

FUJIFILM Holdings Corporation
SUSTAINABILITY REPORT 2022



**NEVER
STOP**

1. Overview

1.0 About <i>Sustainability Report</i>	4	1.2.3 CSR Management System	11
1.1 Fujifilm Group Organization Overview	6	1.2.4 Background of CSR Planning and Process for Identifying Priority Issues (Materiality)	11
1.1.1 Corporate Overview	6	1.2.5 SVP 2030 Major Targets and Results in FY2021	15
1.1.2 Financial Highlights	7	1.2.6 The CSR Plan of the Fujifilm Group Sustainable Value Plan 2030 (SVP 2030)	17
1.2 CSR Management	9	1.2.7 Communication with Stakeholders	19
1.2.1 Basic Approach	9	1.2.8 Member Organizations/Third-Party Initiatives	21
1.2.2 Philosophical Concepts and Related Policies of the Fujifilm Group	9		

2. Governance

2.1 Corporate Governance	22	2.3 Product Development Management (Quality Control and Innovation)	46
2.1.1 Basic Approach	22	2.3.1 Basic Approach	46
2.1.2 Corporate Governance and Governing Structure	22	2.3.2 Quality Policy and Management System	46
2.1.3 Independence of Outside Directors	23	2.3.3 Product Development Flow	47
2.1.4 Diversity among Directors	23	2.3.4 Product Safety	48
2.1.5 Effectiveness of Directors and Auditors	25	2.3.5 Initiatives for Open Innovation	49
2.1.6 The Evaluation of the Effectiveness of the Board of Directors	25	2.4 Customer Relationship Management	51
2.1.7 Executive Remuneration	26	2.4.1 Basic Approach for Customer Relationship	51
2.1.8 Tax Policy	29	2.4.2 Structure for Customer Relationship	51
2.2 Compliance and Risk Management	30	2.4.3 Efforts to Improve Customer Satisfaction	52
2.2.1 Basic Approach	30	2.5 Supply Chain Management	54
2.2.2 History of the Measures Implemented for Compliance and Risk Management	30	2.5.1 Basic Approach	54
2.2.3 Compliance and Risk Management Promotion Structure	31	2.5.2 Fujifilm Group Procurement Overview	54
2.2.4 Risk Management	31	2.5.3 Procurement Policy and Structure	55
2.2.5 Efforts to Promote Compliance	33	2.5.4 Structure of Sustainable Procurement Promotion	57
2.2.6 Achievements	35	2.5.5 Efforts to Improve Sustainability in the Supply Chain	58
2.2.7 Efforts for Each Theme Related to Laws and Regulations Particularly Important in Business Management	36	2.5.6 Environmental Efforts in the Supply Chain	60
2.2.8 Information Security	38	2.5.7 Efforts in Fujifilm Group Production Sites	61
2.2.9 Privacy Protection	41	2.5.8 Responsible Minerals Procurement	61
2.2.10 Preparations for Large Scale Natural Disasters	43	2.5.9 Efforts in Paper Procurement	63
		2.5.10 Sustainable Procurement Efforts in Logistics	63
		2.5.11 Collaboration with Initiatives in the Supply Chain Area	64

3. Environmental Aspects

3.1 Environmental Policy and Management System	65	3.1.7 Environmental Education for Employees	69
3.1.1 Basic Approach	65	3.1.8 Environmental Management in the Supply Chain	69
3.1.2 Environmental Management	65	3.2 Climate Change Strategy	70
3.1.3 EMS: Certification/Audit/Verification	67	3.2.1 Basic Approach	70
3.1.4 Risk Management by Environmental Due Diligence	67	3.2.2 Governance	70
3.1.5 Material Flow	68	3.2.3 Risk Management	70
3.1.6 Response to Environmental Laws and Regulations	69	3.2.4 Strategy	70
		3.2.5 Metrics and Targets	76

3.3 Activities Related to Climate Change	78	3.6 Management of Chemical Substances	94
3.3.1 Activity Overview	78	3.6.1 Basic Approach	94
3.3.2 Collaboration with Initiatives	78	3.6.2 Anticipatory Risk Management of Chemical Substances	94
3.3.3 Data Related to Climate Change Measures	80	3.6.3 Promoting Alternatives to Animal Testing	95
3.4 Promoting Resource Recycling	84	3.6.4 Contribute to Resolving Social Issues through Development of New Materials and Processes	95
3.4.1 Basic Approach	84	3.6.5 Contribution to Sound Chemical Management Across the Supply Chain	97
3.4.2 Reducing Waste and Using Resources Effectively	84	3.6.6 Fluorocarbons Emissions/Volatile Organic Compounds (VOC) Emissions	97
3.4.3 Effective Recycling of Used Products	85	3.6.7 Managing Hazardous Waste	98
3.4.4 Effective Use of Water Resources	87	3.6.8 Managing Pollutants	99
3.4.5 Response to Water Risks	89	3.7 Biodiversity Conservation	101
3.4.6 Working Together with Water-Related Stakeholders	90	3.7.1 Basic Approach	101
3.5 Product Stewardship (Design for Environment)	91	3.7.2 Risk Assessments of Our Business Activities	101
3.5.1 Basic Approach	91	3.7.3 Activities for Biodiversity	101
3.5.2 Design for Environment	91		
3.5.3 "Green Value Products" Certification Program	91		
3.5.4 Result of Design for Environment	92		
3.5.5 Disclosing Environment-Related Information for Products	93		

4. Social Aspects

4.1 Employee Overview	104	4.4 Employee Development, Talent Attraction and Engagement	120
4.1.1 Basic Approach	104	4.4.1 Basic Approach	120
4.1.2 Employee Basic Data	104	4.4.2 Structure for Human Resource Development	120
4.2 Diversity and Equal Opportunities for Employees	107	4.4.3 Results and Progress	122
4.2.1 Basic Approach	107	4.5 Human Rights	126
4.2.2 Management System	107	4.5.1 Basic Approach	126
4.2.3 Effort Results and Progress	107	4.5.2 Management System	126
4.2.4 Freedom of Association	110	4.5.3 Results for Measures Including Remedies and Corrective Actions	129
4.2.5 Standard Entry Level Wage	111	4.6 Corporate Citizenship	131
4.3 Health, Safety and Wellness of Employees	112	4.6.1 Basic Approach	131
4.3.1 Basic Approach	112	4.6.2 Major Examples of Social Contribution through Business Activities	132
4.3.2 Management System	113	4.6.3 Social Contribution Activities Continued by the Fujifilm Group	133
4.3.3 Occupational Safety	113	4.6.4 Results of Social Contribution (FY2021)	133
4.3.4 Employee Wellness	116	4.6.5 Efforts to Assess the Impact on Society and the Environment	135

5 Sustainability Accounting

5.1.1 Labor Environment and Social Benefit Accounting	138
5.1.2 Environmental Accounting	139

6 Independent Assurance Report

141

1.0 About Sustainability Report

FUJIFILM Holdings Sustainability Report 2022 introduces our basic approach, promotion systems and an overview & results for each of the activities that corporations are expected to engage with by society. To make it simple and easy to understand, it mainly shows the basic results from the ESG point of view, including Governance, Environmental Aspects and Social Aspects.

On the other hand, FUJIFILM Holdings identified our high priority issues (materiality) from various CSR issues related to our business and established the Fujifilm Group's CSR Plan, "Sustainable Value Plan 2030 (SVP 2030)." Now we are implementing the activities along with the Plan. Further information about our CSR Policies, CSR Plan, and CSR Activity Report is available on our website.

FUJIFILM Holdings Sustainability <https://holdings.fujifilm.com/en/sustainability>

• Period covered by the report

This report covers the same period as the *Yuka Shoken Hokokusho (Securities Report)*, including the performance data: Fiscal 2021 (April 1, 2021–March 31, 2022). With regards to the contents of activities, wherever possible, we have conveyed the most recent trends, including activities in fiscal 2022.

• Organizations covered by the report

The organizations covered in this report are the same as those covered in the *Yuka Shoken Hokokusho (Securities Report)*: The Fujifilm Group (FUJIFILM Holdings, and all consolidated companies).

Major consolidated companies are shown on our website. <https://holdings.fujifilm.com/en/about/affiliates>

• Date of publication

October 2022

Next report: July 2023

Previous report: July 2021 (*Management Performance*), September 2021 (*SVP Stories*)

* From 2022, the content of *Management Performance* will be published as the *Sustainability Report* once a year.

• Referenced guidelines

- Japan's Ministry of the Environment: *Environmental Reporting Guidelines (2018 Version)*
- GRI: *The GRI Sustainability Reporting Standards (Core option)*
- SASB: *Sustainability Accounting Standards Board (Hardware)*
- ISO 26000: *Social Responsibility*

- Supplemental information regarding reported matters

- The term “employees” refers to all employees, including managers, general employees, and part-time staff. The term “company employees” indicates employees (full-time staff). To further ensure the accuracy of the report, the terms “regular employees” and “non-regular employees” (temporary staff, part-time staff, others) have been used separately as required.

- Division responsible for publishing this report

ESG Division, FUJIFILM Holdings Corporation

1.1 Fujifilm Group Organization Overview

The Fujifilm Group, runs wide ranging businesses utilizing the technologies based on advanced silver halide photography. We are improving our fundamental technologies that are the base of our business and exclusive core technologies that differentiate us in terms of sustainable superiority. Combining those technologies, we are able to offer a diverse range of products and services.

To celebrate the 80th anniversary in 2014, we established our new corporate slogan, “Value from Innovation,” which seeks to continue creating new technologies, products and services that inspire and excite people everywhere, and empower the potential and expand the horizons of tomorrow’s business and lifestyle.

We continue to deliver new value through our business operations and technologies aiming to resolve social issues under the spirit of our corporate slogan: “Value from Innovation.”

1.1.1 Corporate Overview

Holding Company: FUJIFILM Holdings Corporation

Company name: FUJIFILM Holdings Corporation

Chairman, Representative Director and Board Chairman:

Kenji Sukeno

President, Representative Director and Chief Executive Officer:

Teiichi Goto

Head office: Tokyo Midtown, 9-7-3 Akasaka, Minato-ku, Tokyo 107-0052, Japan

Established: January 20, 1934

Capital: ¥40,363 million (as of March 31, 2022)

Consolidated company employees: 85,042 (as of March 31, 2022)

[Breakdown] Regular employees 75,474 (as of March 31, 2022), temporary staff 9,568 (average number in FY2022)

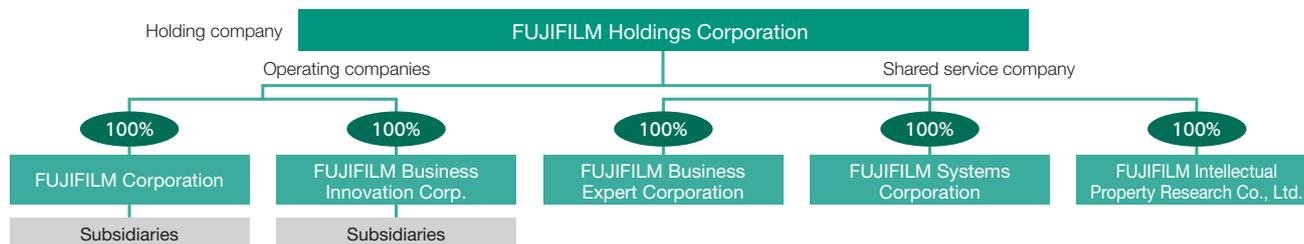
Consolidated subsidiaries: 280 (as of March 31, 2022)

Fujifilm Group Regular Employees by Region (Consolidated, FY2021)

(as of March 31, 2022)

			Japan	The Americas	Europe	Asia and others	Worldwide
Breakdown of regular employees by region (Worldwide: 75,474)	Managers (13,507)	Managers	48%	10%	9%	33%	100%
		% of male in total	22%	17%	18%	12%	18%
		% of female in total	94%	71%	66%	70%	84%
	Other (61,967)	Other	6%	29%	34%	30%	16%
		% of male in total	78%	83%	82%	88%	82%
		% of female in total	77%	65%	66%	55%	67%
			% of female in total	23%	35%	34%	45%

Fujifilm Group Organization Overview



For information about the consolidated subsidiaries of FUJIFILM Holdings Corporation, please visit:

<https://holdings.fujifilm.com/en/about/affiliates>

1.1.2 Financial Highlights

Consolidated Revenue/Consolidate Operating Income

Unit: 100 millions of yen

	FY2017	FY2018	FY2019	FY2020	FY2021
Consolidated revenue	24,334	24,315	23,151	21,925	25,258
Consolidate operating income	1,233	2,098	1,866	1,655	2,297

Proportion of Consolidated Revenue by Region (FY2021)

Japan	The Americas	Europe	Asia and others
39%	21%	13%	27%

Proportion of Consolidated Revenue/Consolidated Operating Income by Operating Segments

Unit: 100 millions of yen

	Consolidated Revenue				Consolidated Operating Income	
	FY2020		FY2021		FY2020	FY2021
	Amount	Proportion	Amount	Proportion		
Healthcare	5,794	26%	8,017	32%	564	1,005
Materials	5,662	26%	6,272	25%	513	684
Business Innovation	7,617	35%	7,635	30%	731	579
Imaging	2,852	13%	3,334	13%	156	370
Corporate Expenses & Eliminations	—	—	—	—	-309	-341
Total	21,925	100%	25,258	100%	1,655	2,297

Data by Operating Segments: <https://ir.fujifilm.com/en/investors/performance-and-finance/earnings-summary/segment1.html>

Healthcare: Proportion of Revenue by Business

	FY2020	FY2021
Medical systems	60%	66%
BIO CDMO	20%	19%
LS solutions	20%	15%

Materials: Proportion of Revenue by Business

	FY2020	FY2021
Graphic communication	47%	46%
Electronic materials	21%	24%
Display materials	17%	15%
Other advanced materials	15%	15%

Business Innovation: Proportion of Revenue by Business

	FY2020	FY2021
Office solutions	67%	66%
Business solutions	33%	34%

Imaging: Proportion of Revenue by Business

	FY2020	FY2021
Consumer imaging	65%	66%
Professional imaging	35%	34%

1.2 CSR Management

1.2.1 Basic Approach

The Fujifilm Group's business originated with photographic film, a product for which lots of clean water and fresh air are essential to the manufacturing process. It is also a product which requires customers to "buy on trust," since they cannot try it out beforehand. Thus, for the Fujifilm Group, an approach which emphasizes environmental conservation and maintaining the trust of stakeholders has been a major premise at the very foundations of our business activities. This approach is the starting point for our corporate social responsibility (CSR) activities and continues to be passed down within our Group, as the Fujifilm Group's "DNA."

1.2.2 Philosophical Concepts and Related Policies of the Fujifilm Group

Fujifilm Group established the Fujifilm Group Corporate Philosophy and Vision following the shift to a holding company structure in 2006. By providing top-quality products and services with open, fair and clear workplace culture and leading-edge, proprietary technologies, we aim to contribute to advancement of society, improved health, environment protection and enhancement of the quality of life of people. In order to put our Corporate Philosophy into practice and achieve our Vision, we have established the Fujifilm Group Charter for Corporate Behavior and the Fujifilm Group Code of Conduct and implement them thoroughly throughout the Group. To ensure awareness and implementation by all employees, we established the Fujifilm Group's Approach to CSR. We have set out our approach to CSR clearly to enable all employees of the Fujifilm Group to carry out their respective jobs with an awareness of CSR. We have also established various policies to implement our approach in concrete terms and ensure that it is applied comprehensively within the Group and for our relevant stakeholders. There are policies on the environment, social contribution, biodiversity, procurement, quality, occupational safety and health, global security trade control, AI and information security, and our Human Rights Statement is related to all these policies.

In recent years, importance of the healthcare business in the Fujifilm Group is increasing. In promoting the healthcare business, corporations are required not only to comply with laws and regulations, but also to conduct business operations fairly with higher ethics and transparency. The Fujifilm Group established the Fujifilm Group Global Healthcare Code of Conduct in July 2020 to meet social demands, and in addition to this Code of Conduct, the instructions of the relevant directors and employees in the healthcare business must be followed to ensure proper business activities.

We establish and regularly review these policies after deliberation by and approval of the ESG Committee chaired by the president of Fujifilm Holdings. Details of the activities of the Committee are reported to the Board of Directors.

The Fujifilm Group's Approach to CSR

The Fujifilm Group's approach to corporate social responsibility is to contribute to the sustainable development of society by putting our Corporate Philosophy into practice through sincere and fair business activities.

We will not only fulfill our economic and legal responsibilities, but also:

1. endeavor to understand global as well as local environmental and social issues and create value to address these issues through our business activities.
2. continue to evaluate the environmental and social impact of our business activities and strive to improve the performance while increasing our positive impact on society.
3. constantly reassess whether our activities are responding adequately to the demands and expectations of society through proactive stakeholder engagement with our stakeholders.
4. enhance corporate transparency by actively disclosing information.

Fujifilm Group Corporate Philosophy/Vision (full text)

<https://www.fujifilmholdings.com/en/about/philosophy/index.html>

Fujifilm Group Charter for Corporate Behavior (full text)

<https://www.fujifilmholdings.com/en/about/philosophy/conduct/index.html>

Fujifilm Group Code of Conduct (full text)

<https://www.fujifilmholdings.com/en/about/philosophy/law/index.html>

Fujifilm Group Global Healthcare Code of Conduct

<https://holdings.fujifilm.com/en/about/philosophy/global-healthcare>

Fujifilm Group Human Rights Statement

<https://holdings.fujifilm.com/en/sustainability/vision/policy/statement>



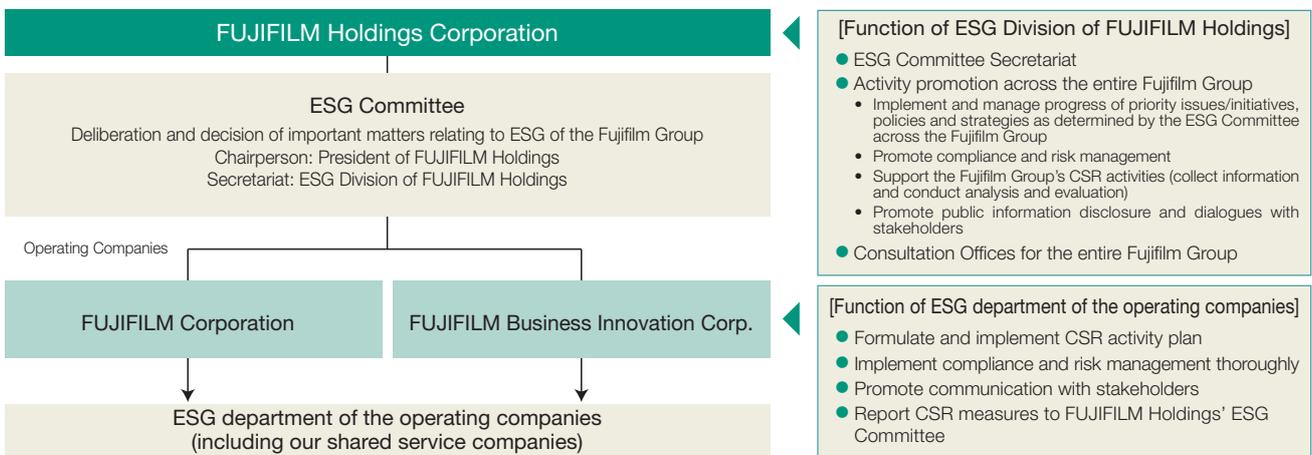
Names of Regulations and Policies	Time of Adoption/ Revision	
Green Policy (Environmental Policy)	Revised April 2019	https://holdings.fujifilm.com/en/sustainability/vision/policy/green
Social Contribution Policy	Revised April 2019	https://holdings.fujifilm.com/en/sustainability/vision/policy/society
Guidelines for Biodiversity	Revised April 2019	https://holdings.fujifilm.com/en/sustainability/vision/policy/biodiversity
Procurement Policy	Revised April 2020	https://holdings.fujifilm.com/en/sustainability/vision/policy/procurement
Quality Policy	Revised April 2019	https://holdings.fujifilm.com/en/sustainability/vision/policy/quality
Occupational Safety and Health Policy	Revised April 2019	https://holdings.fujifilm.com/en/sustainability/vision/policy/health-safety
Global Security Trade Control Policy	Adopted May 2015	https://holdings.fujifilm.com/en/sustainability/vision/policy/control
AI Policy	Adopted December 2020	https://holdings.fujifilm.com/en/sustainability/vision/policy/ai
Information Security Policy	Revised April 2021	https://holdings.fujifilm.com/en/sustainability/vision/policy/security

1.2.3 CSR Management System

1. The Fujifilm Group’s CSR promotion system

In response to the global movement in recent years to evaluate sustainability in business management from the three non-financial perspectives of the environment (E), society (S) and governance (G), we reorganized our ESG Division directly under the President in 2019 to accelerate groupwide initiatives in coordination with other corporate divisions.

The ESG Committee headed by the president of Fujifilm Holdings makes decisions on important issues in the Group’s CSR activities. Details of our activities are reported by the Committee to the Board of Directors. As the Secretariat of the ESG Committee, the ESG Division of Fujifilm Holdings incorporates the ESG perspective into the core of Fujifilm Group management and promotes its dissemination within the Group. The Division reviews and proposes important groupwide issues, communicates the results of our activities externally, communicates with stakeholders, supports the CSR activities of Group companies, manages progress and operates the whistle-blowing offices.



2. Effective management system

In 2007, the year after the group was reorganized under FUJIFILM Holdings, the Fujifilm Group formulated its medium-term CSR plans and medium-term management plans. Every year since then, we disclose the progress for that year in our Sustainability Reports. We have been conducting regular reviews by gathering opinions and suggestions through communication with stakeholders both within the Group and outside, including at shareholder meetings, interviews with investors and dialogues on environmental issues. At the same time, we conduct comprehensive assessments every three years to develop a new CSR plan. The developed, reviewed and revised plan is then submitted for approval to the ESG Committee headed by the president of Fujifilm Holdings and the result is reported to the Board of Directors by the Committee. The CSR plan is implemented by our operating companies under the initiative of the ESG Division of Fujifilm Holdings, which serves as the Committee’s Secretariat.

The world faces innumerable social issues that include climate change, requiring urgent action by all humankind. However, a longer-term perspective is vital in their resolution. For this reason, we decided to develop a CSR plan every three years and announced our Sustainable Value Plan 2030 (SVP 2030) in 2017. Although SVP 2030 sets its long-term targets for the year 2030, it undergoes comprehensive assessment and review every three years alongside our medium-term management plans, which are developed on the same timetable. We conduct reviews when required, to match changes in social conditions and to address major changes in the direction of our business.

(Please refer to 1.2.7 *Communication with Stakeholders* for the activities for which we have feedbacks from inside and outside the Group. Please also refer to 3.1.2 *Environmental Management* for our environmental management system.)

1.2.4 Background of CSR Planning and Process for Identifying Priority Issues (Materiality)

1. Social background and basic approach

In face of the uncertainties in our global society in recent years and the obstacles they pose in predicting the future, expectations are growing for business corporations to act as players in resolving social issues and creating a sustainable society. In our Sustainable Value Plan 2030 (SVP 2030), we have analyzed priority issues (materiality) from the perspectives of social and environmental issues to be resolved by 2030 and business growth in the Fujifilm Group. SVP 2030 has set as its long-term goal for fiscal 2030 to contribute to achieving the goals for resolving global social issues set by SDGs, the Paris Agreement, etc.

The long-term targets for fiscal 2030 set out in SVP 2030 were set as part of the drive from two perspectives; an “inside-

out” perspective, starting from existing business activities and an “outside-in” perspective, originating from social issues and examining what our products and services should be. SVP 2030 reaches beyond the Fujifilm Group’s products and services (i.e., output*1), exploring what products and services are necessary and what technologies are needed for our contribution to the sustainable society (i.e., outcome*2). It lays down as our final goals both the growth of the Group and solutions to social issues.

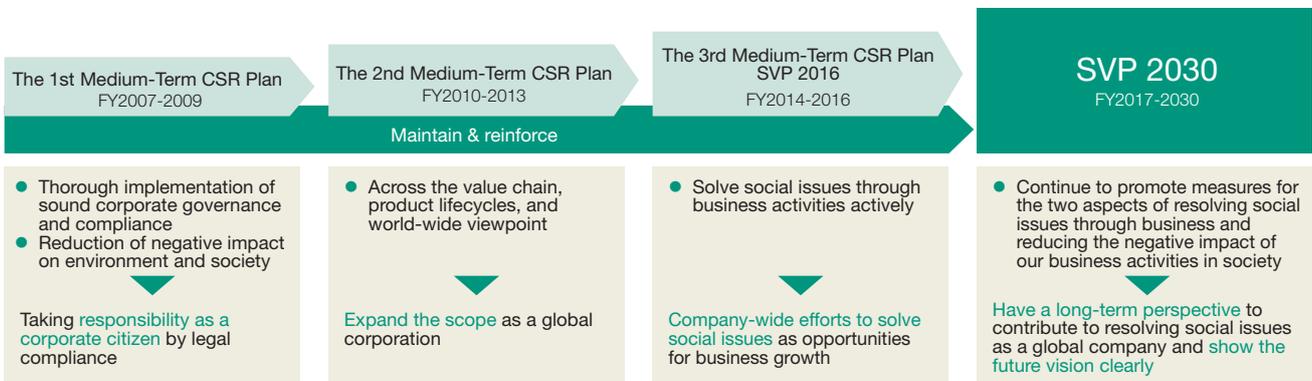
In the years ahead, we will continue working to achieve the targets of SVP 2030 by creating new value through the development of cutting-edge products, services and technological innovations that benefit society and that make a bigger contribution to resolving social issues and upgrading our Group’s corporate value.

*1 Output: Products, services, etc., produced by our organizational and business activities.

*2 Outcome: Change, benefits, learning and other effects that are generated by an organization or business operation.

2. Developments from the medium- and long-term CSR plan

The Medium-Term CSR Plan started in 2007, the year following the group was reorganized under FUJIFILM Holdings, to put in place comprehensive governance and compliance. In 2017, Sustainable Value Plan 2030 (SVP 2030) was announced with longer-range targets for the year 2030.



