITERIA			
	Blue Diamond Qualifiers	Min % to Quota	# of Qualifiers	Min % to Quota	Min % to Profit Quota	# of COE Qualifiers	
Direct Sales Positions							
Senior Account Executives	*Criteria 1: 100% Total Revenue Attainment *Criteria 2: Minimum 20% Solutions/MIT (combined) Revenue Attainment	100%	15	120%	N/A	5	
Named Account Executives		100%		120%	N/A		
Major Account Executives		100%		120%	N/A		
Named Account Executives - Commercial Print Specialists	*Criteria 1: 100% Total Revenue Attainment *Criteria 2 CPS: Minimum 5% PP/IP Solutions/MIT (combined) Revenue Attainment	100%		120%	N/A		
Senior Account Executives - Commercial Print Specialists		100%		120%	N/A		
Major Account Executives - Commercial Print Specialists		100%		120%	N/A		
Major Account Executives - Commercial Print Specialists - WF		Total Revenue		100%	120%		N/A
National Manager, Corporate Accounts		Total Revenue		100%	120%		N/A
Inside Sales Representatives	Total Revenue	100%		120%	N/A		
Intelligent Info Management Account Executives	Total Revenue	100%		120%	N/A		
Video Services and Solutions Sales Executives	Total Revenue	100%		120%	N/A		
IT Services Consultants	Total Revenue - IT Solutions/Managed IT	100%		120%	N/A		
Account Managers (IT Services)	Total Revenue - IT Solutions/Managed IT	100%		120%	N/A		
Senior Account Managers (IT Services)	Total Revenue - IT Solutions/Managed IT	100%		120%	N/A		
Procurement Sales Associates	Total Revenue - IT Procurement	100%		120%	N/A		
Sales Management Positions 1							
Director of Sales	Total Revenue	100%	3	110%	100%	1	
Market Manager, Production & Industrial Print Solutions	Total Revenue	100%		110%	100%		
Director, Business Development WF Printing	Total Revenue	100%		110%	100%		
National Manager, DX Initiatives	Total Revenue	100%		110%	100%		
Sales Management Positions 2							
Sales Managers	*Criteria 1: 100% Total Revenue Attainment *Criteria 2: Minimum 20% Solutions/MIT (combined) Revenue Attainment *NEW Criteria 3 (PP Sales Managers) : Minimum 5% PP/IP Solutions/MIT (combined) Revenue Attainment	100%	4	110%	100%	1	
Senior Sales Managers		100%		110%	100%		
Selling Manager		100%		110%	100%		
Senior Selling Manager		100%		110%	100%		
Services & Solutions Sales Executive Team Lead	Solutions / Solutions IT	100%		110%	100%		
Senior Sales Manager - IT Services	IT Solutions/Managed IT	100%		110%	100%		
Inside Sales & Procurement Manager	IT Procurement	100%		110%	100%		
Area Sales Manager	IT Solutions/Managed IT	100%		110%	100%		

	Blue Diamond Qualifiers	Min % to Quota	# of Qualifiers	Min % to Quota	Min % to Profit Quota	# of COE Qualifiers
Sales Management Positions 3						
Market Vice Presidents	Total Revenue	100%	1	110%	100%	1
Solutions Support Positions						
Services and Solutions Sales Executive	Solutions / Solutions IT	100%	2	120%	N/A	1
Production Print Positions 1						
Production Print Specialists	Prod. Print Revenue	100%	2	120%	N/A	1
Market Wide Format Specialists	Prod. Print Revenue	100%		120%	N/A	
Production Print Positions 2						
Industrial Print Solutions Analyst	Prod. Print Revenue	100%	1	120%	N/A	1
Production Solutions Consultant	Prod. Print Revenue	100%		120%	N/A	
Service Positions 1						
Regional Manager, Service	Core Metrics/Rev/Profit	100%	1	120%	N/A	1
Service Positions 2						
Branch Service Managers	Core Metrics/Rev/Profit	100%	1	120%	N/A	1
Specialized Service Managers	Core Metrics/Rev/Profit	100%		120%	N/A	
Total			30			11

***Refer to examples:**

Criteria #1 - 100% Total Revenue

Formula: $YTD\ Total\ Revenue\ Attainment\ (Hardware/Solutions/MIT) / YTD\ Annual\ Quota = YTD\ Total\ Revenue\ Quota\ \%$