3. Process for identifying materiality (priority issues)

[STEP 1] Deciding the Basic Policies

The process of determining and re-examining materiality begins with deciding on the basic policy for future CSR activities, with attention given to CSR-related developments in society, the status of activities that reflect the philosophical concepts and policies of the Fujifilm Group and business developments.

In our study of the development of the current SVP 2030, we re-examined the activities conducted under SVP 2016, our previous medium-term CSR plan, and at the same time reviewed priority issues that needed to be addressed in face of the changes taking place in the world. As a result, we decided to continue the approach we adopted in SVP 2016 that sees company-wide efforts to solve issues as opportunities for business growth, take it to a higher level and establish a basic policy that clearly specifies our long-term vision on how to contribute to resolving social issues as a global company.

[STEP 2] Extracting Social Issues Based on Business Strategy

Establishing our basic policy was followed by work designed to extract from global standards and guidelines for current and future social issues to be addressed by Fujifilm Group through its business activities, developments at other companies in the industry and communication with stakeholders.

In identifying social issues, we created a comprehensive list of some 300 items, with the addition of items that need to be addressed from a long-term perspective, including the global standards ISO 26000, G4/GRI Standards, the targets of the Paris Agreement, SDGs and the Ten Principles of the UN Global Compact. In addition, information was gathered from shareholder meetings, interviews with investors and dialogues on environmental issues, as well as social issues that we may be able to address through the products, technologies and services all our divisions have developed. These issues have been listed up as relevant social issues.

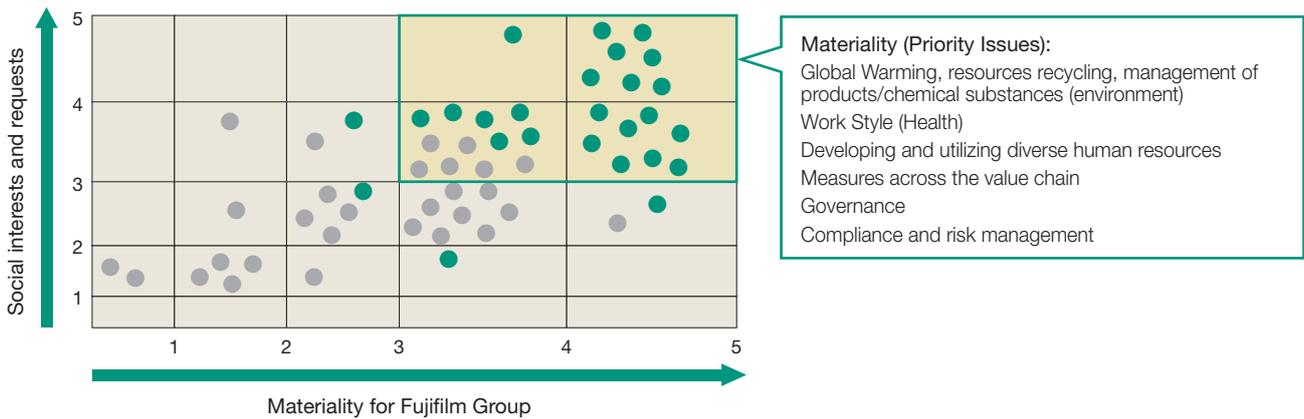
In the process of identifying materiality, we have given attention to social and environmental changes, regulatory and policy directions and the demands of stakeholders in relation to business areas that are linked or likely to be linked to the Fujifilm Group.

[STEP 3] Evaluation of Materiality

In evaluating materiality, we have adopted a two-sided approach: reducing and considering the negative impact generated from our business activities on society and the environment (emphasizing risk response) and resolving social issues through our business activities (emphasizing creation of opportunities).

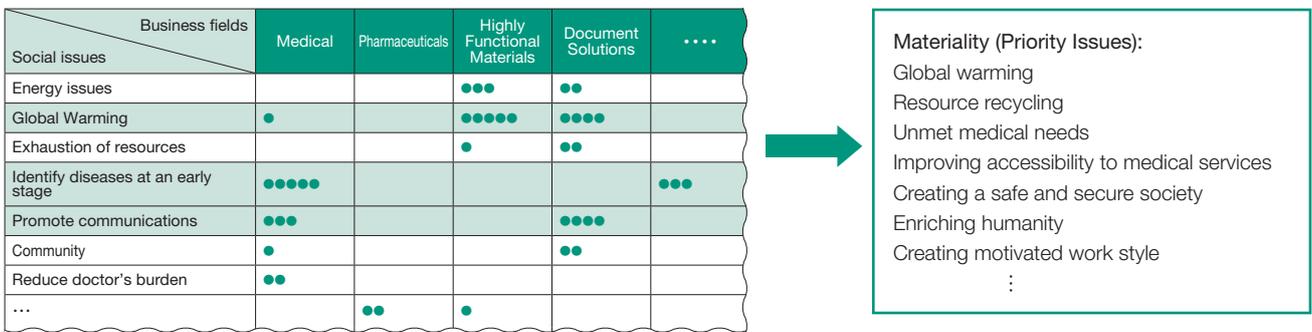
(1) Reducing and considering the negative impact from our business activities has on society and the environment (responding to risks)

We evaluate the social issues extracted in Step 2 for “materiality for the Group” ourselves and employ the CSR specialist E Square to evaluate “social interests and requests” as representative of society. Materiality is reviewed from both perspectives with the focus on important social issues (shown at top right of the matrix chart below).



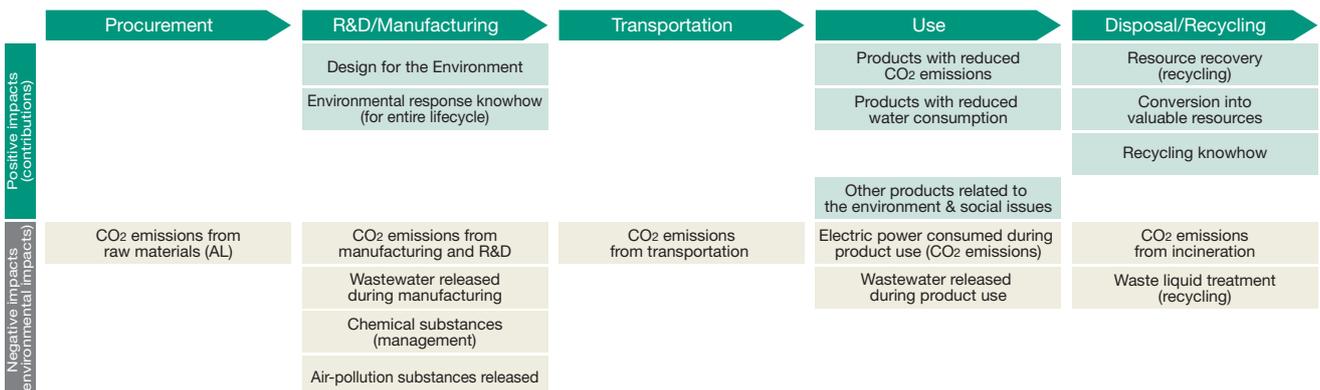
(2) Resolving social issues through our business activities (creating opportunities)

Social issues likely to impact our business are identified through the existing and future technologies, products and services of the business division. Specifically, they are applied to the matrix chart below to identify priority issues (materiality) that will have a significant impact on both our business and society (shown by the large number of dots) and issues that are highly likely to be business opportunities.



In the field of the environment where there are many urgent global issues, we mapped risks and opportunities on the environment and society in the value chain using the SDG Compass as a reference.

Impact on Business Processes across the Value Chain (Ex. Environment)



* Study of priority issues based on the SDG Compass from the viewpoints of both the negative impact of our business processes and the positive impact of our contribution to resolving social issues through our business activities.

[STEP 4] Planning and Review

We defined plans and targets for the priority issues extracted in Step 3 together with relevant business divisions of operating companies working on these issues. The plans and targets are deliberated on and approved by the ESG Committee. Progress in these activities is reviewed annually and described in the Sustainability Report.

SVP 2030 planning targets for fiscal 2030 were finalized in cooperation with the relevant business divisions. Especially for environmental issues, we identify the state of progress and establish numerical targets, with the focus on climate change, which is an urgent global issues.

Priority issues under SVP 2030 are deliberated on and approved by the ESG Committee headed by the president of Fujifilm Holdings and reported to the Board of Directors. These issues are then reflected in the group-wide policy and acted on throughout the Group.

4. Reviewing Priority Issues (Materiality)

Priority issues are reviewed on a regular basis.

More recently, the CSR plan SVP 2030 was reviewed in FY2019 and FY2020 for development of our Medium-Term Management Plan, VISION 2023. SVP 2030 targets are for fiscal 2030, but reviews are planned at least every three years in step with development of the medium-term management plan.

In the recent review, some of the targets in the area of the Environment were updated to make them more challenging. At the same time, a number of new targets were established. In the fields of Health and Work Style, new KPIs were established for priority issues designed to contribute to resolving social issues through our business activities. In the area of the Environment, decarbonization targets were re-examined later in December 2021 to ensure that we would achieve the so-called “1.5° target” and the target for CO₂ emissions from the Fujifilm Group was raised.

Outline of recent developments in reviewing priority issues

Period: Fiscal 2019 to 2020 (some activities in the Environment were implemented also in fiscal 2021)

Please refer to *1.2.5 SVP 2030 Major Targets and Results in FY2021* for targets and activity results examined and used in the review.

[Environment]

We revised some targets to make them more challenging and added some new targets.

Some of added/revised targets are as follows:

By FY2030:

- 50% reduction of CO₂ emissions through our entire product lifecycle* (compared to the FY2019 level).
* Procurement of raw materials, and manufacturing, transportation, use, and disposal of products
- Contribute to reducing CO₂ emissions to 90 million tons by offering products and services that enable significant CO₂ emissions reductions when our customers use them.
- Increase the sales percentage of Green Value Products, which significantly reduce environmental impact, to 60% of total Fujifilm Group sales.

[Health]

We have set following KPIs in the area for solving social issues through business activities.

- Improving access to medical services by using medical AI technologies to introduce our products and services to all 196 countries and regions in the world by fiscal 2030.

[Work style]

We have set following KPIs in the area for solving social issues through business activities.

- Offering 50 million people work styles that support employee productivity and creativity through solution services that bring innovation to our business.

[Daily Life] [Supply Chain] [Governance]

As a result of the review, we determine that our priority issues are sufficiently valid and we should continue the same contents.

As we re-examine our priority issues at least every three years by establishing for medium-term management plan, we will work on group-wide activities for achievement of SVP 2030.

1.2.5 SVP 2030 Major Targets and Results in FY2021

Priority Area	Priority Issues	Major Targets for FY2021 <small>*The following targets are all for FY2030.</small>	Major Activities in FY2021
Environment	<ol style="list-style-type: none"> 1. Address climate change. 2. Promote recycling of resources. 3. Address energy issues toward a decarbonized society. 4. Ensure product and chemical safety. 	<ul style="list-style-type: none"> • Reduce the Fujifilm Group's CO₂ emissions by 50% (compared to the FY2019 level). (achieve net zero CO₂ emissions by FY2040) • Reduce CO₂ emissions across the entire product lifecycle by 50% (compared to the FY2019 levels) • Sales percentage of Green Value Products: 60% • Contribute to a reduction in the CO₂ emissions generated in society by 90 million tons by FY2030 (accumulated value). 	<ul style="list-style-type: none"> • Developed new decarbonization targets and strategy (existing decarbonization targets moved forward by 10 years; targets at left are updated targets). • Concluded a comprehensive partnership agreement towards a decarbonized future with Tokyo Gas Co., Ltd., and Minamiashigara City. • Certified 38 new products under the Green Value Product Certification Program, our environmentally conscious design standards (total 121 products). • Registered in the CDP Water Security A List for two consecutive years, and evaluated CDP Supplier Engagement Leaderboard for four consecutive years.
Health	<ol style="list-style-type: none"> 1. Fulfill unmet medical needs. 2. Improve accessibilities to medical services. 3. Contribute to identifying diseases at an early stage. 4. Contribute to health promotion and beauty. 5. Promote <i>Kenkokeiei</i>[®] <p><small>* <i>Kenkokeiei</i>[®] is a registered trademark of Kenkokeiei Nonprofit Organization.</small></p>	<ul style="list-style-type: none"> • Develop new treatment solutions/ Improve accessibility to new treatment solutions. • Expand and scale up AI & IoT technology to reduce burdens on medical professionals. • Promote management of health and productivity to maintain employees' vitality. 	<ul style="list-style-type: none"> • Started operation of a new production factory in Europe to raise the production capability for media used in cell culture. • Succeeded in developing AI-based prognosis technology for hospitalized pneumonia patients, in collaboration with Nagoya University. • Obtained recommendation of Stop TB Partnership that combines a portable X-ray device and DR Cassette as a tuberculosis examination system. • Selected under the Asia DX Promotion Program of the Ministry of Economy, Trade and Industry for study into the efficacy of AI-based diagnostic imaging systems in health examination services for developing countries. • Selected for the Health and Productivity Stock Selection Program for two consecutive years.
Daily Life	<ol style="list-style-type: none"> 1. Contribute to creating a safe and secure society. 2. Contribute to enriching humanity and relationships between people. 	<ul style="list-style-type: none"> • Aim at 100% preservation of records archived on tapes. • Offering opportunities to enjoy photos that give forms to memories. 	<ul style="list-style-type: none"> • Introduction of high-capacity magnetic tape storage media capable of long-term, safe and low-cost storage of mass data, contributing to drastic reductions in CO₂ emissions. • Practical application of new noise reduction technology for air conditioners in cooperation with Daikin Industries, Ltd. • Launched mirrorless cameras capable of rich color range and smooth 4K/30 video recording. • Held online exhibition of the entire collection of works in The Heart to Heart Communication—"PHOTO IS" Photo Exhibition."
Work Style	<ol style="list-style-type: none"> 1. Create environments that lead to motivated workplace (provision of solution services). 2. Develop and utilize diverse human resources. 	<ul style="list-style-type: none"> • Actions for work style reform for customers. • Improve the rate of women in managerial positions. 	<ul style="list-style-type: none"> • Bought Hoya Digital Solutions to accelerate digital transformation (DX) business. • Launched Remote Cabin, a work booth for offices. • Introduced DocuWorks Cloud, a new cloud service, to speed up customer DX transformation. • Increased ratio of female managers (from 15.4% in FY2020 to 16.1% in FY2021).

Priority Area	Priority Issues	Major Targets for FY2021 <small>*The following targets are all for FY2030.</small>	Major Activities in FY2021
Supply Chain	Strengthen CSR foundations across the entire supply chain including factors of the environment, ethics, and human rights.	<ul style="list-style-type: none"> Promote sustainable procurement. 	<ul style="list-style-type: none"> Resubmitted “Requests to Suppliers” to procurement suppliers in Japan and other countries and collected receipts from 216 companies. Revised items in self-check to be conducted by suppliers.
Governance	Improve and maintain governance structures by further disseminating an open, fair and clear corporate culture.	<ul style="list-style-type: none"> Improve compliance awareness across the entire global Group and reinforce risk management. 	<ul style="list-style-type: none"> Revised the Corporate Governance Guidelines. Established Regulations on Global Classified Information Management and Regulations on Global Personal Information Management. Conducted employee training programs for fraud prevention, measures against cyberattacks and private data management. Conducted a training program for employees working in the global healthcare business, in accordance with the Fujifilm Group Global Healthcare Code of Conduct established in 2020.

SVP 2030 Priority Issues and Relevant Parties

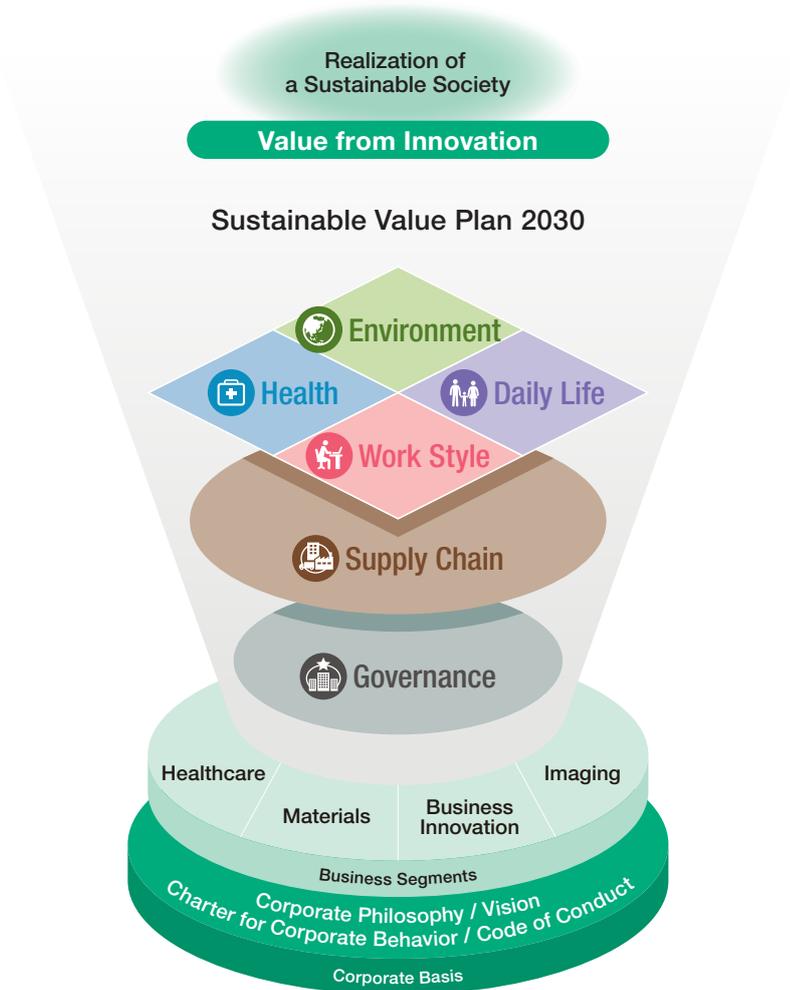
Priority Area	Priority Issues	Solving Social Issues through Business Activities	Considering Society and the Environment in Our Business Processes	Relevant Segments/Parties
Environment	<ol style="list-style-type: none"> Address climate change Promote recycling of resources Address energy issues toward a decarbonized society Ensure product and chemical safety. 	<ul style="list-style-type: none"> ● ● ● ● 	<ul style="list-style-type: none"> ● ● ● 	Healthcare Materials Business Innovation Imaging
Health	<ol style="list-style-type: none"> Fulfill unmet medical needs. Improve accessibilities to medical services. Contribute to identifying diseases at an early stage. Contribute to health promotion and beauty. Promote management of a healthy workplace. 	<ul style="list-style-type: none"> ● ● ● ● 	<ul style="list-style-type: none"> ● 	Healthcare Healthcare Healthcare Healthcare Healthcare (Internal)
Daily Life	<ol style="list-style-type: none"> Contribute to creating a safe and secure society. Contribute to enriching humanity and relationships between people. 	<ul style="list-style-type: none"> ● ● 		Materials Imaging
Work Style	<ol style="list-style-type: none"> Create environments that lead to motivated workplace (provision of solution services). Develop and utilize diverse human resources. 	<ul style="list-style-type: none"> ● 	<ul style="list-style-type: none"> ● ● 	Business Innovation Business Innovation (Internal)
Supply Chain	Strengthen CSR foundations across the entire supply chain including factors of the environment, ethics, and human rights.			Supplies (+ Entire Group)
Governance	Improve and maintain governance structures by further disseminating an open, fair and clear corporate culture.			Entire Group (+ Supplies)

1.2.6 The CSR Plan of the Fujifilm Group Sustainable Value Plan 2030 (SVP 2030)

The Fujifilm Group announced its Sustainable Value Plan 2030 (SVP 2030) in August 2017. For the growing social issues such as climate change, we revised targets upward and added new targets for fiscal 2019 and fiscal 2021, in view of the urgency.

SVP 2030 sets itself apart from previous medium-term CSR plans in characteristically targeting fiscal 2030 as its long-term goal, and is expected to lay the foundations of the Group's business management strategies for sustainable growth.

Under SVP 2030, the Fujifilm Group will introduce further measures to resolve social issues through our business activities, including the launch of innovative products, technologies and services, in our aim to develop into a company that can make a greater contribution to creating a sustainable society.



1. SVP2030 Priority Areas and Priority Issues (Materiality)

	Resolving social issues through business activities	Considering society and the environment in our business processes	Goals in the SDGs
	Contribution (Opportunities)	Impact (Risks)	
Environment <ol style="list-style-type: none"> 1. Address climate change 2. Promote recycling of resources 3. Address energy issues toward a decarbonized society 4. Ensure product and chemical safety 	<ul style="list-style-type: none"> ● ● ● ● 	<ul style="list-style-type: none"> ● ● ● 	
Health <ol style="list-style-type: none"> 1. Fulfill unmet medical needs 2. Improve accessibility to medical services 3. Contribute to early disease detection 4. Contribute to health promotion and beauty 5. Promote management of a healthy workplace 	<ul style="list-style-type: none"> ● ● ● ● ● 	<ul style="list-style-type: none"> ● (Employees) 	
Daily Life <ol style="list-style-type: none"> 1. Contribute to creating a safe and secure society 2. Contribute to enriching humanity and relationships between people 	<ul style="list-style-type: none"> ● ● 		
Work Style <ol style="list-style-type: none"> 1. Create environments that lead to a motivated workplace (provision of solution services) 2. Develop and utilize diverse human resources 	<ul style="list-style-type: none"> ● 	<ul style="list-style-type: none"> ● (Employees) ● (Employees) 	
Basis of Business Activities			
Supply Chain	Strengthen CSR foundations across the entire supply chain including factors of the environment, ethics, and human rights		
Governance	Improve and maintain governance structures by further disseminating an open, fair and clear corporate culture		

2. Relationship between CSR plan and management plan

Our CSR plan SVP 2030 toward fiscal 2030 is our targets for contributing to building a sustainable society along with SDG's. Our Medium-Term Management Plan VISION 2023 sets out the concrete business strategies to achieve these targets.

Themes That Are Significantly Related with our Business in the Priority Issues of SVP 2030

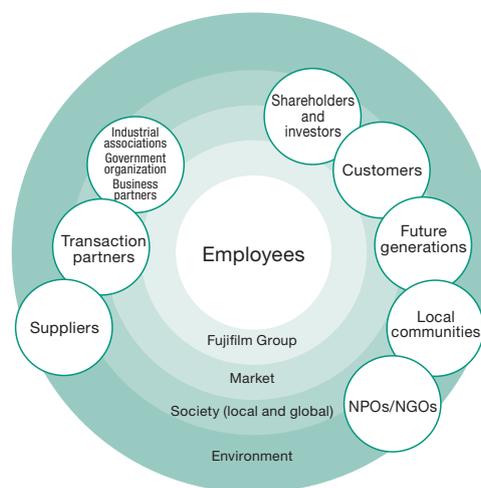
Item	CSR Priority Issue 1	CSR Priority Issue 2	CSR Priority Issue 3
Material Issues	Resolving social issues in the area of Health	Resolving social issues in the area of Daily Life	Resolving social issues in the area of Work Style
Relations to Business	Health, a priority issue in our CSR plan SVP 2030, matches activities aimed at the business targets for healthcare, a priority business in the medium-term management plan VISION 2023. In addition, the priority issue of "Health" in SVP 2030 includes activities aimed at improving the health of our employees. In other words, it is aimed at resolving social issues regarding health and also at health management in the Group.	Daily Life, a priority issue in our CSR plan SVP 2030, matches activities aimed at the business targets for "Materials" and "Imaging" that are priority business operations in the medium-term management plan VISION 2023. In the Materials segment, actions are aimed at creating a better social infrastructure specified as Goal 9 among the SDGs. In Imaging, actions are aimed at achieving the wellbeing that society needs.	Work Style, a priority issue in our CSR plan SVP 2030, matches activities aimed at the business targets for Business Innovation, a priority business in the medium-term management plan VISION 2023. In addition, Work Style in SVP 2030 is also designed to achieve a more efficient work style for our employees through various programs. In other words, it is aimed at work style reform through the whole of society, including the Fujifilm Group.
Business Impact	Revenue, profit & risks	Sales, profit & risks	Sales, profit & risks
Business Strategies	<ul style="list-style-type: none"> Reducing medical disparities and building a healthy society through global availability of leading-edge products and services in all of the areas, prevention, diagnosis and treatment. Addressing environmental issues in all of our business operations and establishing CO₂ reduction targets in each segment in recognition of the urgency of climate change as a global issue and of activities aimed at creating a decarbonized society as a criterion in participating in global business. 	<ul style="list-style-type: none"> Contributing to the creation of a safe and secure society amid advances in digital transformation, through the development and supply of cutting-edge functional materials. Addressing environmental issues in all of our business operations and establishing CO₂ reduction targets in each segment in recognition of the urgency of climate change as a global issue and of activities aimed at creating a decarbonized society as a criterion in participating in global business. 	<ul style="list-style-type: none"> Contributing to social transformation that provides fulfillment in work for everyone, by making available on a global scale products and solutions services that bring greater productivity and stimulate greater creativity. Addressing environmental issues in all of our business operations and establishing CO₂ reduction targets in each segment in recognition of the urgency of climate change as a global issue and of activities aimed at creating a decarbonized society as a criterion in participating in global business.
Long-Term Target/Index	<p>[Health]</p> <ul style="list-style-type: none"> Improving access to medical services by using medical AI technologies to introduce our products and services to all 196 countries and regions in the world by fiscal 2030. Index: 100 countries by FY2023, 196 countries by FY2030 (VISION 2023) Healthcare segment targets: FY2023 Revenue: 860 billion yen, operating income: 103 billion yen, ratio of operating income: 12.0%, CO₂ emissions by segment compared to the FY2013 level: 15% reduction 	<p>[Daily Life]</p> <p>By FY2030, we aim to contribute to achieving the targets below:</p> <ul style="list-style-type: none"> (1) Developing technologies for products and services and promoting their greater use to contribute to the development of an ICT, and (2) Contributing to creating a safe and secure society by improving safety in social infrastructure through diagnostic services for buildings, etc. Contributing to enriching humanity and relationships between people by making people's lives peaceful through photographic and video records and photographic products that preserve memories. (VISION2023) Materials segment targets: FY2023 Revenue: 720 billion yen, operating income: 95 billion yen, ratio of operating income: 13.2%, CO₂ emissions by segment compared to the FY2013 level: 33% reduction (VISION2023) Imaging segment targets: FY2023 Revenue: 300 billion yen, operating income: 25 billion yen, ratio of operating income: 8.3%, CO₂ emissions by segment compared to the FY2013 level: 52% reduction 	<p>[Work Style]</p> <ul style="list-style-type: none"> Offering 50 million people work styles that support employee productivity and creativity through solutions services that bring innovation to our business by fiscal 2030. (VISION 2023) Business Innovation segment targets: FY2023 Revenue: 820 billion yen, Operating income: 82 billion yen, ratio of operating income: 10%, CO₂ emissions by segment compared to the FY2013 level: 55% reduction

Item	CSR Priority Issue 1	CSR Priority Issue 2	CSR Priority Issue 3
Target Year	FY2023, FY2030	FY2023, FY2030	FY2023, FY2030
Executive Remuneration	<ul style="list-style-type: none"> Overview of share-based remuneration plan for executive officers responsible for Healthcare segment in 2.1.7 of this report. Performance Share Unit Plan (Evaluated according to the level of achievement of indicators such as consolidated revenue, consolidated operating income and ROIC, ESG indicator, etc.) https://holdings.fujifilm.com/en/about/governance/compensation	<ul style="list-style-type: none"> Overview of share-based remuneration plan for executive officers responsible for Materials and Imaging segments in 2.1.7 of this report. Performance Share Unit Plan (Evaluated according to the level of achievement of indicators such as consolidated revenue, consolidated operating income and ROIC, ESG indicator, etc.) https://holdings.fujifilm.com/en/about/governance/compensation	<ul style="list-style-type: none"> Overview of share-based remuneration plan for executive officers responsible for Business Innovation segment in 2.1.7 of this report. Performance Share Unit Plan (Evaluated according to the level of achievement of indicators such as consolidated revenue, consolidated operating income and ROIC, ESG indicator, etc.) https://holdings.fujifilm.com/en/about/governance/compensation

1.2.7 Communication with Stakeholders

Companies conduct their activities while interacting and maintaining relations with a wide variety of stakeholders, and it is important to listen carefully to their various views and expectations. At the Fujifilm Group, we ensure that we make appropriate information disclosures as well as verifying, at various opportunities, whether or not our business activities are responding to the demands and expectations of all our stakeholders, and reflecting our findings in our business activities. To ensure that our stakeholders' views are reflected in our CSR activities, we also review them in our Sustainability Report.

In addition to opinions relating to our CSR activities as a whole, regarding a part of priority issues, we conduct individual briefings on the content of the activities to external parties, to receive their advice and evaluation. Looking back over our activities and obtaining the views of external parties in this way provides a good opportunity to reexamine our activities.



The Fujifilm Group's Communications with Stakeholders

Main Stakeholders	Main Issues and Areas of Responsibility	Methods of Communication	Frequency
Customers	<ul style="list-style-type: none"> Securing the safety and quality of products Design for Environment Provision of appropriate information on services & products Improvement of customer satisfaction levels Customer response & support 	<ul style="list-style-type: none"> Customer Center (contact point for responding to inquiries) Usability evaluation meetings and monitor surveys Customer satisfaction surveys Questionnaires at product purchase Showrooms, exhibitions Holding seminars Websites and social media 	<ul style="list-style-type: none"> Day-to-day As needed As needed Day-to-day As needed As needed As needed
Employees	<ul style="list-style-type: none"> Ensuring occupational health and safety Respect for human rights Utilization and training of human resources Respect for diversity 	<ul style="list-style-type: none"> Providing opportunities for dialogue with top management Personnel management division contact point & interviews Compliance & Sexual Harassment Helpline Regular meetings between the company and labor unions/Health & Safety Committee Intranet; in-house magazines 	<ul style="list-style-type: none"> As needed Day-to-day/As needed Day-to-day As needed Day-to-day

Main Stakeholders		Main Issues and Areas of Responsibility	Methods of Communication	Frequency
Shareholders & Investors	FUJIFILM Holdings has 136,325 shareholders, characterized by a high proportion of overseas and institutional investors. Japanese financial institutions account for 32% of our shareholders, while foreign companies constitute 28% (as of end-March 2022).	<ul style="list-style-type: none"> Maintenance and expansion of corporate value Appropriate redistribution of profits Timely & appropriate information disclosure Measures for Socially Responsible Investment (SRI) 	General shareholders meetings/Business report briefings/Briefings for investors	Once a year/ 4 times a year/ As needed
			IR conferences/Individual meetings	As needed
			Integrated reports/Shareholder communications	As needed
			IR information website	Day-to-day
			Contact point (for stakeholders) for responding to inquiries	Day-to-day
Transaction Partners	The Fujifilm Group conducts transactions worldwide with suppliers of raw materials and components and retailers of our products, etc.	<ul style="list-style-type: none"> Thorough implementation of fairness & transparency in transactions Promotion of CSR issues in the supply chain, such as human rights and the environment 	Briefings to suppliers (on CSR procurement including green supply, management of chemical substances contained, etc.)	As needed
			CSR Self-Check (self-audited) and Onsite "Visit and Check" by expert team	As needed
			Website for exclusive use of transaction partners	Day-to-day
			Regular discussions with partners	As needed
			Contact point for responding to inquiries (in each procurement and sales division)	Day-to-day
Future Generations & Local Societies	The Fujifilm Group has bases in approx. 40 countries across the world and conducts its activities by treating the local culture and customs with respect, as well as putting efforts into educational support for future generations.	<ul style="list-style-type: none"> Contribution activities which make use of our main business strengths Respecting local culture & customs and environmental conservation Prevention of disasters and accidents in the workplace Educational support for future generations 	Environmental communication meetings/Factory tours	As needed
			Community volunteer activities	As needed
			Regular discussions with local governments (city hall, mayor, community association presidents, etc.)	As needed
			Contact point (at each factory & office)	Day-to-day
			Dispatch of lecturers to the academic organization & endowed chairs	As needed
Government Organizations & Industrial Associations	The Fujifilm Group has businesses in countries all over the world. Each of these businesses belongs to several industrial associations and has active relations with the respective government organizations, including participating in collaborations and information exchanges, etc.	<ul style="list-style-type: none"> Legal compliance Joint research & development and cooperation in public policy aimed at the resolution of social issues 	Participation in various industrial committees	As needed
			Participation in the development of industry guidelines	As needed
			Announcement of public comments through industry associations	As needed
			Joint research & development of government or industry association	As needed
			Proposals aimed at the resolution of social issues	As needed
NGOs & NPOs	We are conducting dialogues with NGOs & NPOs who are actively aiming for a sustainable society, for the resolution of social issues and environmental conservation.	<ul style="list-style-type: none"> Dialogue, collaboration and support aimed at the resolution of social and environmental issues 	Obtain views on the Sustainability Report	As needed
			Participate in stakeholder dialogue	As needed
			Administration committee of Public Trust Fujifilm Green Fund	As needed
			Review meetings on various CSR issues	As needed
			Support for disaster area with NPO	As needed

1.2.8 Member Organizations/Third-Party Initiatives

In order to respond to the increasing level of global CSR demands and operate our businesses in an appropriate manner, we participate in various initiatives to keep ourselves up to date with global trends.

[Industry Organization]

Japan Business Federation (Keidanren)

Japan Association of Corporate Executives (DOYUKAI)

Japan Chemical Industry Association

Japan Electronics and Information Technology Industries Association (JEITA)

Joint Article Management Promotion Consortium (JAMP) —chemSHERPA by JAMP

[Environment]

SBT Initiative (Science Based Targets Initiative)

RE100

TCFD Consortium (Task Force On Climate-Related Financial Disclosures Consortium)

Japan Climate Leaders' Partnership (Japan-CLP)

Japan Climate Initiative (JCI)

Japan Clean Ocean Material Alliance (CLOMA)

Japan Business Initiative for Biodiversity (JBIB)

[ESG]

UN Global Compact (UNGC)

Global Compact Network Japan (GCNJ)

2.1 Corporate Governance

2.1.1 Basic Approach

The Fujifilm Group aims to contribute to the sustainable growth of society while improving its corporate value through sincere and fair business activities.

As the foundation to achieve this, we regard corporate governance as a primary issue in our business management. We also position the Board of Directors as the organization that determines basic Group management policies and strategies and other important matters relating to business execution, as well as supervising the implementation of business affairs.

This idea is clarified in the Corporate Governance Guidelines, which are approved by the Board of Directors.

Corporate Governance Guidelines

https://www.fujifilm.com/files-holdings/en/about/governance/about_governance_ff_governance_guideline_en.pdf

Report on Corporate Governance (Tokyo Stock Exchange)

https://www.fujifilm.com/files-holdings/ja/about/governance/about_governance_ff_ab_2022_003.pdf (in Japanese only)

Our Basic Policy on Internal Control Systems

<https://holdings.fujifilm.com/en/about/governance/internal-control>

Articles of Incorporation

https://www.fujifilm.com/files-holdings/ja/about/governance/about_governance_ff_irnews_20220629_001j.pdf (in Japanese only)

126th Yuka Shoken Hokokusho (Securities Report)

<https://ir.fujifilm.com/ja/investors/ir-materials/securities-reports.html> (in Japanese only)

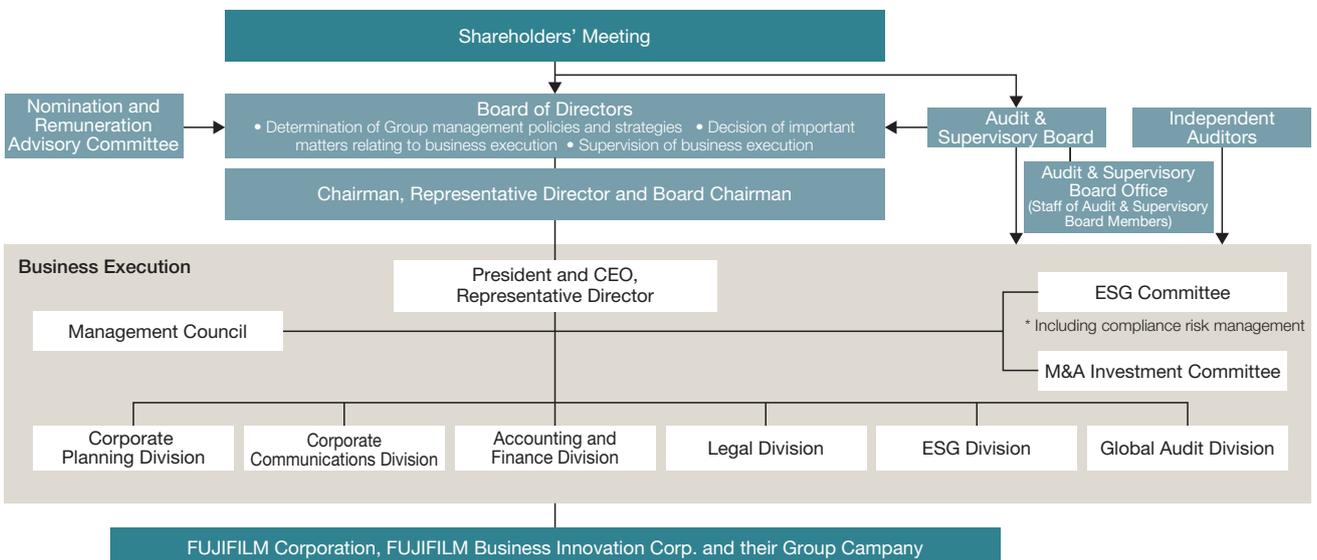
Integrated Report 2021

<https://ir.fujifilm.com/en/investors/ir-materials/integrated-report.html>

* Please refer to 2.1.8 Tax Policy in this report for the Fujifilm Group Tax Policy.

2.1.2 Corporate Governance and Governing Structure

Corporate Governance Structure



Structure of the Board of Directors: 4 independent outside directors, 7 inside directors

Structure of the Audit & Supervisory Board: 2 independent outside auditors, 2 full-time auditors

Structure of the Nomination and Remuneration Advisory Committee: 2 independent outside directors, 1 inside director

Auditing structure

To improve corporate governance, we are working on interactive coordination among internal audits by the internal audit division, auditor's audits and financial audits by an independent audit corporation (including internal control audits for financial reports).

As of end of June 2022, the Audit & Supervisory Board consists of 4 members, of which 2 (50%) are outside auditors. One of the 2 current outside auditors is a certified public accountant with extensive experience and knowledge of global business management and specialized knowledge of accounting and financial affairs. The other outside auditor is a qualified lawyer with a career as a public prosecutor and extensive experience in law, as well as knowledge of and experience in the field of compliance.

Each auditor attends the Board of Directors meetings and the full-time auditors always attend the management meetings and engage in regular exchanges of views with the representative director. The full-time auditors also receive regular audit reports from the internal audit division and independent audit corporation. They submit reports also to external auditors at the Audit & Supervisory Board meetings held on a monthly basis and engage in exchanges of opinion.

The internal auditing departments consist of the Global Auditing Division currently made up of 56 members who are independent of our business execution divisions, and is responsible for evaluating and inspecting the appropriateness of business operations across the entire Group.

An independent audit corporation has been selected for a comprehensive study into factors such as quality control, independence and expertise of audit teams, audit compensation and organization capability for a comprehensive audit of our global activities as a whole. After selection, auditors and Audit & Supervisory Board confirm it is good through regular evaluations.

2.1.3 Independence of Outside Directors

There are 11 directors as of the end of June 2022, 4 of which are independent outside directors (36% of the board). Outside Directors observe the Board of Directors' decision making and its processes objectively to judge and discuss their rationality from a perspective of increasing corporate value considering the benefit of stakeholders including minority shareholders. They are playing role of contribution to ensure validity and appropriateness of Board decision making.

Outside directors and outside Audit & Supervisory Board members of FUJIFILM Holdings Corporation are deemed to be independent when none of the following conditions apply:

Criteria for Independence of Outside Directors and Outside Audit & Supervisory Board Members

<https://www.fujifilmholdings.com/en/about/governance/officers/index.html>

2.1.4 Diversity among Directors

Director candidates are selected giving overall consideration including diversity of the Board of Directors, to enable exchange of opinions from the diverse perspectives of all Directors along with free and open deliberation no distinction between race, ethnic group, nationality, gender, or age, to their personality and acumen, wealth of professional experience, international business experience, depth of insight into the Fujifilm Group's business and management environment, ability to analyze and judge matters objectively and such.

Outside Director candidates in addition to the selection criteria of the Directors candidate, are selected giving overall consideration to their having sufficient acumen and wealth of professional experience for supervising management from independent perspective, high level of expertise in fields such as corporate management, finance, and accounting, and law and experience regarding Fujifilm business fields, and such. We appointed a female outside director in June 2018. We have also appointed female directors in the Company since June 2022.

Expected Expertise and Experience for Directors and Auditors

As end of June 2022

	No.	Name	Term of Office	Global Management	Experience of Priority Business and Industry	Innovation/Technology/DX	Finance/Accounting	Legal/Risk Management	ESG (Environment/Social/Governance)
Directors	1	Kenji Sukeno	9	○	○		○		○
	2	Teiichi Goto	4	○	○	○			○
	3	Takashi Iwasaki	4	○	○	○			
	4	Takatoshi Ishikawa	3	○	○	○			
	5	Masayuki Higuchi	1	○	○		○	○	
	6	Kunitaro Kitamura	Outside	5	○		○		○
	7	Makiko Eda	Outside, female	4	○	○			○
	8	Naoki Hama		New	○	○	○		○
	9	Chisato Yoshizawa	Female	New			○	○	○
	10	Tsuyoshi Nagano	Outside	New	○		○	○	○
	11	Ikuro Sugawara	Outside	New	○			○	○
Auditors	-	Nobuo Hanada		2			○	○	
	-	Motoko Kawasaki	Female	1				○	○
	-	Masataka Mitsuhashi	Outside	3	○		○		○
	-	Tatsuya Inagawa	Outside	2				○	

* Indicates the best four items for Director and Auditor. This table does not show all the knowledge and experience each Director and Auditor has.

* The average term of office for a director is 2.7 years.

2.1.5 Effectiveness of Directors and Auditors

Attendance Status for the Board and Audit & Supervisory Board Meeting (between April 1, 2021 and March 31, 2022)

	Name	Term of Office	Board Meeting (No. held: 14)			Audit & Supervisory Board Meeting (No. held: 17)			
			Attendance	Held	Rate	Attendance	Held	Rate	
Directors	Shigetaka Komori		(21)	2	2	100%			
	Kenji Sueno	Chair	9	14	14	100%			
	Teiichi Goto		4	14	14	100%			
	Kouichi Tamai		12	14	14	100%			
	Takashi Iwasaki		4	14	14	100%			
	Takatoshi Ishikawa		3	14	14	100%			
	Junji Okada		4	14	14	100%			
	Masayuki Higuchi		1	12	12	100%			
	Tatsuo Kawada	Outside	5	13	14	93%			
	Kunitaro Kitamura	Outside	5	14	14	100%			
	Makiko Eda	Outside Female	4	14	14	100%			
	Takashi Shimada	Outside	(1)	6	6	100%			
Auditors	Kazuya Mishima		(4)	2	2	100%	4	4	100%
	Nobuo Hanada		2	14	14	100%	17	17	100%
	Motoko Kawasaki	Female	1	12	12	100%	13	13	100%
	Masataka Mitsuhashi	Outside	3	14	14	100%	17	17	100%
	Tatsuya Inagawa	Outside	2	14	14	100%	17	17	100%

* Term of office of a director: one year/Term of office of an auditor: four years maximum

* The average term of office for a director is 6.7 years (As of March 31, 2022).

* The appointment of Mr. Masayuki Higuchi as Director and the resignation of Mr. Shigetaka Komori were on June 29, 2021. The resignation of Mr. Takashi Shimada was on September 30, 2021.

* The appointment of Ms. Motoko Kawasaki as auditor and the resignation of Mr. Kazuya Mishima took place on June 29, 2021.

2.1.6 The Evaluation of the Effectiveness of the Board of Directors

In October 2015, we formulated and published the FUJIFILM Holdings Corporation Corporate Governance Guidelines (“Guidelines”) considering the appropriate implementation of the corporate governance fundamental as the basis upon which FUJIFILM group can achieve the sustainable growth and the increase of the corporate value of FUJIFILM group companies, and the contribution to the sustainable development of society. We revised the Guidelines considering the revision of Corporate Governance of Japan Exchange Group and our implementation of countermeasures to enhance corporate governance afterwards.

The Guidelines stipulate the roles and duties of the Board of Directors (“BoD”), as follows: (i) to decide on basic management policies, strategies and important matters related to business execution; (ii) to supervise the business execution. In accordance with the Guidelines, the BoD conducts a self-evaluation of the effectiveness of itself on an annual basis, and publishes a summary of its outcome. For the purpose of securing transparency and objectivity, a part of the questionnaire making and the evaluation analysis has been consigned to a third party agency on a regular basis since the one published in April 2020.

Here is the summary of the outcome of the evaluation which we have recently conducted.

1. Method of the evaluation

Evaluated Board Meetings:	The Board Meetings held in the CY 2021 (12 in total)
Evaluators:	All of the Directors and Audit & Supervisory Board Members, who were in office as of the end of December 2021 (14 in total)
Survey Execution Period:	January through March, 2022

[Outline]

Evaluation point

- The improvement status from last year
- The decision of management basic policies, management strategies and the deliberation of propositions about the decision and supervision of the important business execution
- The composition, the deliberation and the administration of the BoD

Evaluation method

- After answering questionnaire, individual interviews are carried out based on the result of the questionnaire and reported to the BoD for discussion.

2. Results of the evaluation and analysis

We evaluate our company's BoD to be fully effective.

- The BoD fully performs its roles and duties; in the making of decisions on basic management policies, management strategies, and in the making of decisions on, and the supervision of, important business execution, there are no major differences in the factors and perspectives that the Directors and Audit & Supervisory Board Members place importance on, and the BoD engages in much discussion.
- The roles and duties of the BoD are enhanced with the introduction of deliberations on important M&A activities at the initial feasibility review stage, periodic reporting on PMI progress, and deliberations on medium- and long-term issues (decarbonization).
- In addition to careful advance preparation, such as explanations of proposals to Outside Officers, the new Chairman's management of the agenda has further promoted free and active discussions, and further improved the quality of deliberations.

3. Measures for enhancement of effectiveness

Based on the result of the evaluation, we will continue our efforts to further enhance the deliberation and effectiveness of the BoD by taking the following measures.

- We will increase opportunities to exchange views and discuss medium- and long-term issues such as sustainability, social value enhancement measures, DX strategies, and human resources strategies.
- In order to further improve the quality of deliberations by the BoD, we will further enhance the provision of information on the background of proposals and the process of internal discussions.
- In order for the BoD to fulfill its expected roles and duties, we will provide opportunities for the Directors and Audit & Supervisory Board Members to acquire necessary knowledge and broaden their insights.
- We will further improve the efficiency and enhancement of the management of the BoD by measures such as holding flexible BoD meetings and pre-briefing sessions and by providing effective explanations of proposals, through the effective use of the online conference platform.

The Evaluation of the Effectiveness of the Board of Directors <https://holdings.fujifilm.com/en/about/governance/board-of-directors>

2.1.7 Executive Remuneration

1. Remuneration decision process

- The total (upper limit) of the remuneration for either a director or an auditor is determined at the shareholders' meeting.
- The remuneration of each director is determined by a resolution at a board meeting in accordance with the structure of the remuneration and evaluation system discussed in the Nomination and Remuneration Advisory Committee as an advisory organization to the Board of Director. The remuneration of each auditor is determined through discussions by the auditors.

2. Remuneration structure linked to business performance

- Remuneration for directors other than external directors consists of a fixed remuneration determined according to position and responsibilities, a performance-linked remuneration that fluctuates with business performance and a Restricted Share-

Based Remuneration Plan. The performance-linked remuneration consists of a short-term performance-linked remuneration and a medium-term performance-linked share-based remuneration (Performance Share Unit Plan). The allocation ratio among fixed remuneration, performance-linked remuneration and Restricted Share-Based Remuneration Plan shall be 55%, 15% (10% for the short-term performance-linked remuneration and 5% for the performance share unit plan) and 30%. The remuneration amounts are determined in accordance with each director's position and performance evaluation.

- Remuneration for outside directors and auditors consists of a fixed remuneration only, due to the nature of their role and to maintain their independence.
- Fixed remuneration is determined by job position and responsibilities and is paid on a regular basis.
- Short-term performance-linked remuneration is determined according to consolidated revenue and consolidated operating income as single-year performance-linked indicators. Payment of the remuneration fluctuates within the range of 0% to 150%, based on a comparison with the level of target achievement for the indicators and business performance for the previous fiscal year.
- Performance Share Unit Plan is adjusted within the range of 0% to 150% vis-à-vis the basic number of shares paid out, in accordance with the medium-term management plan indicators of consolidated revenue and consolidated operating income and the achievement rate for ROIC and ESG indicators, etc. The number of the Company's shares of common stock equating to 50% of that adjusted number and the cash equivalent of the stock price of the same number of the Company's shares of common stock at time of delivery shall be delivered or paid. The basic number of shares paid according to position is specified in the regulations regarding the medium-term performance-linked share remuneration and is decided by the Board of Directors. The payout is made after finalization of business performance. It must be noted also that the ESG indicator reflects the performance rate in CO₂ emissions vis-à-vis the reduction target.
- Restricted Share-based Remuneration Plan grants monetary remuneration receivables to the eligible directors for the purpose of allotting restricted shares, in principle, every fiscal year, and the eligible directors hold these shares by having them contribute all of these monetary remuneration receivables in kind. The restricted share-based remuneration is supplied according to the position of the director. The number of shares allotted is specified in the regulations regarding the restricted share-based share remuneration plan, decided by the Board of Directors and granted during a specified period of time each year.

3. Nomination and Remuneration Advisory Committee

The Nomination and Remuneration Advisory Committee is to be established as an advisory organization to the Board of Directors and is to consist of 3 members, two outside directors appointed by a resolution of the Board and one inside director, with one outside director appointed as chairperson. The Committee normally convenes more than once a year to deliberate on CEO succession plan and the basic policies and procedures for director remuneration and reports its deliberations to the Board of Directors.

The principal activities of the Committee during the current fiscal year are as follows.