Example: $\$60,000 / \$50,000 = 120\%$

Condition: if YTD Total Revenue Quota % is greater than 100%, criteria is met

Criteria #2 - Solutions / MIT goal

Sales Rep & Managers - 20% Solutions / MIT Goal

Formula: $YTD\ Solutions\ Revenue\ Attainment\ (Solutions/MIT) / (Annual\ Quota * 20\%) = YTD\ Total\ Solutions\ Revenue\ Quota\ \%$

Example: $\$10,000 / (\$50,000 * 20\%) = 100\%$

Condition: if YTD Total Solutions Revenue Quota % is greater than 100%, then criteria is met.

(NEW: Production Print Sales Managers) + Commercial Print Specialists — 5% Solutions / MIT Goal

Formula: $YTD\ Solutions\ Revenue\ Attainment\ (Only\ PP/IP\ Solutions/MIT) / (Annual\ Quota * 5\%) = YTD\ Total\ Solutions\ Revenue\ Quota\ \%$

Example: $\$2,500 / (\$50,000 * 5\%) = 100\%$

Condition: if YTD Total Solutions Revenue Quota % is greater than 100%, then criteria is met.

Additional information

Direct Sales Positions: Ranking by highest % of total Revenue to quota - with a minimum 20% Solutions/MIT (combined) Revenue Attainment.

Commercial Print Specialists: Ranking by highest % of total Revenue to quota - with a minimum 5% PP/IP Solutions/MIT (combined) Revenue Attainment

Sales Management Positions 1: Ranking by highest % of total Revenue to quota

Sales Management Positions 2: Ranking by highest % of total Revenue to quota with a minimum 20% Solutions/MIT (combined) Revenue Attainment

Sales Management Positions 3: Ranking by highest % of total Revenue

Solutions Support Positions: Ranking by highest - Solutions revenue % to quota

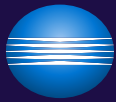
Production Print Positions 1: Ranking by highest Production Print total revenue

Production Print Positions 2: Ranking by highest Production Print total revenue

Service Positions 1: Ranking based on Core Metrics, Service Profit \$\$, Service Profit %, and Service Revenue, as per the compensation plan. The top SMS Revenue Achievement % to plan, will be the tie breaker. Minimum achievement is 94% of the core metrics criteria for any qualifier.

Service Positions 2: Ranking based on Core Metrics, Service Profit %, and Service Revenue, as per the compensation plan. The top SMS Revenue Achievement % to plan, will be the tie breaker. Minimum achievement is 94% of the core metrics criteria for any qualifier.

Note: COE Qualifiers and Rookie of the Year are inclusive of and not in addition to BD Qualifiers or Diamond Circle Qualifiers



KONICA MINOLTA

SPECIAL RECOGNITION AWARDS



DIAMOND CIRCLE INDUCTEE AWARD

The Konica Minolta Diamond Circle Inductee Award comprises an exclusive group of individuals who have **achieved Konica Minolta Blue Diamond trip status for ten (10) years**, meeting assigned qualifying criteria and/or specific criteria set at the start of a fiscal year. Qualification for the Diamond Circle does not have to be achieved in ten (10) consecutive years.



CIRCLE OF EXCELLENCE

The Circle of Excellence Award will be granted to the **top performer per category** based on their overall cumulative performance. Awardees must align with Konica Minolta's organizational objectives and strategic goals. To qualify, personnel must have held their position for a minimum of 6 months. Circle of Excellence Award winners are required to meet all qualifying criteria for their respective positions.



ROOKIE OF THE YEAR

This award will be given to a (one) Sales Representative (SAE / NAE / MAE / Inside Sales Representative) hired after April 1, 2024, achieving the highest percentage across qualifying criteria categories among all Salespeople hired in the same period. To be eligible, the employee must have three years or less of industry experience, with no prior industry background. The award winner is inclusive of the allocated spots for this category.

DX AWARD

The DX Award is in recognition of the KM Team member who best embodies the spirit of innovation and progress at the heart of Konica Minolta's Digital Transformation (DX) strategy. At the core of this strategy is our commitment to maximizing our core business while creating new value for clients with our emerging digital solutions and services portfolio.