- Deliberations regarding the introduction of a new share-based remuneration plan
- Report of performance results for fiscal 2020 director bonuses
- Report of share remuneration allotment for the new share-based remuneration plan
- Deliberations on the fiscal 2021 director remuneration (evaluation and amount)
- Deliberations on the addition of the ESG indicator (CO₂ emissions performance rate against the target) as KPI (key performance indicator) in the Performance Share Unit Plan
- Partial review of the decision-making policy on remuneration and other matters for each director

The Evaluation of the Effectiveness of the Board of Directors <https://holdings.fujifilm.com/en/about/governance/board-of-directors>

Remuneration for Each Director (FY2021)

Name	Category	Company	Total Amount by Type of Remuneration, Etc. (million yen)						Total Amount of Remuneration, Etc. (million yen)
			Performance-linked Remuneration, Etc.			Non-performance-linked Remuneration, Etc.			
			Monetary Remuneration		Non-monetary Remuneration, Etc.	Monetary Remuneration		Non-monetary Remuneration, Etc.	
			Short-term Performance-linked Remuneration	Performance Share Units		Fixed Remuneration	Restricted Share-based Remuneration	Stock Option	
Kenji Sukeno	Directors	FUJIFILM Holdings Corporation	16	—	—	92	74	97	281
	Directors	FUJIFILM Corporation	9	—	—	28	14	19	72
	Directors	FUJIFILM Business Innovation Corp.	—	—	—	9	—	—	9
	Total								363
Teiichi Goto	Directors	FUJIFILM Holdings Corporation	11	6	8	87	81	14	210
	Directors	FUJIFILM Corporation	11	1	1	37	13	26	92
	Directors	FUJIFILM Business Innovation Corp.	—	—	—	7	—	—	7
	Total								310
Kouichi Tamai	Directors	FUJIFILM Holdings Corporation	0	0	0	19	9	39	71
	Directors	FUJIFILM Business Innovation Corp.	12	—	—	95	40	—	148
	Total								219
Takashi Iwasaki	Directors	FUJIFILM Holdings Corporation	9	0	0	37	3	14	65
	Directors	FUJIFILM Business Innovation Corp.	9	3	3	36	47	33	133
	Total								198
Takatoshi Ishikawa	Directors	FUJIFILM Holdings Corporation	—	0	0	11	3	14	30
	Directors	FUJIFILM Corporation	20	3	3	62	47	33	170
	Total								200
Junji Okada	Directors	FUJIFILM Holdings Corporation	—	0	0	13	3	14	31
	Directors	FUJIFILM Corporation	13	2	3	44	40	14	119
	Directors	FUJIFILM Toyama Chemical Co., Ltd.	—	—	—	4	—	—	4
	Total								154
Masayuki Higuchi	Directors	FUJIFILM Holdings Corporation	2	0	0	22	3	—	29
	Directors	FUJIFILM Corporation	2	1	2	22	28	—	57
	Directors	FUJIFILM Business Innovation Corp.	—	—	—	6	—	—	6
	Total								93

* The chart shows information limited to directors (excluding directors who resigned in the relevant fiscal year and outside directors).

* Any fraction in the amounts above have been rounded down to the nearest single unit.

* With the introduction of the Performance Share Unit Plan and Restricted Share Remuneration Plan based on a resolution at the 125th Ordinary General Meeting of Shareholders held on June 29, 2021, the stock option-based remuneration system has been abolished as of the conclusion of the said general shareholders meeting.

* For further details, please refer to the 126th Yuka Shoken Hokokusho (Securities Report).

<https://ir.fujifilm.com/ja/investors/ir-materials/securities-reports.html> (in Japanese only)

The Number and Amount of Remuneration Paid to Executive Officers (FY2021)

Category	Number	Total Amount by Type of Remuneration, Etc. (million yen)						Total Amount of Remuneration, Etc. (million yen)
		Performance-linked Remuneration, Etc.			Non-performance-linked Remuneration, Etc.			
		Monetary Remuneration	Non-monetary Remuneration, Etc.	Performance Share Units	Monetary Remuneration	Non-monetary Remuneration, Etc.		
		Short-term Performance-linked Remuneration	Performance Share Units		Fixed Remuneration	Restricted Share-based Remuneration	Stock Option	
Directors (excluding outside directors)	8	51 (-)		8 (8)	9 (9)	309 (154)	179 (179)	389 (389)
Auditors (excluding outside auditors)	3	- (-)	- (-)	- (-)	42 (42)	- (-)	- (-)	42 (42)
Outside Executive Officer	6	- (-)	- (-)	- (-)	55 (55)	- (-)	- (-)	55 (55)
Total	17	51 (-)	8 (8)	9 (9)	407 (252)	179 (179)	389 (389)	1,046 (839)

* Any fraction in the amounts above have been rounded down to the nearest single unit.
 * The amounts above show amounts paid to executive officers/directors as the total of compensation as employee and stock option expenses.
 * The remuneration for executive officers is written in (.)
 * The numbers of directors, auditors and outside executive officers include each person who resigned in the relevant fiscal year.
 * With the introduction of the Performance Share Unit Plan and Restricted Share Remuneration Plan based on a resolution at the 125th Ordinary General Meeting of Shareholders held on June 29, 2021, the stock option-based remuneration system has been abolished as of the conclusion of the said general shareholders meeting.
 * For further details, please refer to the 126th Yuka Shoken Hokokusho (Securities Report).

<https://ir.fujifilm.com/ja/investors/ir-materials/securities-reports.html> (in Japanese only)

2.1.8 Tax Policy

Fujifilm Group Tax Policy

1. In line with its Code of Conduct, which advocates an “Open, Fair and Clear” corporate culture, the Fujifilm Group shall comply with taxation laws of countries around the world, international taxation regulations and the spirit of such laws and regulations. The Group shall make payment of all required taxes by all specified dates in all countries in which it operates
2. The Fujifilm Group shall thoroughly examine the contents of all business transactions in advance from the perspective of tax, receive advice from competent tax advisors if and when required, and implement reporting and preliminary approval processes for important tax matters in accordance with internal regulations in order to maintain and improve governance on tax affairs
3. The Fujifilm Group shall maintain trusting relations with tax authorities, and give full consideration to, and if deemed necessary, shall proceed with its application for the Advance Pricing Agreement, so as to avert any lack of transparency in tax affairs
4. The Fujifilm Group shall actively utilize beneficial tax treatment in countries in which it operates while complying with their legislative intent in order to maximize consolidated cash flow. The Group shall not engage in tax planning or use tax havens for the sole purpose of obtaining tax benefits.

Control of tax matters

Based on the “Fujifilm Group Tax Policy,” the Fujifilm Group pays taxes in a timely and appropriate manner to the countries where it operates, and strives to maintain and improve tax governance.

We do not recognize any serious issue concerning tax-related risks at this moment.

- The director responsible for managing the accounting departments takes responsibility for execution of tax processing and instructions, and the creation of financial statements. Note that the financial statements are audited by an independent audit corporation.
- With the recognition that each auditor is an independent authority to form an overall corporate governance system, the auditors closely examine the directors’ business fully adhering to the auditing standards specified by the Audit & Supervisory Board, as well as the company’s auditing policies and plans.

126th Yuka Shoken Hokokusho (Securities Report)

<https://ir.fujifilm.com/ja/investors/ir-materials/securities-reports.html> (in Japanese only)

2.2 Compliance and Risk Management

2.2.1 Basic Approach

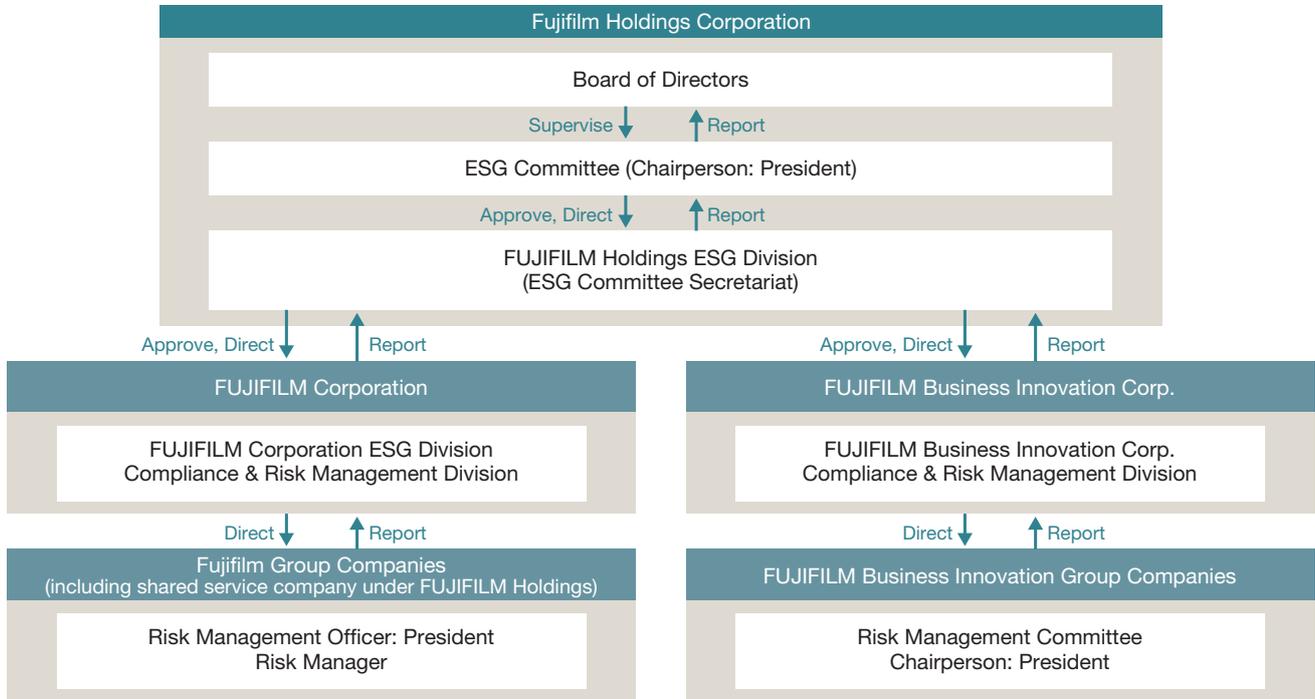
The Fujifilm Group defines “compliance” as “not only to pursue the law but to behave correctly within the framework of common sense and ethics.” Moreover, we think the compliance and the risk are two sides of the coin, as the lack of compliance awareness among employees would lead to grow the possible corporate risk. For this reason, we are promoting compliance and risk management.

2.2.2 History of the Measures Implemented for Compliance and Risk Management

<p>1995-2005</p>	<p>Establishment and reinforcement of foundation at each company</p> <ul style="list-style-type: none"> • Formulation of a Code of Conduct for employees • Establishment of responsible organization (committee) • Opening of a helpline and whistle-blowing office • Start raising employees' Awareness, education, and monitoring through awareness surveys and briefings sessions
<p>2006-2008</p>	<p>Establishment and reinforcement of foundation for the entire Fujifilm Group</p> <ul style="list-style-type: none"> • Establishment of FUJIFILM Holdings CSR Committee • Expansion of initiative to Group companies outside of Japan • Revision of Group's Corporate Philosophy and Charter for Corporate Behavior , and formulation of Vision and code of Conduct and raising awareness
<p>2009-2013</p>	<p>Addressing new priority issues</p> <ul style="list-style-type: none"> • Introduction of anti-corruption regulations • Review of Group-wide risk issues related to natural disasters, such as large earthquake or possible eruption of Mt. Fuji • Establishment of a system to ensure no relations with anti-social forces • Introduction of information security regulations and guidelines etc.
<p>2014-2016</p>	<p>Further activity promotion toward Sustainable Value Plan 2016 targets</p> <ul style="list-style-type: none"> • Review and clarification of major risks for the Fujifilm Group • Strengthening measures to raise awareness on existing rules and regulations etc.
<p>2017-2019</p>	<p>Strengthening Corporate Governance as the Fujifilm Group</p> <ul style="list-style-type: none"> • Compliance education for all Employees and distribution of CEO message concerning the inappropriate accounting issue • Establishment of whistle-blowing system to report directly to FUJIFILM Holdings • Revision of the Charter for Corporate Behavior and the Code of Conduct • Establishment of FUJIFILM Holdings ESG Committee reorganized from CSR committee
<p>2020-2021</p>	<p>Strengthening compliance and risk management organizations and reinforcement of activities</p> <ul style="list-style-type: none"> • Consolidation and reorganization of compliance and risk management organizations at FUJIFILM Corporation and FUJIFILM Business Innovation Corp. under Fujifilm Holdings Corporation • Consolidation and integration of various policies and domestic whistle-blowing systems of the two corporations • Establishment of Fujifilm Group Global Healthcare Code of Conduct • Update of message from the president regarding the Fujifilm Group Charter for Corporate Behavior and Code of Conduct.

2.2.3 Compliance and Risk Management Promotion Structure

Fujifilm Group Compliance and Risk Management System

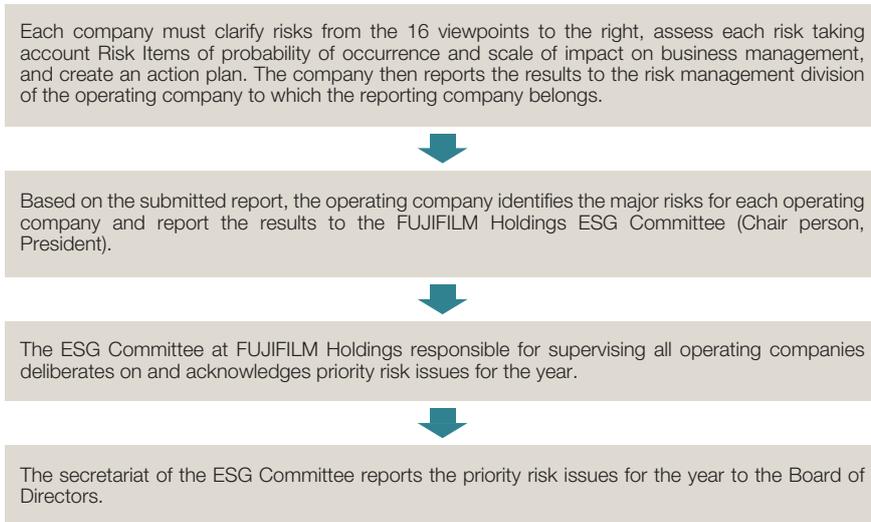


The Fujifilm Group appoints officers in charge of compliance and risk management at each of its operating companies and group companies, and implements a variety of measures to penetrate the spirit of an “open, fair and clear” corporate culture throughout the Group. Status on implementation of these measures is reported regularly from each company to the ESG Committee of FUJIFILM Holdings via the ESG Division, and from the ESG committee to the Board of Directors. The Board of Directors is responsible for supervising compliance and risk management for the entire Group. The Board also provides direction and advice on the report from the ESG Committee to assure the effectiveness of the processes.

2.2.4 Risk Management

The Fujifilm Group employs Risk Management Regulations that specify the group-wide basic policy and risk management system. Based on these regulations, we identify the tasks required to counter various risks related to our business and are fully prepared to make appropriate responses in the event of a critical incident. We particularly aim to reinforce everyday risk prevention activities. Every year, all group companies identify particular risks and develop action plans concerning identified risks using the procedures described below.

1. Risk Extraction and Process for Establishing an Action Plan



Risk items
(1) Impact of economic changes and foreign exchange fluctuations on business performance
(2) Environmental changes and competition in each business field
(3) Manufacturing activities
(4) Product quality & product liability
(5) Medical business and regenerative medicine business
(6) Logistics
(7) Patents and other intellectual property rights
(8) M&A, business partnerships, etc.
(9) Human resources recruitment
(10) Internal control (including prevention of fraud and misconduct)
(11) Information systems (including information security and privacy protection)
(12) Public regulations
(13) Environmental regulations
(14) Climate change
(15) Large-scale disasters
(16) Pandemic of COVID-19

2. Priority risks in FY2021

Please refer to the 126th Yuka Shoken Hokokusho (Securities Report) for risk issues not listed below.

Risk Item	Reason for Selection	Countermeasures
Information security	Rise in information security risks due to growth of sophisticated cyberattacks on a global scale, digitization in the Fujifilm Group (promoting DX, developing smart factories, etc.), increase in major technical data in healthcare, etc.	<ul style="list-style-type: none"> •Improvements to internal rules and risk management systems •Thorough implementation of training in various fields
Healthcare-related	Growth in the scale of the healthcare business of Fujifilm Group, FCPA violations by Japanese businesses, amendments to Japan’s Pharmaceutical Affairs Law, etc., raises the demand for more rigorous ethical behavior, transparency and fairness.	
Large-scale natural disasters	Possibility of a greater Tokyo earthquake and a Nankai Trough earthquake; increase in abnormal meteorological phenomena and natural disasters	
Fraud and misconduct	Although the number of risk reports are on the decline, stronger risk management and continued risk training are necessary.	
Chemical substance management	Recent reinforcement of regulations in the US and China	
Export and import control	Need to respond to changes in the international situation and changes in laws and regulations in the US and other countries.	
Human rights and harassment	Action must be taken with the global supply chain, particularly the human rights of employees of overseas suppliers.	
Product safety and product liability	Rise in risks with the market expanding into developing countries; expansion of regulations in those countries	
Environment	Enhancement of regulations to mitigate climate change; growing demand for decarbonized products	
Occupational safety	Growing awareness of occupational health and safety; expansion of the business that handles biological materials	
Personal information protection	Security control reinforced with implementation of stronger regulatory control on a global scale and amendment of the Act on the Protection of Personal Information of Japan in 2022.	

3. Response to crisis

Any crisis that takes place in a Group company is handled by the Compliance and Risk Management Promotion Structure (described in 2.2.3) and in accordance with our risk management regulations. When found, it is reported to each operating company and ESG Division of FUJIFILM Holdings, and at the same time addressed swiftly to prevent further propagation of the risk. If a potentially critical incident occurs, it is immediately reported to the ESG Committee for assessment and to determine the response to the issue.

Each operating company supervises the execution of recurrence prevention measures at the Group company in question. At the same time the operating company shares the incident details and the relevant preventative measures among its Group companies to avoid recurrence of the same or similar incidents.

Serving as Secretariat, the ESG Division of FUJIFILM Holdings reports incidents received through our operating companies to the ESG Committee and at the same time takes action to strengthen and promote risk management for the entire Group, based on the information received.

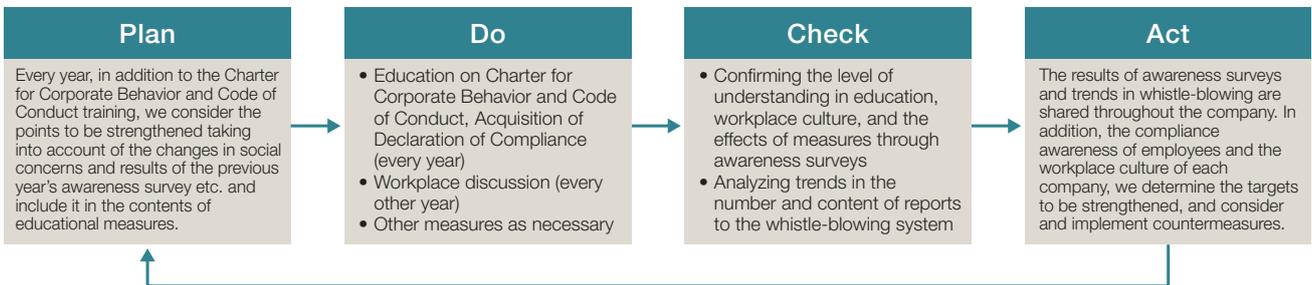
In the event of a serious incident, reports to the ESG Committee do not only include a summary of the incident, but also detailed information. We monitor the effectiveness of risk management in the Group through such information reports from the ESG Division to the Directors and Auditors in every quarter.

4. Status for FY2021

In fiscal 2021, no significant crisis cases including legal violations and fines in social economic areas that should be announced outside the company were confirmed.

2.2.5 Efforts to Promote Compliance

At the Fujifilm Group, the following four steps have been implemented in the PDCA (plan-do-check-act) cycle in the drive to maintain and increase awareness of employees' compliance.



1. Charter for Corporate Behavior and Code of Conduct

In accordance with changes in social conditions and our business operations, the Fujifilm Group has revised its Charter for Corporate Behavior and Code of Conduct and has disseminated the changes made to its employees.

The employees who violate the Code of Conduct possibly become subject to disciplinary measures depending on the content of the violation.

In April 2019, revisions were made from more global perspectives, in response to changes in ways of thinking on corporate social responsibility in recent years. To ensure that our employees have an accurate understanding of the revision, the Charter and the Code of Conduct were translated into 23 languages and launched in 24 languages through the entire Group.

Fujifilm Group Charter for Corporate Behavior

<https://www.fujifilmholdings.com/en/about/philosophy/conduct/index.html>

Fujifilm Group Code of Conduct

<https://holdings.fujifilm.com/en/about/philosophy/law>

Fujifilm Group Charter for Corporate Behavior and Code of Conduct in 24 Languages

<https://holdings.fujifilm.com/en/about/philosophy#24languages>

In the healthcare business, we recognize that higher ethical conduct and transparency and fair business activities are requested by society and the regulatory authorities in each country. In accordance with this situation, in July 2020 we established the Fujifilm Group Global Healthcare Code of Conduct that must be adhered to in promoting proper business activities.

Fujifilm Group Global Healthcare Code of Conduct

<https://holdings.fujifilm.com/en/about/philosophy/global-healthcare>

2. Compliance training

To establish compliance awareness widely among its employees, the Fujifilm Group has been organizing annual training courses on the Fujifilm Charter for Corporate Behavior and Code of Conduct since fiscal 2019. At the same time, we ask all employees to declare to “understand and act in compliance” with the provisions in the Charter and the Code of Conduct.

Additionally, workplace discussions are held on a regular basis for employees in each workplace to discuss specific and familiar compliance and risk issues such as prevention of harassment and misconduct and make them think as their own issues.

We identify a company, business, organizational level, etc. with a high risk through risk identification, critical incident reports, whistle-blowing reports, and awareness surveys. We then provide the appropriate training corresponding to the potential risks to the relevant people as necessary to provide the appropriate knowledge and thereby ensure compliance. M&A cases are increasing in the Fujifilm Group in recent years, requiring training at newly acquired subsidiaries. Due diligence is conducted on compliance, followed by prompt introduction and training in the Group’s Code of Conduct immediately after acquisition for penetration and understanding of the Group’s corporate philosophy.

Intended Audience	Category	Objective
All employees	Charter for Corporate Behavior and Code of Conduct and declaration of compliance (Global)	Gaining a greater understanding of the Charter for Corporate Behavior and Code of Conduct Declaration of understanding, complying with and behaving according to the Code of Conduct
	Compliance in general (Prevention of misconduct, prevention of harassment, whistle-blowing, etc.)	Application of the Charter for Corporate Behavior and Code of Conduct to concrete behavior in compliance
	Information security	Acquire a correct understanding of the information security rules and prevent leaks of confidential information (For further details, please refer to 2.2.8-2 (4))
New employees (New executive officers, new managerial personnel, new general employees)	Compliance and risk management in general	Establish awareness of compliance and risk management pertaining to each employee’s job level and function, to assure appropriate behavior.
Officers in charge of compliance/risk management at each organization	Risk management in general Handling harassment inquiries and current topics on information security, etc.	Promotion and guidance on compliance/risk management activities in each organization, in accordance with the groupwide policy.
Managerial personnel and general employees of organizations to be strengthened	Program content focused on key points in preventing misconduct, workplace discussions, preventing harassment, etc.	Education and training focused on key points to be strengthened in each organization, to ensure deeper knowledge and greater awareness and improvement

3. Compliance awareness survey

The Fujifilm Group conducts regular awareness surveys to examine the degree of awareness of compliance and comprehension among employees and to review the effectiveness of the Code of Conduct. The survey results are reported to the Board of Directors, ESG Committee and top management at each company. At the same time, feedback is given to various organizations and all employees for training purposes and measures are implemented in each organization to maintain and upgrade compliance awareness and prevent violations.

- Compliance awareness surveys (global): Conducted in alternate years
Objective: Examine the level of dissemination of awareness and comprehension of compliance in general
- Harassment survey (Japan): Conducted in alternate years
Objective: Examine the actual conditions of harassment

4. Whistle-blowing and consultation system

The Fujifilm Group prepares two separate whistle-blowing systems. One is through the contact points in Japan and regional headquarters that accept a range of questions and reports including inter-personal issues and compliance in day-to-day business. The other is by directly contacting the ESG Division (the compliance division) of FUJIFILM Holdings concerning critical issues that could significantly impact our business, such as a misconduct and violation of laws. This type of report can be made in 23 different languages, including Japanese and English.

Reports and inquiries are being handled swiftly and properly at each system for prompt resolution of problems. If a probable violation of the Code of Conduct is identified, the ESG Division (compliance division) investigates the issue. If a violation is confirmed, corrective actions are taken properly to prevent for further occurrence. A serious case is immediately notified to the executive officer responsible for the ESG Division and top management to discuss and determine the response.

Anonymous reporting is essentially possible under each whistle-blowing system. Investigations are conducted with confidentiality and protection for the whistle-blower, to prevent the retaliation as a result of their report. Particularly in Japan, in accordance with a new requirement by the amended Whistle-blower Protection Act of 2022, officers engaged in responding to whistle-blowing reports were appointed in each Group company. We disseminate this whistle-blowing and consultation system among all employees through posters and the intranet to ensure that they can make contact whenever necessary.

For external stakeholders, we provide “Contact regarding Sustainability” form on our official website to listen to the feedbacks on our sustainability activities including those related to human rights from the public at large, either anonymous or named. All complaints and suggestions are examined and handled appropriately after investigating the facts.

The number of whistle-blowing reports and contents are regularly reported to the board of directors with due consideration to the whistle-blower.

2.2.6 Achievements

1. Compliance training

- Training and declaration of compliance for the Charter for Corporate Behavior and the Code of Conduct was conducted for approximately 83,000 employees globally and 99% of the employees completed by the end of March, 2022.
- We provided training programs on the Global Healthcare Code of Conduct to employees who were newly appointed to the Healthcare Business and those in healthcare-related companies that joined the Fujifilm Group in the fiscal year.
- Training on compliance and risk management has been conducted for newly joined employees, new managers and new executive officers in their respective positions.
- To prevent fraud and misconduct, training videos based on precedents were provided to each workplace, followed by discussions on opportunities that allow fraud and measures to prevent it.
- Training of laws and regulations focusing on healthcare was conducted for the Healthcare business employees in Japan.

2. Compliance awareness survey

- Based on the results of the compliance awareness survey in October-December 2020, we conducted interviews with specific organizations and issued instructions on development and implementation of measures to further reinforce compliance and risk management.

3. Whistle-blowing and consultation reports

- Number of whistle-blowing reports and consultations in fiscal 2021: 252 (214 in Japan and 38 in overseas)
Among the whistle-blowing reports and consultations received, issues related to human relationships, personnel and labor affairs and harassment accounted for 70% of the total, in which each case was handled each case appropriately. There have been no incidents that could lead to a serious situation for the Group.
- In fiscal 2021, we did not experience any critical violation of Code of Conduct that we needed to make public.

2.2.7 Efforts for Each Theme Related to Laws and Regulations Particularly Important in Business Management

An “open, fair and clear” corporate culture is the fundamental principle on which the Fujifilm Group conducts its business activities. Chapter 2 of the Charter for Corporate Behavior and Code of Conduct (Fair Business Activities) states explicitly that the Group will uphold fair competition, fair sales activities, fair procurement activities, prevention of corruption, prohibition of bribery and restrictions on gifts and entertainment and compliance with export and import control regulations. Similar provisions are stated explicitly in the Fujifilm Group Global Healthcare Code of Conduct.

1. Efforts for anti-corruption (bribery)

In the Charter for Corporate Behavior and Code of Conduct, the Fujifilm Group has declared that we will refuse any involvement in corruption or in any dubious action that could cause suspicion of fraud with suppliers, business partners, public officials and government representatives. Also, each Group company implements the Anti-Corruption Policy and conducts regular audits including on-site audits in regions where the risk is deemed to be high.

The Anti-Corruption Policy prohibits actions that are for inappropriate purposes or lacking in propriety by general social norms, involving provision, request or promise of monetary and other benefits. Both the Anti-Corruption Policy and its Guidelines specify the procedure to make advance application for the provision of benefits within a scope that is socially acceptable, to obtain approval and record the procedure. They specify measures to conduct self audits at least once a year, to report the results of the self audit to the anti-corruption compliance officer (executive officer responsible for the ESG Division) and to report to the said officer if violations are found. These measures are implemented appropriately at each company. Self audit results from each company are reported to top management of FUJIFILM Holdings.

Relationships with middlemen such as sales distributors require due diligence prior to starting to trade, inclusion of an anti-corruption article in contracts and submission of reports once a year.

Status for FY2021

- For stronger management of middlemen, inspection based on third-party compliance reports and databases has started in some regions.
- Self audits have been carried out by each Group company worldwide and no serious incidents were found. The results were also reported to top management of FUJIFILM Holdings through the anti-corruption compliance officer.
- The Fujifilm Group never had a corruption or bribery, and we have never been investigated by administrative authorities concerning any corruption matters.

2. Preventing anti-competitive practices

The Fujifilm Group is working hard to observe anti-trust laws and has developed manuals and guidebooks that provide basic knowledge of anti-trust laws, standards of conduct to be observed and important points to be noted. We maintain regular employee education systems, and have introduced annual self audits.

For compliance with Japan’s subcontractor law (Act against Delay in Payment of Subcontract Proceeds, Etc. to Subcontractors), regular training sessions are organized for personnel responsible for order management at business divisions where subcontractor business volumes are large. At the same time, divisions are monitored for their state of compliance with the subcontractor law in response to inspections either by the Japan Fair Trade Commission or the Small and Medium Enterprise Agency. In-house seminars on Japan’s anti-trust law and subcontractor law were held for major affiliates to ensure that these laws are firmly established and complied with.

As for the anti-trust laws, self audits were carried out at each Group company worldwide and no serious violations were found. Since 2008, we have not been subjected to any penalties for antitrust/anti-competitive practices, nor are there any serious cases pointed out by administrative authorities. Also, there have been no ongoing antitrust lawsuits.

3. Initiative on the Pharmaceutical and Medical Device Act (Act on Securing Quality, Efficacy and Safety of Products Including Pharmaceuticals and Medical Devices)

We established the Fujifilm Group Global Healthcare Code of Conduct in fiscal 2020 and renewed our pledge of legal compliance in the area of healthcare.

Status for FY2021

In establishing our compliance framework in response to the amendments to the Pharmaceutical and Medical Device Act that took effect in August 2021, we have reorganized the responsible executive officers, given training to relevant executives and employees and conducted an internal audit on pharmaceutical and medical device regulatory affairs. Also, there have been no serious cases pointed out by administrative authorities.

4. Export and import control

The Fujifilm Group has created the Global Security Trade Control Policy, one of the basic policies commonly shared across the Fujifilm Group, and control our exports based on this policy. This is our means of preventing products and goods that could be converted into arms or be adapted for military use from being obtained by terrorists or nations that could threaten international security. We can therefore state that we contribute to maintaining international peace and safety not only by observing the related laws. The Fujifilm Group has established Regulations on Export Security Control based on its Export Security Control Policy for export control in compliance with laws and regulations by an export control organization chaired by the President.

Fujifilm Group Export Control Framework



We have prepared e-learning programs to train employees in the purpose and outline of export and import control to facilitate acquisition of the necessary knowledge at the right time.

Additionally, we hold briefings on revisions to laws and rules, concrete details on export and import control methods, etc., to foster greater understanding among employees.

For each division in our Group companies, we conduct annual written audits, as well as on-site audits, for continual improvement aimed at more solid and reliable export and import control.

Status for FY2021

We carried out written audits and on-site audits also in fiscal 2021 and did not find any serious violations. The Fujifilm Group never had a case pointed out by administrative authorities concerning export and import control.

Global Security Trade Control Policy <https://www.fujifilmholdings.com/en/sustainability/vision/control.html>

5. Appropriate application of economic partnership agreements

The Fujifilm Group is actively utilizing the international framework established by economic partnership agreements (EPAs) to reduce tariff payments to various countries. Due to the lack of uniformity in EPA provisions worldwide, requirements determined separately by the various agreements must be met. Satisfaction of the criteria is verified with reference materials on manufacturing parts and materials and production process and data on raw materials costs, product sale prices, etc. The verification reference materials produced by the development, manufacturing and sales divisions must be checked thoroughly, since failure to satisfy even one EPA requirement will be regarded tax evasion. To address this need, we have established the Fujifilm Group EPA Management Regulations to identify explicitly the responsibilities and roles of each business division, the need for continual confirmation of the viability of verification materials and storage periods for such materials. Inspection and confirmation by the EPA Promotion Division provides support to ensure that we continue to satisfy EPA provisions.

We provide relevant personnel with direct training on the requirements and methods for EPA application. At the same time, e-learning programs have been developed to assure appropriate application.

We will promote wider application of EPAs while assuring compliance through inspections such as on-site and written audits.

2.2.8 Information Security

1. The environment and risks surrounding information security

The costs resulting from cyber attacks are quickly increasing across the world recently, and the threat of such attacks could be even greater over the long term. As a corporation specializing in medical systems and IT solution services, information leakage from cyber attacks may be regarded as a violation of laws and we may be subject to considerable fines and compensation for damages. At the same time, such information leakage could easily cause a loss of trust by those customers who use our products and services. Also, even if a cyber attack is pinpointed on a limited but vulnerable site, the resulting damage may cause disruption to business operations across the world as multiple business sites are usually connected via networks today.

Therefore, we enhance the information security management system and measures described below, with the awareness that information security risks are long-term threats that could have a serious impact on our business.

2. Development of an information security management system

(1) Information Security Policy

The Fujifilm Group has laid down its Information Security Policy as a group-wide action policy covering the following six items. All the employees share this Policy.

Information Security Policy

The Fujifilm Group establishes the Information Security Policy towards the maintenance and improvement of Information Security as one of critical issues in business activities in order to continue to be a reliable corporation under our open, fair and clear corporate culture, and to fulfill our social responsibility.

1. Preparation and observance of information security rules

We prepare documents such as regulations and guidelines and ensure that they are fully complied with to follow this Policy, as well as to comply with all applicable laws, and regulations enforced in the regions in which we conduct business.

2. Establishment of information security management organization

We clearly define the organization structure and responsibilities to implement information security measures appropriately and reliably. Under our information security management organization, we, as a member of society, appropriately provide information and actively collect information from external information security organizations.

3. Information security education

We endeavor to raise awareness through enlightenment, education and training to implement information security measures appropriately and reliably.

4. Continuous improvement of information security measures

We review various measures as necessary for continuous improvement based on risk assessments to respond to changes in legal or regulatory requirements and new information security risks such as cyberattacks. We also maintain and improve supply chain security of business partners and other parties.

5. Maintenance and protection of information assets

We protect critical information including customer information, information of business partners, and company technical information from threats of leak, falsification, and loss by observing our code of conduct. We endeavor to ensure information security of our products and services to protect customer information. In case of a security incident, we will minimize the impact by a prompt initial response such as the prevention of damage propagation, and taking recurrence prevention measures.

6. Compliance with laws and regulations

We comply with information-security-related laws and regulations enforced in the regions in which we conduct business, as well as contracts with customers and business partners.

Adopted May 2013. Revised April 2021

(2) Information security risk management system

The Fujifilm Group has implemented information security governance for the entire group, with information security management organization set up under the chief information security governance officer, who is the executive officer in charge of the ESG Division. We also appoint the executive officer responsible for ICT as the chief ICT security officer who oversees the ICT security management organization and implements countermeasures for cyber security risks which are becoming increasingly important. The groupwide information security strategies are determined by the ESG Committee, chaired by the president of Fujifilm Holdings. Issues concerning these strategies are also regularly reported by the ESG Committee to the Board of Directors, which supervises compliance and risk management across the entire group.

Measures regarding the information security are implemented by the information security managers in each organization.

(3) Cybersecurity response system

The Fujifilm Group has formed FUJIFILM CERT, the Group's computer security incident response team (CSIRT) dealing with cyberattacks, to assure the safety of its products and services for customers and to maintain stable business continuity. FUJIFILM CERT coordinates and integrates the following four functions:

- Response to cyber-incidents related to the business IT platform, such as malware infection of employees' terminals
- Improvements in security quality from design and development of products and services to their administration or management
- Implementation of security measures to assure stable operation of its production infrastructure
- Protection against cyberattacks of our online services for customers

As a result of the growing risk of cyberattacks, we are identifying internal issues that need to be resolved in anticipation of advanced attacks and are working to strengthen group-wide information security.

Specifically, we have conducted comprehensive inspections of communication equipment including the division management equipment to drastically reinforce our monitoring system against external attacks. We are expanding FUJIFILM CERT globally to respond to cyberattacks worldwide. We are also providing information security training for our employees and have established contact points for employees for cyberattacks during the night and during holiday periods. In this way, we are reviewing and strengthening our information security from system defense, through initial response to damage to recovery procedures.

(4) Employee training

The Fujifilm Group believes that it is important for each and every employee to acquire the necessary knowledge and maintain a high level of awareness in order to prevent information security incidents and incidents or violations related to the handling of personal data. For this reason, e-learning programs on personal data protection are being conducted every year for all employees.

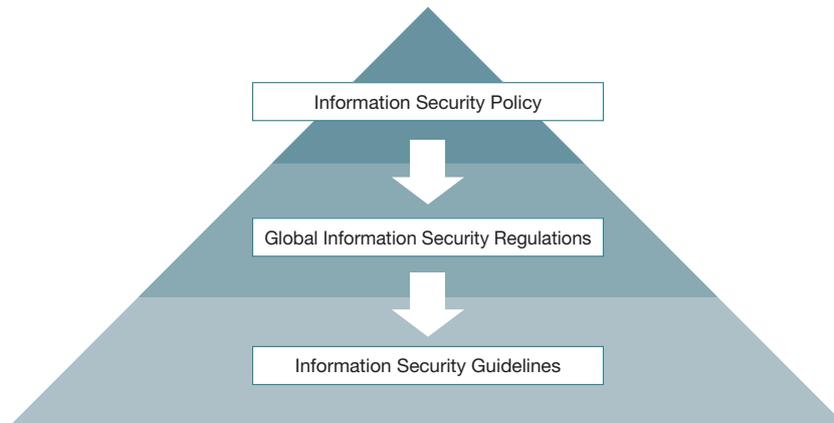
Additionally, we conduct training on cyberattacks, including targeted attack emails, by actually sending emails posing as phishing emails to employees. This suspicious email handling training, aimed at increasing sensitivity to security through the experience of receiving such emails, has been conducted every year since 2011.

3. Identifying information security risks and countermeasures

(1) Establishing an information security management system

The Fujifilm Group ensures a uniform global security level led by our regional headquarters in Japan, the US, Europe, Southeast Asia, and China, based on the group's Information Security Guidelines and the Global Information Security Regulations, which complies with ISO/IEC 27001, the standards for an information security management system. The Information Security Guidelines define concrete security management methods that are globally applicable and each company manages their security accordingly. The guidelines include, for example, device encryption, mandating antivirus software installation, ID management and access control by building an authentication platform, and mandating installation of an email filtering system to prevent information leakage.

Structure of Information Security Rules at Fujifilm Group



(2) Information security PDCA cycle and other measures

The Fujifilm Group secures its information based on an ISO/IEC 27001-compliant PDCA cycle. We assess the information risks and create an action plan each year, and based on this plan, the information security manager appointed in each organization leads following activities.

① Improved security quality of products

The Fujifilm Group has implemented a design and development process for better security quality throughout the product lifecycle from product planning, design and development to maintenance and operation. Specifically, we are implementing threat analysis in the upstream process of design and development, secure coding, response to supply chain vulnerabilities and regular vulnerability inspections before and after product release, based on a policy of “security by design.”

② Response to vulnerabilities

The Fujifilm Group collects vulnerability data from JPCERT/CC and other external organizations and disseminates information as needed to relevant organizations in the Group. If there is information on a vulnerability that will have a significant impact, we hold a vulnerability response meeting for each vulnerability theme to decide on the response policy and solution.

If a vulnerability in one of our products is reported from an outside whistle-blower, we disclose the vulnerability information and provide security patches, in accordance with the Information Security Early Warning Partnership Guideline and in coordination with IPA and JPCERT/CC.

③ Response to internal frauds

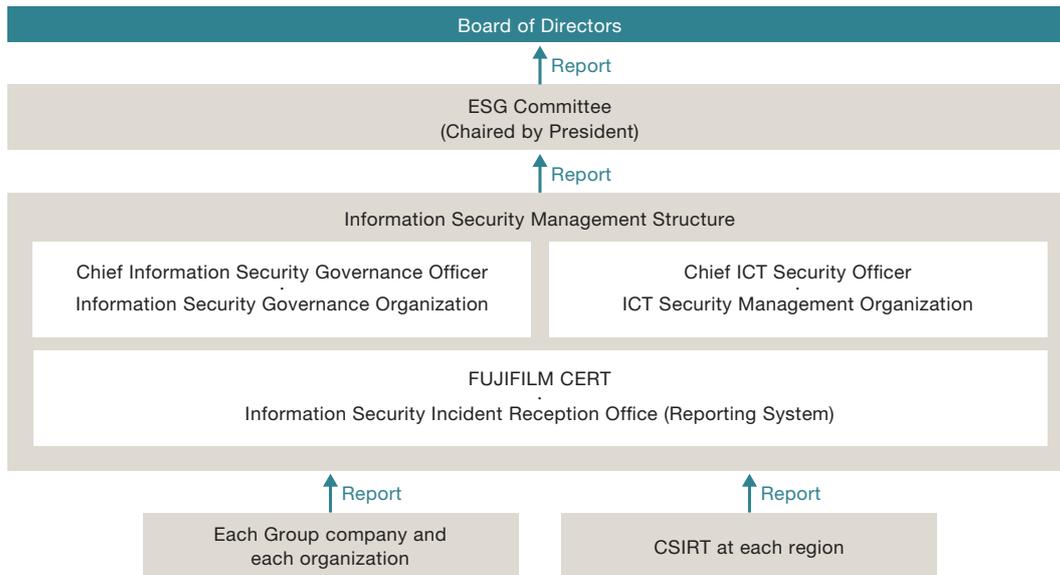
The Fujifilm Group imposes strict restrictions on employees taking company information outside of the company, whether by online or offline methods. Especially, we are monitoring all online transfers of company information to individual email addresses or external cloud services. If any suspicious conduct is detected, we investigate the evidence where necessary.

④ Cyber-training

To ensure a versatile and appropriate response in the event of an incident stemming from a cyberattack, the Fujifilm Group participates in joint annual cyber drills with NISC (National Center of Incident Readiness and Strategy for Cybersecurity) organized by the Nippon CSIRT Association. Cyber drills are also organized independently by FUJIFILM CERT to confirm response procedures and upgrade response skills.

4. Development of an emergency response system to address incidents

The Fujifilm Group provides a one-stop report reception office to accept reports about information security incidents and cyberattacks to promptly gather information about such incidents in a centralized manner. In the event of an incident, the ICT security management organization and the information security governance organization work together, sharing tasks, to implement measures to minimize any damage.



5. Measures for supply chain security

The Fujifilm Group’s activities are organized acknowledging that the scope of management is not limited to its own companies but also the entire supply chain including business partners.

For further details, please read *Information Security in cooperation with partner companies in the FUJIFILM Holdings Information Security Report*.

Information Security Report

<https://holdings.fujifilm.com/en/sustainability/activity/governance/security>

6. Closer communication with stakeholders and other relevant parties

To report on Fujifilm’s activities on information security and to win stakeholders’ trust for its business operations, the Fujifilm Group publishes an Information Security Report.

FUJIFILM CERT is a member of the Forum of Incident Response and Security Teams (FIRST), the international CSIRT community, and also of the Nippon CSIRT Association, the CSIRT community in Japan (as an administrative member). This contributes to greater security and safety in cyberspace through information exchange and coordination with other CSIRTs in Japan and other countries.

2.2.9 Privacy Protection

1. Basic policy

In the Fujifilm Group Code of Conduct, which sets out how employees in Japan and other countries should conduct themselves, we recognize the protection of personal data as an important human rights issue. We require each of our Group companies to establish personal data protection policies and privacy policies that include provisions shared by the entire Group. The entire Group maintains a personal data protection policy based on OECD Privacy Principles.

These policies are also being implemented at suppliers and contractors of the Fujifilm Group and cover the entire supply chain.

2. Promotion structure

Based on the Privacy Policy, the Fujifilm Group established the Global Personal Information Protection Regulations and the Personal Information Management Regulations to specify the methods of handling personal data. The General Manager of the ESG Division is appointed as the officer responsible for building and maintaining the personal data protection structure.

The policies and targets related to the group-wide personal data protection are determined by the ESG Committee, chaired by the president of FUJIFILM Holdings, and its report is submitted to the Board of Directors regularly. The Board of Directors is responsible for monitoring group-wide compliance and risk management, including protection of personal data, as one of the priority issues. In this way, we ensure the effectiveness of the process. After the ESG Committee has determined policies concerning personal data protection, the ESG Division of FUJIFILM Holdings takes responsibility for overall management of

such policy implementation and other privacy protection. The ESG Division's tasks include dissemination of the policies and targets, implementation of such policies, inspecting the implementation and management status, promoting details of the Personal Information Management Regulations among employees, and providing instructions and advice to managers of organizations that handle personal data.

Especially, as social awareness of personal data protection rises, we check our security measures in the processes of risk identification and action planning from the viewpoint of risk management every year. Our risk management structure spans the entire Group. Each group company or organization is paying extra attention to protect personal data under the supervision of a personal information protection manager appointed by each organization.

The companies with ISMS certification or the Privacy Mark certification are implementing improvement activities with regular audits by external audit firms and audit results.

3. Employee training

Please refer to 2.2.8-2 (4) *Employee training*.

4. Appropriate handling of personal data

The Fujifilm Group has established the Policy on Personal Information Protection, Privacy Policy and internal regulations on the handling of personal data (such as the Global Personal Information Protection Regulations and the Personal Information Management Regulations and various guidelines) to implement appropriate safety management measures and protect personal data held by the Group. Updates on its Personal Information Protection Policy and Privacy Policy are disclosed on the Fujifilm website, acquiring the appropriate consent of the person in question where required by law.

Once a year, each business division conducts an inventory of the personal data held by the division, to confirm and correct safety control measures and to perform other procedures, such as the deletion of personal data that is no longer necessary. The inventory status for each organization is audited by the ESG Division of FUJIFILM Holdings. In the work regulations, punitive action is imposed on any employee who takes company information outside of the company without authorization. At the same time, near-miss cases, including those that have occurred in other companies, are shared as a caution and to raise awareness. We take various measures to prevent information taken out of the company to assure protection of personal data.

When a government organization requests disclosure in compliance with the law, we confirm the details of the request and the applicable law in deciding the most appropriate way to protect personal data.

5. Action on global compliance

In face of the rapid development and review of personal data protection laws in various countries, as represented by EU's General Data Protection Regulation, it is important to keep abreast of such developments and assure compliance. The Fujifilm Group employs Global Personal Information Protection Regulations based on the OECD Privacy Principles as its fundamental group-wide rules to appropriately protect and manage the personal data used across the entire group, including overseas.

Although our regional headquarters and local subsidiaries are involved in the practical aspect of dealing with these developments, the ESG Division of FUJIFILM Holdings is also examining the development and review of the laws in various countries and confirming the activities of the various regional headquarters and local subsidiaries.

6. Incidents and violations in personal data handling

In fiscal 2021, there were no cases and appeals related to personal data handling pointed out by any third parties or administrative authorities and assessed to require public disclosure.

Acquisition of P-Mark and ISMS at Fujifilm Group

As of June, 2022

Certification	Certified Affiliates	
P-Mark*1	FUJIFILM Medical Co., Ltd.	FUJIFILM System Services Corp.
	FUJIFILM Imaging Systems Co., Ltd.	FUJIFILM Medical Solutions Corporation
	FUJIFILM Media Crest Co., Ltd.	FUJIFILM Healthcare Systems Corporation
	FUJIFILM Techno Service Co., Ltd.	FUJIFILM Healthcare Laboratory Co., Ltd.
	FUJIFILM Imaging Protec Co., Ltd.	
ISMS*2	FUJIFILM Imaging Systems Co., Ltd.	FUJIFILM Wako Pure Chemical Corporation
	FUJIFILM Imaging Protec Co., Ltd.	FUJIFILM System Service Co., Ltd.
	FUJIFILM Medical Co., Ltd.	FUJIFILM Service Link Co., Ltd.
	FUJIFILM Business Innovation Corp.	FUJIFILM Service Creative Co., Ltd.
	FUJIFILM Business Innovation Japan Corp.	
	FUJIFILM Manufacturing Co., Ltd.	FUJIFILM Business Innovation overseas manufacturing companies (4 companies)
	FUJIFILM Printing Systems Co., Ltd.	FUJIFILM Business Innovation Asia Pacific Pte Ltd
	FUJIFILM Software Co., Ltd.	FUJIFILM Business Innovation overseas sales companies (13 companies)
	FUJIFILM Recording Media Products Division	
	FUJIFILM Medical Systems Business Division	

*1 Privacy Mark (P-Mark): A mark granted by the Japan Information Processing Development Corporation (JIPDEC) to companies in which personal information is handled appropriately.

*2 ISMS: Certification regarding the overall management framework for information including personal data (Information Security Management System).

Third party evaluation and certification, Fujifilm Holdings Information Security Report

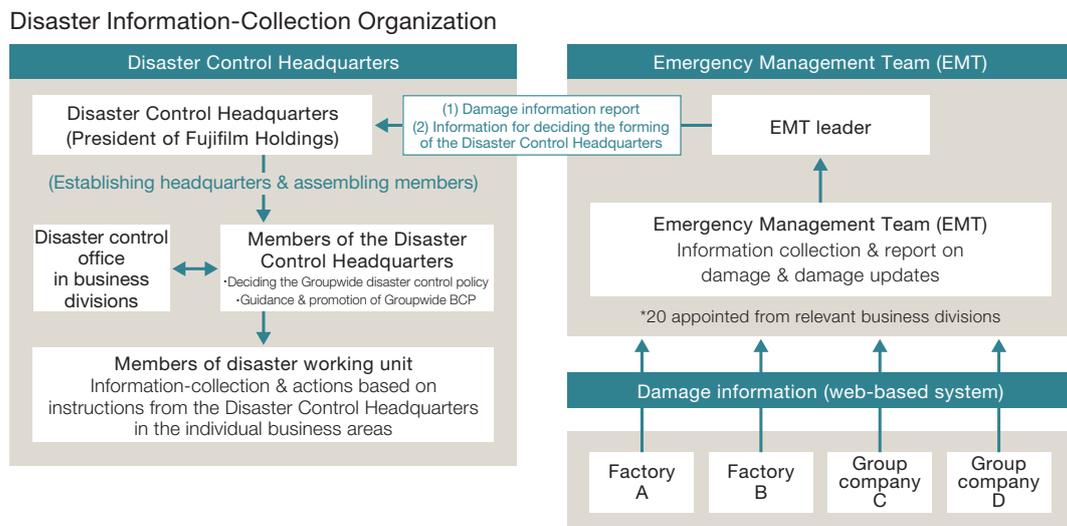
https://www.fujifilm.com/files-holdings/en/sustainability/activity/governance/security/en_i_security2020.pdf

2.2.10 Preparations for Large Scale Natural Disasters

1. Basic policy

Natural disaster risks are rising and at the same time being aggravated by changes in the global environment, such as rises in sea levels and abnormal meteorological phenomena caused by climate change. In conducting its business activities on a global scale, the Fujifilm Group believes in its social responsibility to maintain a continuous supply of its products and services (business continuity) while at the same time assuring safety and protecting the lives of its employees in various regions. To minimize damage to business in the event of a natural disaster, we actively work to protect against and mitigate damage from natural disasters.

2. Organization in the event of natural disasters



Speed in collecting information is vital to minimize the damage caused by natural disasters. In dealing with such damage, we have created an organization that focuses on information collection.

(1) Emergency Management Team (EMT)

The Emergency Management Team (EMT) is organized by representatives of General Affairs, Human Resources, and other divisions that have the ability to implement countermeasures to natural disasters. The team collects information on disaster damage, as well as damage to the Group, and the EMT leader proposes the formation of a disaster control headquarters. Among the emergency measures at disaster control headquarters, discussions on how to respond are based on the information supplied by the EMT, so it is a vitally important organization.

(2) Disaster control headquarters

In the event of a large-scale natural disaster, the decision on whether to form a disaster control headquarters headed by the Fujifilm Holding President is based on information collected by EMT. If approved, the headquarters is established at head office. Through members of the disaster control headquarters, the action policy and countermeasures decided at the disaster control headquarters are communicated to the disaster control office in each business division, as well as the members of the disaster working unit appointed by each organization. In this way, the actions and countermeasures are implemented by the unit at each organization.