To be considered for this unique award, individuals must have had success selling across each of the following portfolio segments; core print hardware, IIM and ITS/MIT.

The winner of this year's inaugural award has demonstrated transformational results for both our clients and for Konica Minolta; achieving sales success across our technology, digital solutions, and services portfolio to help our clients to achieve an intelligent connected workplace. The winner of the DX Award must meet all qualifying criteria for their position.

MARKET OF THE YEAR

A special award will be presented to the outstanding Market based on overall best performance in both revenue achievement and profit achievement. This award reflects outstanding performance by the entire regional team.

BLUE DIAMOND BUSINESS CARDS

Those who attain Blue Diamond status are eligible to receive personalized Blue Diamond business cards, which proudly display the official Blue Diamond Logo. The business cards will be printed for the year following Blue Diamond attainment and every year thereafter that attainment into the club is achieved. If the subsequent Blue Diamond status is not achieved, the cards will no longer be available to the respective personnel.





BLUE DIAMOND GENERAL REQUIREMENTS AND QUALIFICATIONS

- ▶ Individual Blue Diamond quota calculations are based on the full 12-month period beginning April 1, 2024 and ending March 31, 2025. Attainment must be made with an uninterrupted period of service. If an employee terminates and is rehired, Blue Diamond attainment will not include revenue from the original term of employment.
- ▶ An employee needs to be at 100% of Quota to be eligible.
- ▶ Each Participant Group has a set number of trip spots. In order to use all the allocations, each employee must be over 100% and meet all the qualifications. If you do not have employees over 100% and meet all qualifications, then your allocations for that Participant Group will be forfeited.
- ▶ Ramp-up quotas which may be assigned are NOT considered when calculating Blue Diamond.
- ▶ Regardless of hire date, change in status or territory reassignments, Blue Diamond will always be based on a 12-month period budget.
- ▶ Personnel hired after April 1, 2024 can qualify for Blue Diamond providing that they meet the full year criteria assigned for their position.
- ▶ Despite achievement of initial qualification levels, any of the following scenarios may exclude a Konica Minolta Business Solutions employee from final qualification for the Blue Diamond trip:
 - Any type of disciplinary action taken against an employee, including but not limited to “Letter of Concern”, Probation, and Lack of Achievement, etc.
 - Any type of legal action, including but not limited to litigation, workers’ compensation, etc.
- ▶ When transferred into a new position title, the calculation of Blue Diamond quota will result in an uninterrupted accumulation of sales and quota. Blue Diamond YTD percentage of quota calculation will be figured on a prorated basis using the percentage of quota attainment of the original position title and new position title weighted to account for the time in each role. When this occurs, the individual must meet the minimum qualifications in both roles in order to qualify for Blue Diamond.
- ▶ If the criteria in both position titles are the same, blending will be used.
- ▶ If the criteria are not the same in both position titles, and the individual does not meet the minimum qualifications in both roles, an analysis will be performed based on the following rules:
 - Transfer April 1 – June 30: Qualify based on new role achievement for the full year
 - Transfer July 1 – December 31: Qualify based on evaluation for trip achievement if full year quota was not attained in either the new position title or the old position title.
 - Transfer January 1- March 31: Qualify based on original role achievement for the full year
- ▶ In order to qualify for COE, the Top **performer per category** of all qualified employees will be selected.
- ▶ No exceptions to the bylaws will be made.
- ▶ In case of any dispute or questions regarding attainment of Blue Diamond status, Circle of Excellence, Gauntlet Award, allowed guests or any other factor related to Blue Diamond, the decision of Senior Management is final.