3. Summary of activities

We carry out projections of possible risks (and screening for disaster risks) for each business site in Japan and other countries. The Group is implementing measures, not only on an across-the-board, group-wide scale, but also those that are specific to the potential disaster risks at individual business sites and businesses.

(1) Reinforcement of preparatory action

The Fujifilm Group focuses on the following two important points.

① Assessment and greater visibility of disaster risks

- Disaster risks for each business site are assessed, followed by preparation of a risk map based on the information.
- In the past, individual BCPs were created per risk in different businesses. We have now integrated into the All Hazards BCP, which comprehensively covers natural disasters, infectious diseases, and information security.

② Study and preparation of countermeasures to address the assessed disaster risks

- An “action manual” is produced by each production site, specifically for that site, to address each disaster risk made visible on the disaster risk map.
- Drills on how to proceed in the event of an emergency are held based on the manual.

To improve the Group’s ability to address a wide-area disaster, the Fujifilm Group is adding and strengthening the measures to be taken when a natural disaster is anticipated. For torrential rain, we use information on rainstorms and river system water levels made available by the national and regional administrative authorities to strengthen preparatory measures in each region. We also use the information to predict changes in river water levels and develop a groupwide system to issue alerts when the warning criteria are reached. Each business site established a manual to respond to the alerts and estimates potential disasters and takes early countermeasures.

(2) Information collection on the outbreak of a disaster

To grasp an information such as employee and structural safety rapidly and properly, the Fujifilm Group has introduced various systems to assist in doing this.

① Employee safety check system

The system was introduced in 2009 that collects information and confirms the safety of all employees of the Fujifilm Group in Japan when a special alert is issued.

② Internal damage information collection system

To assess damage to business operations, an internal damage information collection system was introduced in 2014, followed by a disaster information mapping system in 2017. In 2019, the two systems were interlinked to assess situations timely and centrally on a digital map, which combines their respective data into one with information from the damage status reports from the Japan Meteorological Agency and the Ministry of Land, Infrastructure, Transport and Tourism, information on the status of railway operations from the various railway companies, information on electric power and water supply failures and other wide-area disaster data. All the information is shared rapidly among the members at the disaster control headquarters at head office on the outbreak of a disaster.

③ Structural safety assessment system

A structural safety assessment system, which assesses the safety of structures at our major business sites in the event of a disaster, was introduced in 2017 and has been utilized for a first-round estimation of structural damage before allowing employees to enter to the facilities.

In addition, an overseas risk management system was introduced in 2019 for business sites for all the companies in the Fujifilm Group to give a swift assessment of disaster damage and risks that are likely to impact business continuity. We use these systems to rapidly assess the risks and their potential impact on a digital map and is able to assist the relevant parties in taking prompt action.

For earthquakes, floods, wind damage and other leading disasters, the probability of occurrence is classified into levels. For business sites located in high-risk regions, action in this area is regarded as a priority issue, requiring development of appropriate measures and annual reviews of the progress made with implementation. We plan to strengthen our disaster protection system and enable wider sharing of the information collection process.

(3) Emergency drills and employee training

In recent years, the risks of potential disasters have grown in Japan, including Nankai megathrust earthquakes, a greater Tokyo earthquake, a Mount Fuji eruption, torrential rainstorms, flash floods and rises in sea level. We conduct drills that are designed to prepare for possible a Nankai Trough earthquake or a greater Tokyo earthquake, as well as an eruption of Mount Fuji. What kind of procedures will lead to the appropriate action, what initial procedure is required to enable other business sites to respond in the event of Tokyo head office being damaged and what is the best decision-making process that management should follow are all being studied.

Our employees are the most important factor for an early recovery when the company sustains damage. To minimize damage from a disaster, each and every employee must increase their understanding of disaster protection and the required preparations. We organized a disaster preparation e-learning program in May 2021 for employees in Japan in response to the frequent occurrence of large-scale natural disasters in Japan in recent years. The e-learning program is designed to assist employees in ensuring they have a basic knowledge of what to do in the event of a natural disaster, the importance of keeping themselves safe and the everyday preparations they can make for a possible disaster. Approximately 46,000 employees in Japan had followed the program.

2.3 Product Development Management (Quality Control and Innovation)

2.3.1 Basic Approach

The Fujifilm Group's Corporate Philosophy is that we will use leading-edge, proprietary technologies to provide top-quality products and services that contribute to the advancement of culture, science, technology and industry, as well as improved health and environmental protection in society. Our overarching aim is to help enhance the quality of life of people worldwide. Our belief that assuring uniformity in the quality and providing a stable supply of products we have developed is the basis to earn customers' trust and contribute to society. We have retained this belief as the foundation of our business activities since the company's founding.

We offer products and services across a wide range of business fields, represented by digital cameras, medical imaging systems and document systems such as printers and multifunction devices, as well as recording media and advanced materials. Amid the drastic changes in the market and the great technological advances brought about by recent digitization, we intend to continue meeting the expectations and trust of our customers in all our business fields through development and management, as well as to continue to update our comprehensive quality management systems for our products and services.

Under the Group's corporate slogan "Value from Innovation" and aiming for continuous innovation—creating new technologies, products and services that inspire and stimulate people everywhere—we will continue to develop a wide range of products and businesses, supported by the diverse technologies we have accumulated in manufacturing photographic/motion picture film and other fields, and committed to resolving social issues across a broad range of areas.

2.3.2 Quality Policy and Management System

To enable us to deliver products and services of the highest quality, the Fujifilm Group has established a Quality Policy and based on its principles, has been pursuing improvements in quality and reductions in risk. We have also implemented an integrated management system (IMS)*, which includes the quality management system that is chiefly for our manufacturing division in compliance with ISO 9001, to increase the effect of improvements.

* IMS: Integrated management system. The IMS integrates multiple management systems, including an environmental management system (EMS), quality management system (QMS) and occupational safety and health management system (OSHMS).

Effective Management System <https://holdings.fujifilm.com/en/sustainability/vision/management/management-system>

Fujifilm Group Quality Policy

The Fujifilm Group operates its businesses based on this policy in order to provide the highest quality of products and services to customers.

1. We will seek to ensure customer's satisfaction and trust in response to the demands of society.
2. We will pursue the highest standard quality in the market by taking advantage of our leading-edge, proprietary technologies.
We will also strive for the highest quality and safety.
3. We will thoroughly comply with laws and regulations regarding our products and services.
4. We will correctly and properly disclose information regarding the quality and safety of our products and services.
5. We will listen carefully to market opinions and commit to further sustainable quality improvement continuously.

Established in January 2010, Revised in April 2019

Status of QMS Certification and Audit in FY2021

* Target sites are determined in consideration of business characteristics.

Details of external expert inspection/audit/verification system (International certification under ISO 9001)	Scope 86.3% Target sites 73 / Certified sites 63
Details of internal expert inspection/audit/verification system	Scope 13.7% Inspections executed in accordance with the Quality Policy. Target sites 73 / Certified sites 10
Quality management system (QMS) coverage at the Fujifilm Group (total of the above two)	100%

Effective Management System <https://holdings.fujifilm.com/en/sustainability/vision/management/management-system>

2.3.3 Product Development Flow

In the development of new products (including improvements to existing products), the Fujifilm Group conducts verifications at each stage of the development process from product planning to product review, examining not only the level of achievement and quality targets but also environmental matters, safety and statutory regulations, as well as reviews from the viewpoint of user needs.

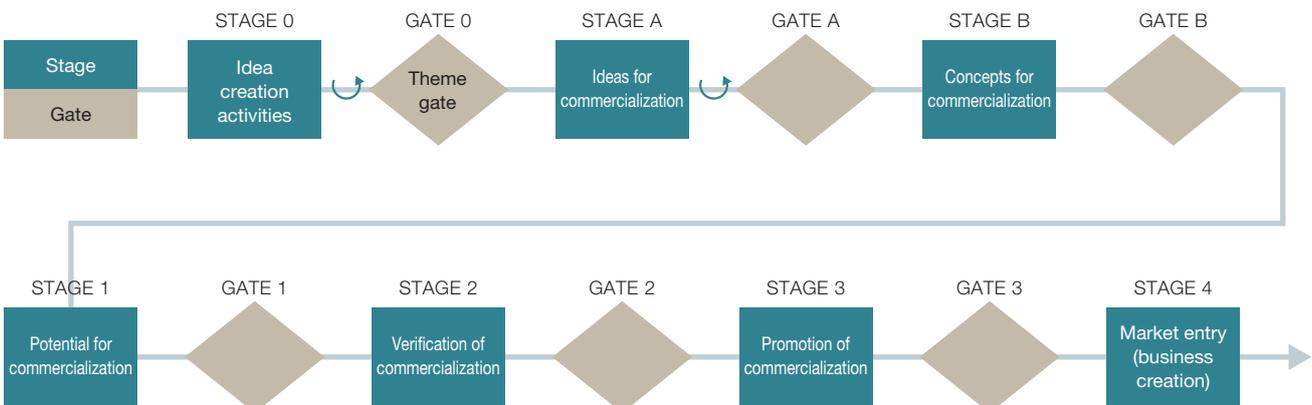
In the Fujifilm Stage Gate Process, which is the framework for verification, the process after the theme gate (GATE 0), the starting point for the new product development, is divided into six stages, with development passing through each stage, one at a time. In Stage 1, for example, the state of legal compliance is examined for the product under development from the aspect of the various laws and regulations on safety and health and other areas. In each subsequent stage, hypotheses regarding various factors of uncertainty are verified to minimize uncertainties. At the end of each stage, a “gate meeting” is held to determine whether the product should proceed to the next stage by checking the level of achievement for each of the items under review selected in advance.

As development passes through each of these stages, strategies are re-examined with each new issue that surfaces to ensure that we develop new products that demonstrate all-around competitiveness.

From the earliest stage of development, the Fujifilm Stage Gate Process focuses especially on the environmental aspects of the data items that are released to customers as product information. For example, the level of achievement of the Design for the Environment target which is established at the product planning stage continues to be assessed even after market launch, with the findings being actively disclosed.

As for information on disclosure of environmental data, please refer to 3.5.5 *Disclosing Environment-Related Information for Products*.

Stage Gate Process



2.3.4 Product Safety

The Fujifilm Group upholds its attention to products and services in a safe and responsible manner in its Charter for Corporate Behavior and works to improve product safety levels in compliance with the legal requirements of each country. At the same time, product safety management is implemented uniformly throughout the Group based on the Product Safety Policy and Product Safety Manual. Management organizations responsible for product safety report directly to the president in each operating company. Should an incident occur, systems are in place for close communication and swift action.

In response to the amendments to the Japan's Consumer Product Safety Act in May 2007, a database for reports on information related to product liability (PL) has been created to speed up information gathering and communication. Should there be a grave product liability incident that requires groupwide action, the Fujifilm Total Risk Management Committee, FUJIFILM Business Innovation Risk Management Committee or a subcommittee conducts a review, with the Secretariat coordinating with the relevant business division to implement swift action. For other incidents, the regular ESG Committee conducts a review to ensure group-wide implementation of all continual improvements. If it is necessary to issue guidance to customers, a warning is issued through the "Important Notice to Customers" on our website. We will continue to implement comprehensive product safety management and disclose information whenever appropriate.

There have been no serious incidents that fall under the Consumer Product Safety Act revised in May 2007.

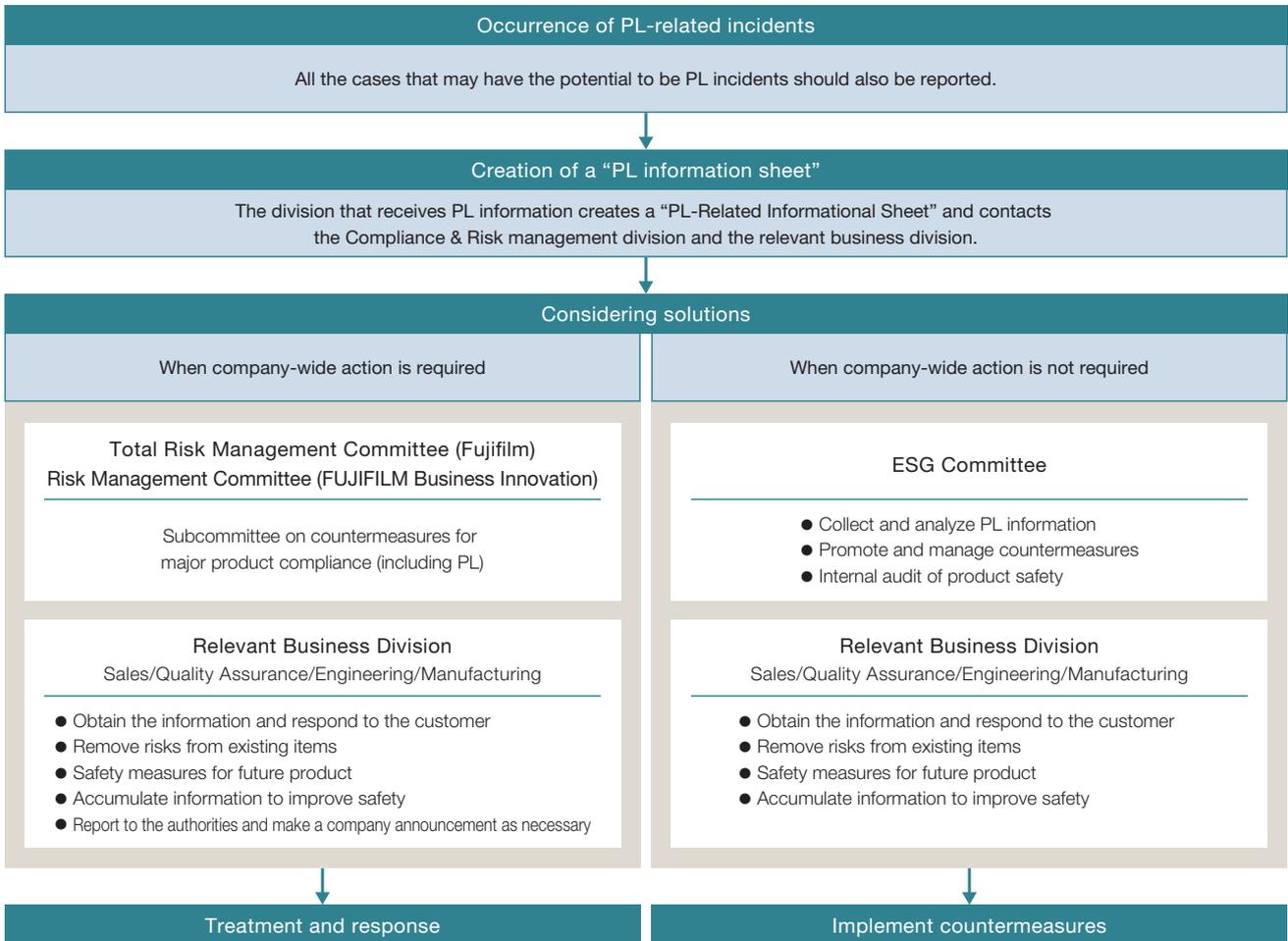
Product Safety Policy

Fujifilm aims to "enhance the quality of life" of customers by creating safe, secure and attractive "products and services of the highest quality." To ensure high satisfaction and earn the trust of our customers, we will work to ensure product safety and toward the pursuit of safety through the entire life cycle of development, manufacturing, sales, use, service and disposal for all products.

The five priority measures are as follows.

1. Compliance with laws and regulations
2. Promotion of product safety measures
3. Develop a response system for emergencies such as product incidents
4. Disseminating product safety information to customers
5. Employee education on product safety

Process Flow of Product Safety Information



2.3.5 Initiatives for Open Innovation

Amid the digitization wave of recent years, the new technological innovations and cutting-edge advances that are required are not easily achieved with speed and impact solely through independent development by the company itself; they also require collaboration with a broad range of business partners outside the company. To trigger reform in society and achieve major innovations that can contribute to resolving social issues, we are committed to and are actively promoting "Open Innovation" implemented through co-creation and collaborations founded on equal partnerships among equal business partners.

We are involved in activities to create new value, chiefly in the segment of healthcare and highly functional materials, and innovative products and services and new business operations through active collaboration among the industrial, governmental and academic sectors.

1. Open Innovation Hub (creating a venue for Open Innovation)

We created an Open Innovation Hub in 2014 in Roppongi, Tokyo to provide a venue for Open Innovation founded on equal, co-creation partnerships with outside organizations. This was followed by formation of a trilateral organization involving sites in the United States and the Netherlands with some 23,000 customers (as of March 31, 2022). At 15% of these customers, we are promoting discussions and activities to create concrete plans for new products and technologies.

Although the three sites were temporarily closed immediately due to the outbreak of the COVID-19 pandemic in 2020, teleconferencing and virtual tour systems that enable interactive communication were introduced to enable the skillful management of online and off-line activities in line with the state of the pandemic, enabling us to continue Open Innovation with our customers.

2. Participation in collaborative R&D with outside organizations

Of the numerous collaborative R&D projects with outside organizations, we have focused especially in recent years on activities targeting needs in the medical field and solutions to optimize workflows, including assistance with diagnostic medical imaging systems, support with medical site workflows and maintenance services for medical equipment. In addition to our own technological development efforts, we have established partnerships with domestic and overseas AI technology vendors who have outstanding technologies to develop solutions for medical diagnosis assistance through imaging and to achieve greater workflow efficiency. AI technology that can be utilized in these areas is deployed under the brand name REiLi. Many technology development projects are underway in cooperation with universities and research institutes.

In development themes related to the environment, we are actively participating in various industry-academia-government collaboration projects that come under the New Energy and Industrial Technology Development Organization (NEDO). Through these activities, we have been recognized as a “Zero-Emissions Challenge” company*1 by the Ministry of Economy, Trade and Industry (METI).

*1 Companies taking on the Zero-Emissions*2 Challenge: project of the Ministry of Economy, Trade and Industry to create a list of companies that are tackling innovation in building a decarbonized society to provide beneficial information to investors and other interested parties. In TCFD Summit 2021 held on October 5, 2021, roughly 600 companies were announced as taking on the Zero-Emissions Challenge.

*2 Achieving zero CO2 emissions in this case.

METI List of Companies taking on the Zero-Emissions Challenge

https://www.meti.go.jp/policy/energy_environment/global_warming/zero-emission_challenge/index_zeroemi.html (in Japanese only)

NEDO-sponsored Projects in which We Participate

As of June 2022

- Development of Continuous Production and Process Technologies of Fine Chemicals
- Artificial Photosynthesis Project
- Development of Material Evaluation Techniques for Advanced and Innovative Batteries (Phase 2)
- Research promotion project on creation and reinforcement of innovations, under “Field for Knowledge Integration and Innovation”

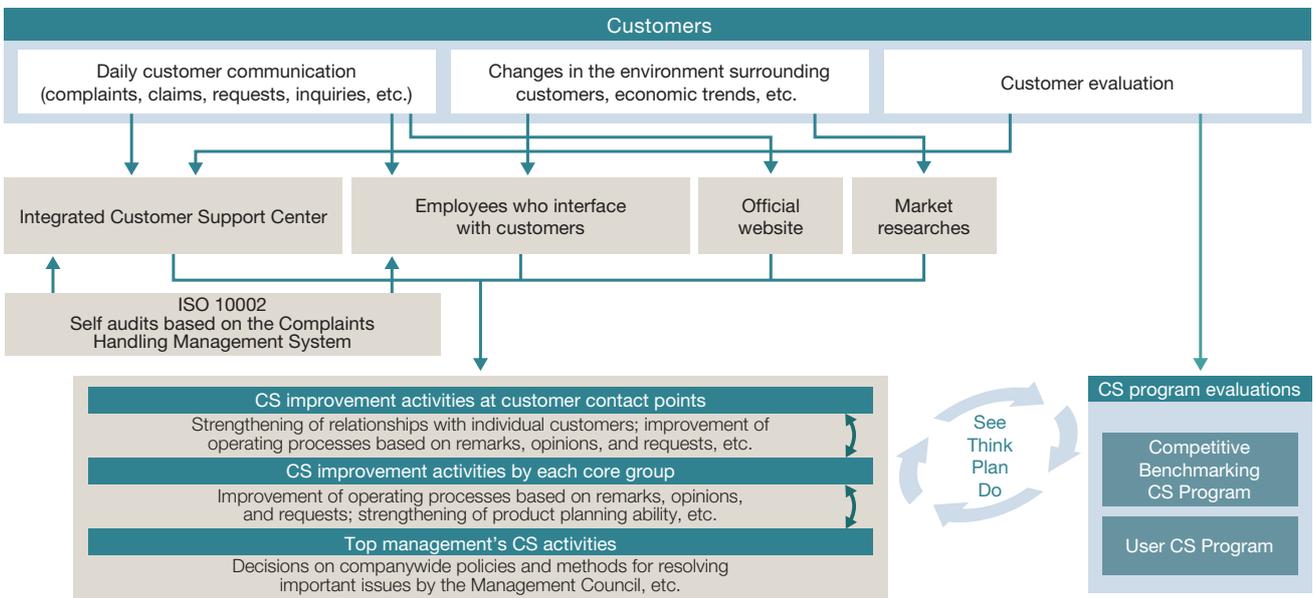
2.4 Customer Relationship Management

2.4.1 Basic Approach for Customer Relationship

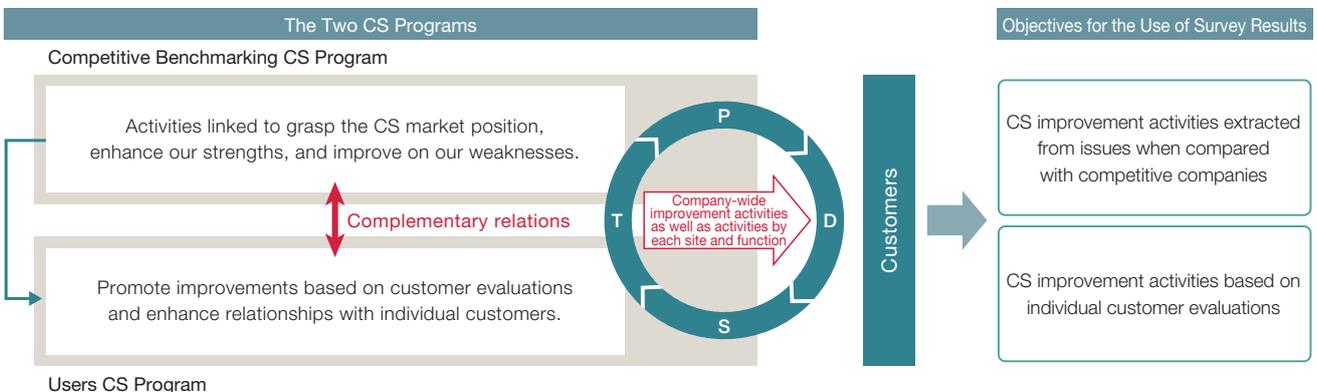
As we declare in our corporate philosophy, the Fujifilm Group aims to provide the best quality products and services which are safe, appealing to customers and provide them with peace of mind, by basing our management on Customer Satisfaction (CS).” In order to achieve customer satisfaction, it is important to obtain the views of a wide range of customers and to have a mechanism in place for effectively reflecting these in our products and services. For this purpose, we pay special attention to communicating with our customers at customer centers which are our point of contact with them. We aim to correctly grasp their views, as well as seek to respond in a speedy, kind, accurate and fair manner, and we are constructing a system to link these views to improvements in our work processes and product development.

2.4.2 Structure for Customer Relationship

Mechanisms for Communicating with Customers



CS Program (Improvement activities based on the CS surveys)



2.4.3 Efforts to Improve Customer Satisfaction

1. Education and training programs for our employees and sales distribution network

The Fujifilm Group offers training not only to our own customer engineers but also to our external partners in authorized retailers to further improve our customer satisfaction.

In order to deliver high and consistent support quality to customers, we offer all partners product and service training sessions that cover the skills and knowledge required for software and hardware installation of various products and services, maintenance, repair, and usage instructions. We also share the results of customer satisfaction surveys in different regions, and hold associated training sessions to ensure better maintenance services and sales activities. Uniting the efforts of our companies and our external partners, we aim to further improve customer satisfaction across the world.

2. Online service

Online Service Usage Status

Unit: %

	FY2018	FY2019	FY2020	FY2021	Target in FY2021
Online customers (Percentage of customers who use online services or sales platforms among all customers)	79.3	83.4	85.6	86.9	86.5
Online sales (Percentage of online sales (direct sales and advertising))	4.5	4.3	4.2	4.2	4.2

* Online customers refers to customers of the Business Innovation segment in Japan, with contract of online remote maintenance on our multifunction devices.

* Online sales were calculated from the online site sales in the sales of the Business Innovation segment in Japan.

3. Customer satisfaction survey results

(1) Customer satisfaction survey

Customer satisfaction percentage was calculated to take track of customer satisfaction where after-sales services are critical, i.e., in medical systems, multifunction devices, and photograph-related products such as digital cameras in the Fujifilm Group.

① Results of customer satisfaction survey

Unit: %

	FY2018	FY2019	FY2020	FY2021	Target in FY2021
Percentage of satisfied customers among all customers (%)	85.1	86.3	87.5	88.0	88.0
Data coverage (within all the sales of our company)	77.0	77.6	77.9	75.2	

② Customer satisfaction by business segments in the above data

Unit: %

Business Segment	FY2018	FY2019	FY2020	FY2021
Healthcare (medical products)	78	79	79	80
Business Innovation (multifunction device products)	91	92	93	93
Imaging (photograph-related products such as digital cameras)	89	89	93	93

(2) Efforts to improve customer satisfaction

In addition to initiatives at various liaison offices for customers, we improve our products and services through the views of a wide range of customers.

Customers Response (FUJIFILM's Activities)

<https://holdings.fujifilm.com/en/sustainability/activity/other-activities/customer-service/customer>

Activities Incorporating Customers' Feedback (FUJIFILM's Activities In Japan)

<https://holdings.fujifilm.com/en/sustainability/activity/other-activities/customer-service/customer/case-study>

To improve customer satisfaction (FUJIFILM Business Innovation)

<https://www.fujifilm.com/fbglobal/eng/company/cs>

4. Efforts in the Healthcare segment

The Healthcare segment is one of the most critical field that directly influences on people's life.

As the foundation of its business activities, the Fujifilm Group increases awareness of our Charter for Corporate Behavior and Code of Conduct among all employees. We also implement the following activities with the Healthcare segment in mind.

(1) Efforts to improve access to healthcare services

The Fujifilm Group appoints health as one of our priority areas and aims to improve the quality of life for people through our products, services, and technologies. Setting "Improve Accessibilities to Medical Services" as the priority issue in the area, we are promoting various efforts such as introducing a health check service within different regions and developing an early tuberculosis diagnosis system in developing countries.

<https://holdings.fujifilm.com/en/sustainability/activity/health/priority-issue-2>

(2) Efforts to ensure fairness and transparency in the Healthcare segment

① Sales activities through fair competition

The Fujifilm Group recognizes the importance of ensuring transparency and trust in our relationships with medical institutions in the Healthcare segment. All activities conducted by the Fujifilm Group follow industrial regulations, such as the Code of Ethics, the Charter of Business Behavior, the Promotion Code of the Medical Devices Industry, and the Fair Competition Code of the Medical Devices Industry in Japan, as specified by the Japan Federation of Medical Devices Associations, the Japan Fair Trade Council of the Medical Devices Industry, and the Japan Pharmaceutical Manufacturers Association. Further, we have set up the Fujifilm Group Charter for Corporate Behavior and Code of Conduct, as well as each company's regulations involved in the Healthcare segment.

In view of the laws and regulations we are required to comply with, we established Fujifilm Group Global Healthcare Code of Conduct for relevant Group companies in the Healthcare segment in July 2020. Employees in the relevant Group companies follow these regulations in carrying out their business to ensure fair business competition.

② Information disclosure

The Fujifilm Group regularly discloses Healthcare segment information, such as funding, in order to gain the wider understanding of society with regards to the manner in which the Group operates its business to a high ethical standard.

2.5 Supply Chain Management

2.5.1 Basic Approach

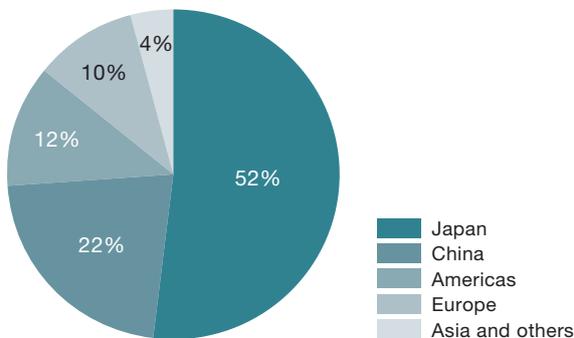
The Fujifilm Group develops business activities in the four segments of Healthcare, Materials, Business Innovation and Imaging, and is working to contribute to solving social issues through the value chains of these diverse businesses. As a global company, we distribute a range of products to customers across the world, procuring numerous materials and components for such products. We believe that we are responsible for not only ensuring the quality and safety of our products, but also appropriately managing the supply chain of materials and components used in our production. In response to recent increases in social demands, we are keen to fulfill our social responsibility across the entire supply chain of the Fujifilm Group including our suppliers. The scope of this responsibility covers the global environment; ethics; and work environment of those working within the supply chain including their human rights, health and safety.

Under a partnership with our suppliers based on mutual understanding and trust, the Fujifilm Group aims to build a more robust supply chain through socially responsible procurement that reduces business risks in the supply chain and increases the competitiveness and corporate value of all parties in the chain.

2.5.2 Fujifilm Group Procurement Overview

The Fujifilm Group manufactures a wide range of products, including chemical products; functional materials; and medical, precision, optical, and office equipment. Our major production sites are located in Japan, Americas, China, the Netherlands, and Vietnam. Procurement items are also diverse, including sensitive commodities, chemicals, equipment, and packaging materials. The costs are shared among different regions: 52% in Japan, 22% in China, 12% in Americas, 10% in Europe, and 4% in Asia and other regions.

Proportion of Procurement Amount by Region



The Fujifilm Group pursues optimization of production and procurement process in all businesses in order to manufacture ever better products and offer them at appropriate prices. As a concrete procurement strategy, we place emphasis on the three points listed below. We continually improve our procurement activities by setting strategy plan and targets every year.

- (1) Cost improvement (pricing)
- (2) Stable procurement and supply (quality and delivery)
- (3) Business Continuity Plan (BCP) for procurement

To secure stable procurement and business continuity, one important aspect is to identify and reduce CSR risks in the areas of human rights and labor, environment, safety, and ethics—not only within our own company but also in our suppliers.

The Fujifilm Group bears a variety of CSR risks because we conduct business with various suppliers of different regional characteristics for our diversified businesses and products. Further, social demand for companies to pursue CSR is also increasing as a part of the ever-changing business environment.

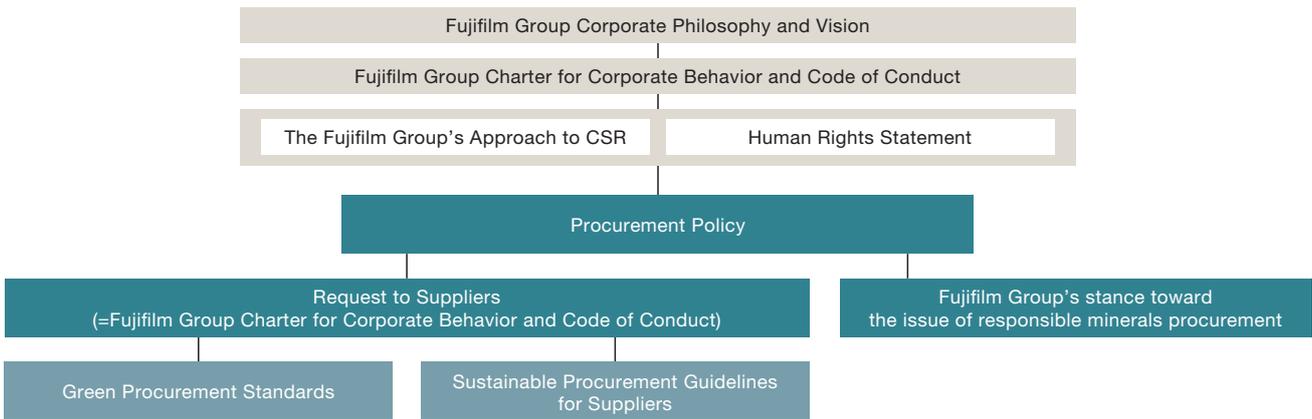
Taking account of such situations, we are working to maintain CSR conscious procurement (sustainable procurement) by incorporating CSR-based assessments when choosing a supplier and in periodic evaluations. In general, labor disputes tend to occur relatively frequently in Asian countries other than Japan. For this reason, and due to the rapid tightening of environmental regulations propelled by society, factories in Asian countries have a higher risk of operational cessation. To avoid such risk, the Fujifilm Group focuses on sustainable procurement in Asia, including China.

The Fujifilm Group's pursuit of sustainable procurement is not only to avoid risks, but also for the positive benefits it brings. We believe that respecting the human rights of workers in the supply chain increases productivity and moral action, which in turn lead to the provision of better products and services, as well encouraging innovation. We aim to develop together with our suppliers by encouraging them to take initiatives in CSR activities to spread such positive effects. For more details on our concrete efforts of CSR procurement, refer to *2.5.5 Efforts to Improve Sustainability in the Supply Chain*.

2.5.3 Procurement Policy and Structure

1. Procurement policy and rules

The Fujifilm Group's CSR policy and rules concerning procurement are described below.



2. Fujifilm Group Procurement Policy

Fujifilm Group upholds the Fujifilm Group's Procurement Policy as a group-wide policy. We believe it is important that the business partners and suppliers, especially production materials suppliers, understand the importance of CSR (environment, human rights, occupational health and safety, corporate ethics, etc.) and work together with us in resolving issues. Therefore, we include the aspects of CSR in our supplier evaluation standard.

Fujifilm Group Procurement Policy: <https://holdings.fujifilm.com/en/sustainability/vision/policy/procurement>

3. Request to Suppliers (Supplier Code of Conduct)

The Fujifilm Group recognizes the importance of social responsibility and corporate ethics in undertaking business activities not only within the Group itself but also in partnership with our suppliers as we strive to build stronger partnerships. With this aim, we inform and request suppliers to adhere to the Fujifilm Group Charter for Corporate Behavior and the Code of Conduct. We also ask our suppliers to request adherence to the Supplier Code of Conduct by their own employees and subcontractors (that is, secondary contractors of the Fujifilm Group).

Fujifilm Group Request to Suppliers <https://www.fujifilmholdings.com/en/sustainability/vision/procurement>

Fujifilm Group Charter for Corporate Behavior / Code of Conduct
 [English] https://www.fujifilm.com/files-holdings/en/about/philosophy/02_FF_CoC_202111_English.pdf
 [24 languages] <https://holdings.fujifilm.com/en/about/philosophy#24languages>

Items for Fujifilm Group Code of Conduct

Respect for Human Rights	Respect of human rights, Respect and promotion of diversity, Prohibition of discrimination, Prohibition of bullying and harassment, Protection of privacy, Promotion of work-life balance, Prohibition of forced labor / child labor, Promotion of occupational safety and health, Respect of labor rights
Fair Corporate Activities	Active communication, Information disclosure, Fair competition, Fair sales activities, Fair procurement, Prevention of corruption, Prohibition of bribery and restriction on gift-exchange and entertainment, Prohibition of ideological/religious activities in our roles as executives and employees, Rejection of organized crime, Compliance with trade control regulations, Accuracy of financial reporting and appropriate tax payments, Quality assurance/safety of products and services, Responsible marketing
Protection/Preservation of Corporate Assets and Information	Effective use of corporate assets, Prohibition of improper use of corporate assets, Prohibition of conflicts of interest, Prohibition of insider trading, Protection of confidential information, Protection of others' intellectual property, Protection of personal information, Crisis management
Measures Related to Environmental Issues	Response to climate change, Contribution to a circular economy, Safety and effective use of chemicals, Protection of local environments and partnerships with local communities

4. Sustainable Procurement Guidelines for Suppliers

The Fujifilm Group has compiled the most important points and an explanation of the Fujifilm Group Code of Conduct as the Fujifilm Group Sustainable Procurement Guidelines for Suppliers (revised in March 2022) so that suppliers can fully grasp the CSR rules to which they must adhere. The guidelines also contain an action checklist, and cover all the items specified in the RBA's* Code of Conduct, the international CSR framework organized by the electric and electronics industry.

* RBA: Responsible Business Alliance

Reference: Elements of Sustainable Procurement Guidelines for Suppliers

<p>1. Respect for Human Rights</p> <p>Respect of human rights, Respect and promotion of diversity, Prohibition of discrimination, Prohibition of bullying and harassment, Protection of privacy, Promotion of work-life balance, Prohibition of forced labor / child labor, Promotion of occupational safety and health, Respect of labor rights</p> <p>2. Fair Corporate Activities</p> <p>Active communication, Information disclosure, Fair competition, Fair sales activities, Fair procurement, Prevention of corruption, Prohibition of bribery and restriction on gift exchange and entertainment, Prohibition of ideological/religious activities in our roles as executives and employees, Rejection of organized crime, Compliance with trade control regulations, Accuracy of financial reporting and appropriate tax payments, Quality assurance/safety of products and services, Responsible marketing</p> <p>3. Protection/Preservation of Corporate Assets and Information</p> <p>Effective use of corporate assets, Prohibition of improper use of corporate assets, Prohibition of conflicts of interest, Prohibition of insider trading, Protection of confidential information, Protection of others' intellectual property, Protection of personal information, Crisis management</p> <p>4. Measures Related to Environmental Issues</p> <p>Response to climate change, Contribution to a circular economy, Safety and effective use of chemicals, Protection of local environments and partnerships with local communities</p> <p>5. Others</p> <p>Implementing the management system and promoting CSR awareness (i.e. requesting our suppliers to ask their own suppliers to also promote the above four elements)</p>
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Fujifilm Group Sustainable Procurement Guideline for Suppliers
<https://holdings.fujifilm.com/en/sustainability/vision/policy/procurement>

5. Other standards

Other than the above, individual Fujifilm Group companies may request suppliers to follow certain rules specific to their company based on the FUJIFILM Holdings Environmental Policy and other standards.

To resolve environmental issues, it is important that we work together across the supply chain to reduce GHG emissions and energy consumption, seeking environmental solutions. We continue to build even closer relationships to help solve problems that our suppliers may encounter by offering support utilizing the technologies and knowledge concerning energy saving that our Group has accumulated.

- Environmental Policy

Fujifilm Group Green Policy (Environmental Policy)

<https://holdings.fujifilm.com/en/sustainability/vision/policy/green>

- Requests to suppliers on environment

Fujifilm Green Procurement Standards

<https://www.fujifilm.com/jp/en/about/sustainability/procurement>

- Policy on human rights

Fujifilm Group Human Rights Statement

<https://holdings.fujifilm.com/en/sustainability/vision/policy/statement>

2.5.4 Structure of Sustainable Procurement Promotion

Collaborating with FUJIFILM Corporation and FUJIFILM Business Innovation Corp., the ESG Division and the Procurement & Equipment Manufacturing Division of FUJIFILM Holdings Corporation formulate policies and plans for sustainable procurement within the Fujifilm Group. Among these activities, important matters related to corporate management are approved and adopted by the FUJIFILM Holdings ESG Committee, chaired by the CEO of FUJIFILM Holdings.

The matters approved and adopted by the ESG Committee and the policies and plans formulated by FUJIFILM Holdings are disseminated to the ESG and procurement divisions of the Group companies and implemented by each company. The sustainable procurement promotion structure and roles of the organizations within it are as follows.

Sustainable Procurement Promotion Structure



Roles of Each Organization

Organization	Major Roles
ESG Committee of FUJIFILM Holdings Corporation (headed by the President)	Deliberation and decision on important matters
ESG Division and Procurement & Equipment Manufacturing Division in FUJIFILM Holdings Corporation	Formulation of group-wide policies and plans, support for Group companies, and liaison office* for external inquiries
ESG and Procurement divisions in FUJIFILM Corporation and FUJIFILM Business Innovation Corp.	Dissemination of the group-wide policies and plans to the relevant divisions, formulation of concrete action plans based on such policies and plans, and support for CSR activities in the company and other Group companies
ESG divisions in Group companies	Dissemination of group-wide policies and plans, and support for CSR activities within the company
Procurement divisions in FUJIFILM Corporation, FUJIFILM Business Innovation Corp., and other Group companies	Request to suppliers of CSR activities based on Fujifilm Group Procurement and Environmental Policies; checking CSR activities implementation status by surveys and site visits; and providing advice and support for improvement

* Liaison office for suppliers concerning Fujifilm Group CSR activities. It accepts any type of enquiry, including consultations and complaints.

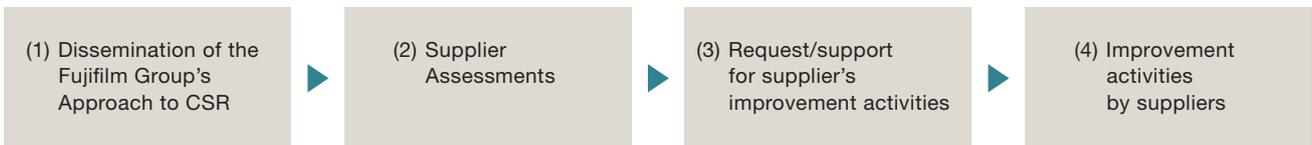
Contact Sustainability <https://holdings.fujifilm.com/en/contact>

2.5.5 Efforts to Improve Sustainability in the Supply Chain

1. Sustainable procurement activity cycle

The Fujifilm Group has designated a Sustainable Procurement Promotion Program that is run cyclically in the following four steps.

Sustainable Procurement Activity Cycle



Activities in Each Step

(1) Dissemination of the Fujifilm Group's Approach to CSR

To help our suppliers gain an understanding of the Fujifilm Group's CSR approach and requirements, instead of just disclosing our Code of Conduct and Procurement Policy on our website, we hold supplier briefings to explain our policies and standards directly, and request for their compliance. To go even further, we also send out our Code of Conduct to the suppliers and receive their consent forms on a regular basis to disseminate our approach.

(2) Supplier Assessments

To identify CSR risks and issues of suppliers we see as critical according to the value and characteristics of the items being procured as well as those of suppliers in high risk areas*¹ such as China or other Asian countries, we conduct regular CSR risk assessments and CSR self-check*².

The Fujifilm Group considers suppliers that could potentially have a large impact on our business continuity and competitiveness as critical suppliers. The Fujifilm Group identifies critical suppliers by weighing the value of items procured, substitutability, partnership continuity, etc.

(3) Request/support for supplier's improvement activities, and (4) Improvement activities by suppliers

As we identify high risk suppliers through the supplier self-check in Step (2) or/and daily procurement practices, we conduct individual onsite reviews of suppliers, request them to improve and offer them support. In China and Asia, our internal expert teams conduct onsite visit and check for CSR activities by the supplier and provides advice on making improvements. We position this onsite review by expert teams as equivalent to a Responsible Business Alliance (RBA) audit. Based on the check results, we encourage the suppliers to proceed with improvements, and thereby promote the Fujifilm Group's sustainable procurement methods across the whole supply chain.

*1 The Fujifilm Group identifies risk areas within its supply chain from the viewpoint of CSR by analyzing the regional environment, social risks and the relevant regulations in countries and regions.

*2 See the table on the next page for fields and elements in the supplier CSR self-check.

Field	Elements
Human rights & Labor	Policy, Legal monitoring, Discriminatory treatment at the time of employment (inappropriate medical checks), Forced labor, Human rights of international employees, Child/youth labor, Discrimination and harassment, Discipline, Working hours management (control of long working hours, etc.), Wages (minimum wage, overtime allowance), Human-rights and labor-related certifications, Working conditions, Collective bargaining rights, Supplier management
Environment	Policy, Legal monitoring, Prevention of global warming (greenhouse gas reduction targets), Reduction of resource use, Hazardous chemicals management, Recycling and proper disposal of waste, Anti-pollution, Licenses, EMS, Supplier management, EMS certifications
Health & Safety	Policy, Monitoring of law/regulation, Personal protective equipment, Machinery safety, Chemical substance management, Disaster prevention, Physical examination, Hygiene control in the canteens and dormitories, Management system, Supplier management
Ethics	Fair business, Legal monitoring, Compliance investigation, Anti-corruption, Intellectual property, Fair business, Whistle-blowing, Information security, Supplier management, Due diligence policy on conflict minerals, Certification for corporate ethics
Supplier management & BCP	Identifying critical suppliers, Business Continuity Plan (BCP)

2. Overview of FY2021 activities

(1) Dissemination of the Fujifilm Group’s Approach to CSR

We disseminated our suppliers outside Japan about the Request to Suppliers (Fujifilm Group Charter for Corporate Behavior and Code of Conduct), which had been revised in April 2019, and we collected consent forms from 204 suppliers.

(2) Supplier assessments

We requested our critical suppliers both inside and outside Japan to conduct CSR self-check. We communicate with suppliers if any question arises out of their check results. This then serves to clarify the improvement points in our supply chain. In fiscal 2021, several of the self-check items were revised with additional questions to ascertain whether or not our suppliers specify their own critical suppliers. This is to understand the Fujifilm Group’s business impact on the supply chain. The number of self-check respondents (number of sites) was 368 (558 sites) and the response rate was 90%.

When a significant risk is identified through the self-check, we request the supplier to make improvements and provide support. The assessment results in fiscal 2021 did not indicate any serious risks, including those of child labor, forced labor, and freedom of association.

(3) Request/support for supplier’s improvement activities

① Onsite visit and check by expert teams

Reviewing CSR self-check results, efforts in regard to QCD, environment and so forth, we judged that we need to conduct risk assessment on 53 suppliers located in China and Vietnam. Expert teams from our production sites provided onsite visit and check to 33 suppliers out of 53. Due to the spread of COVID-19, some of the planned onsite visits were canceled, and the achievement rate is lower than in the previous two years. As a result of risk assessments, we identified issues with overtime hours, the labor/human rights management system (response to child labor, elimination of discrimination, etc.), and deficiencies in the management of chemicals and toxic substances. We requested suppliers to rectify these issues and have confirmed improvements in the important items at all suppliers where our expert teams conducted onsite visits up to the end of fiscal 2021.

② Training and capacity building

We hold a chemical management seminar for domestic suppliers every six months in Japan. We explained the importance of CSR and our efforts in sustainable procurement as the Fujifilm Group to deepen suppliers’ understanding. We also request them to deepen their understanding on Fujifilm Group Charter for Corporate Behavior / Code of Conduct and submit letter of consent on them. As in the previous year, the fiscal 2021 online seminars were held in consideration of the COVID-19 situation. A total of 233 companies attended the online seminar.

③ Support for resolving issues through collaboration with suppliers

The Fujifilm Group is proactively strengthening partnerships with suppliers in order to address climate change, one of the most important international issues, through united efforts across the supply chain. Concretely, we disseminate the Fujifilm Group’s climate change policy through the supplier briefings. We also support suppliers in resolving the CSR related issues they face, such as reducing GHG emissions and reducing energy consumption, utilizing the technologies and expertise owned by FUJIFILM Engineering Co., Ltd.

Results of Sustainable Procurement Activities and Targets (KPI)

Activity	Item	FY2019	FY2020	FY2021	FY2022 Target
Dissemination of Code of Conduct, Collection of consent form	Number of suppliers' consent forms collected	391	213	204	350
CSR self-check by suppliers (Supplier self-assessment questionnaire)	Number of suppliers requested	263	568	409	600
	Response rate	98%	75%	90%	90% or over
	Percentage of suppliers with 90% or higher conformance rate	87%	87%	77%	90% or over
Most critical items					
Visit and check	Number of suppliers evaluated	39	56	33	Plan achievement rate 100%
	Plan achievement rate	76%	90%	62%	

Conformance rate at CSR Self-check

Conformance Rate	Description	Ratio of the Number of Suppliers
90% or over	Almost satisfy the requirements of our Code of Conduct	77%
80%-89%	Some issues need improvements	18%
Less than 80%	Need our supports for their improvement	5%

2.5.6 Environmental Efforts in the Supply Chain

1. Basic approach

The Fujifilm Group's business originated with photographic film, a product for which lots of clean water and fresh air are essential to the manufacturing process. It is also a product which requires customers to "buy on trust," since they cannot try it out beforehand. Thus, for the Fujifilm Group, an approach which emphasizes environmental conservation and maintaining the trust of stakeholders has been a major premise at the very foundations of our business activities. This approach is the starting point for our corporate social responsibility (CSR) activities and continues to be passed down within our Group, as the Fujifilm Group's "DNA."

Over the years, due to the nature of our founding business, the Fujifilm Group has been working to reduce the environmental impact from our business throughout the product life cycle, from material procurement, manufacturing, transportation, and use, to final disposal. Particularly in material procurement, we are expanding the scope of efforts to include our suppliers through the structure of sustainable procurement.

2. Cooperation with suppliers

(1) Requesting suppliers to comply with environmental guidelines

Based on Measures Related to Environmental Issues in the Fujifilm Group Code of Conduct, we actively undertake actions to reduce the environmental impact from our business. We also inform our suppliers about the Code and request them to comply with it. For a better understanding of the rules to be followed, we also distribute the Fujifilm Group Sustainable Procurement Guidelines for Suppliers.

For Fujifilm Group Code of Conduct and Sustainable Procurement Guidelines for Suppliers, please refer to 2.5.3 *Procurement Policy and Structure*.

(2) Activity Overview of the Major Themes

Theme	Overview	Reference
Sharing information on chemical substances	We use chemSHERPA, a chemical information communication system compliant with international standards, to share information on chemical substances and to ensure the proper management of chemical substances. We also offer regular explanatory meetings for suppliers in how to use chemSHERPA.	3.6.5 Contribution to Sound Chemical Management Across the Supply Chain
Responsible Paper Procurement	To achieve responsible paper procurement, we have established procurement standards based on biodiversity and respect for the rights of local residents. Our procurement process is always in line with these standards.	2.5.9 Efforts in Paper Procurement
Responsible plant-derived raw materials	To meet the social demand for biodiversity conservation, we established company-wide rules for the procurement of plant-derived raw material such as cellulose, and operations have begun in sequence at all Fujifilm Group sites in fiscal 2021. We will ensure that our biodiversity conscious procurement is always in agreement with these rules.	3.7 Biodiversity Conservation

2.5.7 Efforts in Fujifilm Group Production Sites

1. Audit by customers

We appropriately respond to audits conducted by our customers, to whom we supply our products. In fiscal 2021, we received several customer audits in both Japanese and overseas sites and no issues that could have an effect on the continuation of our partnerships were identified.

2. Self-checks by our production sites

We conducted CSR self-checks at eight production sites across the world, and confirmed that all sites observed 100% compliance. The results of the RBA self-assessment questionnaire (conducted at seven sites) also stayed at “green” for all sites. In the Business Innovation (former Document) business, we use the line stop time in our manufacturing process caused by CSR problems at our suppliers as our self-check index. There were zero line stops caused by CSR problems for the seventh consecutive year since fiscal 2015 in FUJIFILM Manufacturing Shenzhen (China), and for the sixth consecutive year since fiscal 2016 in FUJIFILM Manufacturing Hai Phong (Vietnam).

3. Reinforcement of CSR activities in China

In addition to their own activities conducted by themselves, FUJIFILM manufacturing subsidiaries are now also obliged to conduct the Fujifilm Group’s standard CSR self-check items.

2.5.8 Responsible Minerals Procurement

1. Policy and framework of efforts

The Fujifilm Group is aware of conflict minerals*1 issues, the mining of which causes human rights violations and disputes, and clearly declares that it will not be complicit, directly or indirectly, in supporting activities related to such disputes and human rights violations. The Fujifilm Group manages minerals by following the five steps of the Due Diligence Guidance specified by the Organisation for Economic Co-operation and Development (OECD) to ensure responsible procurement across our supply chain.