BLUE DIAMOND TRIP GENERAL RULES & TRAVEL POLICIES

- ▶ All trip attendees, along with their guests (if applicable) are required to complete the “Blue Diamond Release and Waiver”.
- ▶ The Blue Diamond trip will be awarded to full-time Konica Minolta Business Solutions’ personnel who attain their individually assigned Blue Diamond criteria for FY 2024 as outlined within the Blue Diamond Bylaws and/or compensation plans.
- ▶ All qualifiers must be employed at Konica Minolta Business Solutions (Canada) Ltd. on the scheduled date of the Blue Diamond trip to attend.
- ▶ If an employee leaves employment with Konica Minolta Business Solutions (Canada) Ltd. and then returns to a qualifying Blue Diamond position and their prior time with the Company is bridged (under the company rehire and bridging policy), he or she will have any past awarded Blue Diamond trips count toward their total Blue Diamond years.
- ▶ If an employee qualifies for Blue Diamond but leaves employment with Konica Minolta Business Solutions (Canada) Ltd. prior to the date of the trip, they will not be considered a Blue Diamond trip qualifier for that trip and it will not count toward total Blue Diamond years in the event of a rehire.
- ▶ If unable to attend the Blue Diamond trip, no other form of compensation will be awarded to the qualifier.
- ▶ Those qualified are permitted to invite one (1) guest. The guest cannot be a current employee unless they are a spouse or legally recognized domestic partner of the Blue Diamond trip qualifier. The guest cannot be a person presently employed by a competitor in the business equipment industry, even if the guest is the spouse of the attendee. Guests must be at least 21 years of age or older on or before the first day of travel to the program.
- ▶ If a qualifier would like to bring a guest that is a former Konica Minolta employee, the qualifier must receive approval from Senior Management prior to registering for the trip and the approval must be thirty (30) days prior to the scheduled date of the trip. There will be no exceptions for former employees who were employed at any time during the fiscal year for which the Blue Diamond trip reward is earned unless the guest is a spouse of the trip qualifier.
- ▶ The guest cannot be a former employee (including a spouse) if personnel records indicate that person upon terminations/resignation was not subject to rehire without approval of Senior Management.
- ▶ The qualifier must reach the program destination before or at the same time as his or her guest. A guest cannot attend the Blue Diamond trip without a qualifier.
- ▶ Pre-extensions at the Blue Diamond trip location are not permitted.
- ▶ Post-extensions are permitted based on individual approval within a qualifier’s region. All expenses are the sole responsibility of the attendee extension, including but not limited to all accommodation fees, applicable taxes, food and beverage and transportation back to the airport following the extension.
- ▶ Based on the destination and airlift, some qualifiers may be considered “Forced Overnights” Forced overnight travelers are those travelers who are not able to arrive at the destination in one day, arriving in time for the first event, or a ship’s departure, etc. These qualifiers will be pre-determined based on air block by Travel Headquarters, and the list will be reviewed by Senior Management. Forced-overnight accommodations are at the discretion of the travel team and will be contracted at an airport hotel in the gateway city closest to the destination and not at the host program hotel. Hotel accommodations as well as meals will be paid in accordance with our travel policy.
- ▶ Attendees who choose to travel outside of group dates are responsible for any additional fees incurred for airline and airport transportation.
- ▶ If an airline ticket is issued to a Blue Diamond attendee, and that attendee then decides on another form of transportation to the trip venue, that person will be responsible for taxes associated with the non-refundable amount of the ticket.
- ▶ Rental Car expenses, unless deemed a part of the program, are not covered as a T&E expense and are not reimbursable.
- ▶ Once an air itinerary is approved through the registration website, all change fees are the responsibility of the traveler. This includes but is not limited to: guest name changes and travel date changes.
- ▶ The following items are personal expenses and are not reimbursable: luggage/baggage fees, mileage, tolls, parking, hair stylist, spa & manicures (if not a chosen activity at registration), personal bar tabs, meals and entertainment outside of those provided in the program, personal long-distance phone calls, room service and personal tips.
- ▶ Should a qualifier not be able to attend Blue Diamond due to a conflict over program dates, he or she must get pre-approval in writing from the President to attend only a portion of the program.



KONICA MINOLTA

FEDERAL TAX POLICY

In accordance with federal tax regulations (provincial as well), Konica Minolta Business Solutions is required to include the value of the sales incentive trips such as Blue Diamond and Circle of Excellence in an employee's taxable wages and to deduct the applicable withholding taxes. Because a portion of these trips are business related, only the value of the trip attributable to an employee's guest is considered to be fully taxable.

The Blue Diamond Program may be changed, updated or discontinued at any time at the discretion of Konica Minolta Business Solutions Management.

Konica Minolta Business Solutions reserves the right to modify any policy associated with the Blue Diamond Program.

Effective 04/01/24 – 03/31/25



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Effective 04/01/24 – 03/31/25