Fujifilm Group's stance toward the issue of responsible minerals procurement
<https://holdings.fujifilm.com/en/sustainability/vision/policy/procurement>

Fujifilm Group Efforts

OECD 5 Steps	Fujifilm Group Efforts
(1) Establish strong company management systems	Because the Business Innovation (former Document) business is particularly relevant to targeted minerals, under a structure headed by the director responsible for production and procurement, the procurement divisions and the ESG division play a central role in promoting activities such as formulating annual plans, collecting survey results, and responding based on risk assessment results.
(2) Identify and assess risks in the supply chain	We track the origin of our minerals, verifying the results and identifying the country of origin, following the procedures specified by the Responsible Minerals Initiative (RMI)* ² . We report the investigation results to our clients for OEM products in the Business Innovation (former Document) business. In addition, we collect responses from suppliers, conduct risk assessments, report the results to the director responsible for production and procurement, and obtain approval for actions in response to the risks. In other businesses such as the imaging solutions business, the graphic communication business and the recording media business, we have received inquiries about the origin of our minerals from many clients and have responded to them appropriately.
(3) Design and implement a strategy to respond to identified risks	Based on the results of the risk assessment, we request the supplier to switch to a certified smelter. We request suppliers who use high-risk smelters to switch at the earliest opportunity.
(4) Carry out independent third-party audits of the due diligence practices of smelters/refiners	In the Fujifilm Group, Fujifilm and FUJIFILM Business Innovation participate in the Responsible Minerals Trade Working Group of JEITA* ³ and discuss RMAP* ⁴ jointly with other companies. FUJIFILM Business Innovation also carries out activities as a member of RMI.
(5) Report annually on supply chain due diligence	The Fujifilm Group's conflict minerals policies, measures and results are disclosed on the official website and in the sustainability report.

*1 Minerals (tantalum, tungsten, tin, and gold) regarded to be problematic because profits may be used for inhumane purposes or its mining may infringe human rights

*2 RMI = Responsible Minerals Initiative

*3 JEITA: Japan Electronics and Information Technology Industries Association

*4 RMAP: Responsible Minerals Assurance Process

2. Results and targets for responsible minerals procurement

Each business in the Fujifilm Group responds to requests from customers for a conflict minerals survey.

In the Business Innovation (former Document) business, we have strengthened our responsible minerals procurement as we expand our product sales countries and regions and based on the growing social demand. To disseminate the Fujifilm Group's policy on responsible minerals procurement and to strengthen the conflict minerals survey, we distributed a revised version of the CSR Management Guidelines for suppliers to 472 suppliers and collected the consent forms (supplier response rate was 98%). In the conflict minerals survey, we received a response from 98% of suppliers in scope. As a result of the survey, we identified 328 suppliers listed as a smelter or refiner under the Responsible Minerals Initiative (RMI). Out of these smelters or refiners, 235 are compliant with the Responsible Minerals Assurance Process (RMAP) as of January 2022. In addition, after confirming the responses from our suppliers, we requested them to switch to certified smelters and avoid using high-risk smelters.

In fiscal 2021, we started work on a cobalt survey in response to the growing demand from customers. Going forward, we will continue to expand the scope of our surveys and promote responsible minerals procurement.

	FY2019	FY2020	FY2021	FY2022 Target
Supplier response rate for conflict minerals survey	98%	99%	98%	95% or over
Percentage of RMAP conformant smelters in conflict minerals survey	76%	75%	72%	Continuous improvement of RMAP conformant smelters percentage

FY2021	Total	Gold	Tantalum	Tin	Tungsten
Number of identified smelters	328	172	36	71	49
Number of RMAP conformant smelters	235	107	36	51	41
Rate of RMAP conformant smelters	72%	62%	100%	72%	84%

2.5.9 Efforts in Paper Procurement

To maintain natural forest resources, the Fujifilm Group has established a policy for paper and paper materials to ensure responsible paper procurement. Since our Business Innovation (former Document) business sells paper for printers and copiers as one of its major products, we declare that we procure pulp from forests that are managed with consideration given to the environment and human rights, avoiding any involvement in forest destruction or human rights infringements. We have also formulated Environmental, Health and Safety Requirements regarding Paper Procurement. These requirements specify paper quality standards for procurement and selection criteria for material suppliers. These requirements instruct material suppliers to pay attention to biodiversity and respect the rights of local residents in their business operations.

We hold annual meetings of the CSR Paper Procurement Committee, chaired by the director responsible for procurement, to confirm the compliance status of existing suppliers regarding these requirements and to select new suppliers. As for fiscal 2021, we have conducted onsite reviews of our suppliers and confirmed that all of them conformed with our Paper Procurement Regulation Standards.

Paper Procurement Regulation Standards

(1) Principles on paper procurement

- ① The paper materials shall be derived from forests managed in a sustainable manner.
- ② For recycled pulp, the supplier of waste paper used as raw materials shall be clearly identifiable.
- ③ The chemical substances used in the manufacturing process shall be confirmed to be safe.
- ④ The bleaching process used for the paper shall be chlorine-free.
- ⑤ The manufacturing facilities shall have environmental management systems.

(2) Principles on transactions with paper suppliers

- ① Environment: Suppliers shall comply with both national and regional laws and regulations in the countries where they operate, and shall conduct business in consideration of the protection of valuable local forests and their ecosystem
- ② Right of local communities: Suppliers shall see to it that the rights of local communities, such as the right to exist, are protected, and shall fully engage in dialogue with local communities whose rights might be seriously affected by their business activities.
- ③ Corporate ethics: Suppliers shall protect the rights of their workers, conduct fair transactions as a matter of routine, and avoid any association with antisocial forces or organizations.

Paper Procurement Efforts KPI

	FY2019	FY2020	FY2021	FY2022 Target
Percentage of suppliers inside and outside Japan fulfilling our paper procurement requirements (FUJIFILM Business Innovation)	100%	100%	100%	100%

2.5.10 Sustainable Procurement Efforts in Logistics

Japan's logistics industry faces serious social issues, such as long working hours by courier drivers, death from overworking, and environmental and safety issues caused by poorly maintained vehicles. These problems are caused by the increasing trend of internet shopping since 2017 and the surge in home delivery demand due to the COVID-19 pandemic since 2020.

FUJIFILM Logistics Co., Ltd., which is in charge of logistics operations for the Fujifilm Group, has been requesting its logistics partners (primary suppliers) to cooperate in our sustainable procurement for logistics in Japan since fiscal 2009.

Through such requests, logistics partners conduct CSR self-checks and if their conformance rate is less than 90%, FUJIFILM Logistics visits the partner company to offer advice for correction. In fiscal 2021, we requested 111 logistic partners to conduct the CSR self-check, and received responses from all the partners. For those partners with a conformance rate of less than 90%, we plan to conduct the onsite visit for improvement in fiscal 2022 in consideration of risks from the COVID-19 pandemic.

Sustainable Procurement Effort KPI in Domestic Logistics in Japan

	FY2019	FY2020	FY2021	FY2022 Target
Percentage of companies with 90% or more CSR self-check conformance rate	97%	97%	95%	100%

FUJIFILM Logistics is strengthening cooperation not only with primary suppliers but also with secondary suppliers. As the COVID-19 pandemic spread, information on the Fujifilm Group’s countermeasure operations for COVID-19 was shared with those primary and secondary suppliers. As a result of their implementing the basics of comprehensive infection control, no clusters occurred among about 4,500 persons involved.

From fiscal 2020, FUJIFILM Logistics has introduced the “GoStop Management System,” a logistics service provided by the Japan Weather Association to support transportation safety in bad weather. We provide our partner companies with advanced information on bad weather and information on decisions to cancel transportation. In fiscal 2021, there were no accidents caused by natural disasters.

2.5.11 Collaboration with Initiatives in the Supply Chain Area

The Fujifilm Group participates in various initiatives to meet the evolving globally-applicable production and procurement standards and deliver our products with confidence, valuing the importance of global CSR trends. Below are the initiatives in which we participate in the supply chain area.

- Joint Article Management Promotion-consortium (JAMP)**
 FUJIFILM Corporation and FUJIFILM Business Innovation Corp. participate in JAMP, which aims to disseminate a system to manage chemical substance information and smoothly communicate such information across supply chains.
- United Nations Global Compact (UNGC), and Global Compact Network Japan (GCNJ)**
 FUJIFILM Business Innovation Corp. (former Fuji Xerox) became a signatory to the United Nations Global Compact in 2002. Since June 2020, we have signed UNGC as FUJIFILM Holdings. Moreover, we are working actively in the Supply Chain Working Group and the Human Rights Due Diligence Working Group of the GCNJ.
- Japan Electronics and Information Technology Industries Association (JEITA)**
 Both FUJIFILM Corporation and FUJIFILM Business Innovation Corp. participate in the Responsible Minerals Trade Working Group led by the JEITA, the industrial organization of the Japanese IT and electronics industry.
- Responsible Minerals Initiatives (RMI)**
 FUJIFILM Business Innovation Corp. joined RMI in May 2021. RMI is the leading organization dedicated to global efforts for the responsible procurement of conflict minerals. We will strengthen our efforts for responsible minerals procurement through collaboration with RMI and JEITA.
- Responsible Business Alliance (RBA)**
 FUJIFILM Business Innovation Corp. joined the RBA in April 2022. The RBA sets out standards in the electronics industry supply chains to ensure that the working environment is safe, that workers are treated with respect and dignity, and that they are environmentally friendly.
- Japan Business Machine and Information System Industries Association (JBMIA)**
 FUJIFILM Business Innovation Corp. participates in the activities of the JBMIA as a member of the Responsible Corporate Behavior Committee, established in April 2022. The JBMIA is an organization that contributes to the development of Japan’s business machines and information systems industries. The Responsible Corporate Behavior Committee mainly works in the area of human rights issues within the supply chain.

3.1 Environmental Policy and Management System

3.1.1 Basic Approach

The Fujifilm Group organizes activities aimed at contributions to “sustainable development” in all the Group’s business activities, in accordance with its environmental policy (Fujifilm Group Green Policy).

Fujifilm Group Green Policy

Basic Policy

“Sustainable development” is the most important issue for our planet, the human race, and all business entities in the 21st century. Through all products and services and businesses, we will strive our contributions to “sustainable development” by initiative to address climate change, promote resource circulation, ensure chemical safety, preservation for regional environment and biodiversity conservation.

Action Guidelines

1. We will contribute to solving environmental issues with original and advanced technology in the product life cycle.
2. We will comply with the rules established by each country and region, self-regulations of the Fujifilm Group companies, standards, individually agreed requirements.
3. As a member of the supply chain and community, we will work with each stakeholder to promote activities to solve environmental issues.
4. We will actively disclose information on environmental initiatives and their results to various stakeholders such as local communities, governments, shareholders and investors, NGOs and NPOs, employees of the Fujifilm Group companies, and ensure good communication.
5. We strengthen the foundation to address environmental issues voluntarily by providing education to employees of each group company thoroughly to raise awareness.

Established in October 2002, Revised in April 2019

3.1.2 Environmental Management

The Fujifilm Group collects environmental performance data from all our sites each year, and reports the data to top management through the ESG Committee. This data is analyzed to determine the priority measures for the following fiscal year. Each company and site sets targets and action plans based on the priority measures to improve their environmental performance while also reducing environmental risks. Utilizing the Integrated Management System (IMS)* for these continuing environmental activities, enhances their effect.

In 2017, we released SVP 2030, the Fujifilm Group CSR Plan toward 2030, setting targets in six areas to build a sustainable society. The following list shows the fiscal 2022 priority measures corresponding to the area of environmental safety in SVP2030.

* Integrated management system (IMS): Management system integrating, quality management system (QMS), occupational health and safety assessment system (OHSMS) and information security management system (ISMS).

Effective Management System

<https://holdings.fujifilm.com/en/sustainability/vision/management/management-system>

FY2022 Fujifilm Group Priority Measures

SVP2030 Priority Issues	FY2022 Priority Measures
1. Address climate change	(1) Develop and promote CO ₂ emission reduction activities in each business domain based on the Fujifilm Group environmental strategy “Green Value Climate Strategy” (2) Develop and market products and services that will reduce CO ₂ emissions across product lifecycle and CO ₂ emissions in society ① Create “Green Value Products” to be certified under the Fujifilm Group’s environmentally-conscious product certification program ② Enhance the evaluation level of Scope 3 CO ₂ emissions (3) Promote “Green Value Manufacturing” that requires minimal CO ₂ emissions ① Expand the use of renewable energy ② Study technical feasibility of the introduction of fuels that do not emit CO ₂ ③ Develop and introduce production processes and manufacturing technologies that have minimal CO ₂ emissions ④ Use the Internal Carbon Pricing system to promote CO ₂ emission reduction measures (4) Assess risks and business opportunities associated with climate change to set future business strategy
2. Promote recycling of resources	(1) Improve the quality of resource recycling ① Promote the recycling of simply disposed waste (landfill / incineration) and its conversion into valuables ② Expand the scope of application for product reuse and recycling ③ Consider using recycled plastics and bioplastics into new products (2) Promote water use reduction, reuse and recycling to contribute to water resource conservation
3. Address energy issues toward a decarbonized society	Develop products and technologies that will contribute to conserving, storing and creating energy
4. Ensure product and chemical safety	(1) Reduce and replace priority substances for risk management (2) Develop materials and processes that contribute to reducing environmental impact and promoting resources recycling (3) Disseminate knowledge and mechanisms that facilitate appropriate chemicals management across the supply chain (4) Implement product safety assessment and monitoring in accordance with internal rules (5) Continue to improve the systems for regulatory compliance to support the expansion of product and business areas
5. Promote management of a healthy workplace (prevent workplace accidents)	(1) Improve the level of biological material management in accordance with internal rules (2) Implement risk assessment on industrial processes to prevent workplace accidents (3) Investigate the cause of workplace accidents in depth to prevent the recurrence of similar accidents and implement preventive measures throughout the Fujifilm Group
6. Strengthen CSR foundations across the entire supply chain	(1) Strengthen communication and collaboration with suppliers for reducing CO ₂ emissions (2) Implement appropriate procurement of plant-derived materials in accordance with internal rules
7. Information disclosure and communication of relevant information	Disclose scenarios and activities toward achieving the SVP 2030 goals
8. Employee education	(1) Implement environmental education to achieve new climate targets by inspiring voluntary activities (2) Continue basic educations on environmental safety, product safety and occupational safety

3.1.3 EMS: Certification/Audit/Verification

Status of EMS Certification and Audit in FY2021

* Target sites are determined in consideration of business characteristics

Certification/audit/verification system by specialized companies with International Certification (ISO14001, EMAS)	Coverage: 83.6% Target sites: 73 Certified sites: 61
Certification/audit/verification system by internal experts	Coverage: 16.4% Our internal experts verify the status of environmental activities based on the Environmental Policy and the priority issues. Target sites: 73 Certified sites: 12
Total Coverage of Environmental Management System (EMS) for our company (The sum of the above two)	100%

Effective Management System

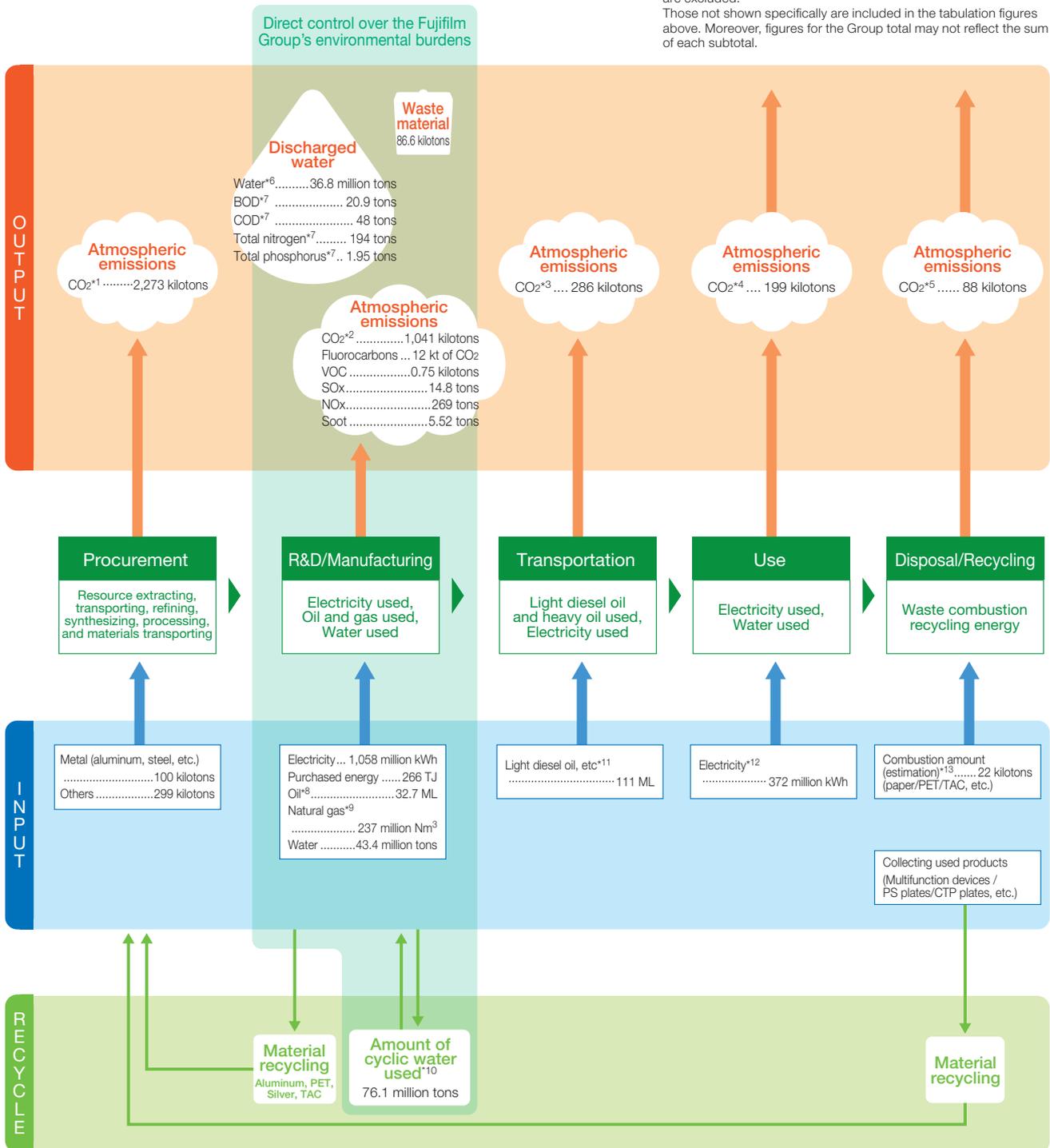
<https://www.fujifilmholdings.com/en/sustainability/vision/activity.html>

3.1.4 Risk Management by Environmental Due Diligence

For M&As, we conduct a survey on the environmental aspects of the investee (usage history of buildings and premises, soil pollution, exhaust and wastewater emission, biodiversity, compliance, etc.). This is to accurately assess the investment possibility and costs in order to reflect them in decision making. From fiscal 2021, new assessment items, such as hazard risks and energy usage status, were added from the viewpoint of reducing climate change.

3.1.5 Material Flow

* Organizations covered in the environmental performance data are, as a general rule, those that are shown in the consolidated financial statements, and are significant in terms of environmental burden. However, certain sales and manufacturing (assembly) subsidiaries are excluded. Those not shown specifically are included in the tabulation figures above. Moreover, figures for the Group total may not reflect the sum of each subtotal.



*1 Environmental burdens due to raw materials procurement (CO₂ emitted during the process of extracting, transporting, refining, synthesizing, processing, and transporting raw materials) is calculated for the main raw materials procured.

*2 Environmental burdens due to product manufacture is calculated based on the total amount of energy (electricity, petroleum, and gas) consumed in the production process.

*3 For the calculation of environmental burdens due to product transportation, estimates are made based on domestic and overseas transportation methods and distances traveled. The typical amount of CO₂ emissions per unit of weight and distance for each method and correction factors such as the yield rate are multiplied by the weight of the raw materials procured.

*4 For copy machines, printers, and fax machines, environmental burdens due to use of products is calculated as energy consumption for a 5-year period for the machines installed this year. For other products, the estimated number of machines in operation is multiplied by typical energy consumption.

*5 Environmental burdens due to product disposal is calculated based on the estimation of stress on the environment caused by the disposal of the raw materials procured.

*6 Wastewater released as a result of business activities

*7 Volume released to public water

*8 Total of heavy oil A, heavy oil C, kerosene, light diesel oil, and gasoline (Amounts of the petroleum-based products are summed after appropriated energy conversions, and the total is expressed in terms of the amount of heavy oil A.)

*9 Total of natural gas, liquefied natural gas (LNG), urban gas, butane, and liquefied petroleum gas (LPG) (Amounts of the gases are summed after appropriate energy conversions, and the total is expressed in terms of the amount of urban gas.)

*10 This includes the amount of water used in a cyclic manner.

*11 Calculation assuming transport by truck

*12 Based on the average CO₂ emission coefficient of the Federation of Electric Power Companies of Japan

*13 Hypothetical combustion rate for each substance used

(For the above, data from the input-output table and other sources are used to obtain CO₂ emissions per unit of output.)

3.1.6 Response to Environmental Laws and Regulations

Legal Compliance and Reports on Complaints in FY2021

In fiscal 2021, there was one violation of environment-related laws. The legal violation concerned management of exhaust gas in Taiwan—the preventive measure has already been completed.

	FY2018	FY2019	FY2020	FY2021
Number of legal violations	1	0	1	1
Penalty (USD)	4,000	0	168	3,600
No. of cases addressed	1	0	1	1
Penalty paid (USD)	4,000	0	168	3,600
No. of cases being addressed	0	0	0	0
Debts as of the end of fiscal year (USD)	0	0	0	0
No. of other violations and complaints	2	2	0	0

Responses to Environment-Related Complaints and Legal Violations in FY2022*

Company/Site Name	Description	Responses
FUJIFILM Electronic Materials Taiwan Co., Ltd.	Violation of Air Pollution Control Act	Enhancing exhaust gas cleaning facility and improving monitoring frequency

* Relatively minor violations have been excluded.

3.1.7 Environmental Education for Employees

To promote our group-wide environmental activities, the Fujifilm Group provides environmental education for all employees to acquire basic environmental knowledge and raise awareness for environmental issues. The education program is provided continuously through the e-learning system to encourage understanding and implementation of the Fujifilm Group Green Policy and SVP2030.

Although the contents of such education programs previously varied from country to country, we decided to take a united approach across the Group from fiscal 2021 to further encourage our group-wide environmental activities. We firstly conducted the same presentation and surveys under the theme of “Addressing climate change” for Fujifilm Group employees in Japan and China and plan to expand the coverage of the same program to Europe and other regions in 2022.

For employees who require specific environmental knowledge and skills, we also offer specialized education programs, including those about management of chemical substances, Design for the Environment, waste management, and product safety.

Environmental Education <https://holdings.fujifilm.com/en/sustainability/activity/environment/education>

3.1.8 Environmental Management in the Supply Chain

The Fujifilm Group considers the impact that our business has on the environment throughout its lifecycle, from the procurement of raw materials to the manufacturing, transportation, use, and disposal of products, and is working throughout our supply chain to reduce the environmental impact. For further information on the Group’s basic policy and specific cases, please refer to 2.5.6 *Environmental Efforts in the Supply Chain*.

3.2 Climate Change Strategy

3.2.1 Basic Approach

In December 2021, the Fujifilm Group set new CO₂ emissions reduction targets to build a decarbonized society. These new targets mean that we will achieve zero CO₂ emissions from our energy consumption*¹ by fiscal 2040 by maximizing the efficiency of our energy use and by using renewable energy sources. We will also reduce CO₂ emissions across the entire product lifecycle—from the procurement of raw materials to the manufacture, transportation, use and disposal—by 50% (compared to fiscal 2019 levels) by fiscal 2030. The new decarbonization targets established by the Fujifilm Group comply with the 1.5°C goal set out in the Paris Agreement.

To achieve these targets, we have established a new Fujifilm Group environmental strategy: “Green Value Climate Strategy.”*² Under the strategy we promote manufacturing of lower environmental burden by introducing and utilizing fuels that do not emit CO₂ substantially such as synthetic methane and hydrogen in addition to electric power. Also we promote development and dissemination of products and services with excellent environmental performance. Additionally, we have started internal carbon pricing (ICP) system to accelerate the implementation of these measures in fiscal 2022. We continue to direct our strategy and efforts to initiatives that address the imminent global social issue of climate change.

*1 Direct emissions from our manufacturing processes (Scope 1) and indirect emissions due to the use of electricity and steam supplied from other companies (Scope 2).

*2 Please refer to the following site for Green Climate Strategy

Environmental Strategy Briefing on April 13, 2022

https://ir.fujifilm.com/en/investors/ir-materials/presentations/main/0118/teaserItems1/0/tableContents/019/multiFileUpload2_0/link/ff_presentation_20220413_001j.pdf

3.2.2 Governance

Our activities related to climate change are deliberated on and determined by the ESG Committee, chaired by the president. The Committee is held on a regular basis, and the agenda is then reported to the Board of Directors, who then issue instructions and advice in response to the report received from the ESG Committee to ensure the effectiveness of the process.

Issues related to climate change are deliberated on by the ESG Committee as priority risks along with other issues on compliance and other risks (2.2.3 *Compliance and Risk Management Promotion Structure*). In addition to CO₂ emissions reduction and renewable energy introduction targets, the Committee has decided in the past to participate in climate change-related initiatives, including endorsing the TCFD recommendations, joining RE100 and obtaining SBT validation.

In fiscal 2021, the introduction of internal carbon pricing (ICP) and information disclosure in compliance with the TCFD recommendations were deliberated on by the Board of Directors. Additionally, the effect that the degree of achievement of decarbonization targets has on medium-term performance-linked share-based remuneration is determined through deliberations by the ESG Committee and the final decision is taken by the Board of Directors.

3.2.3 Risk Management

The Fujifilm Group has in place an IT system to monitor all group companies' environmental performance related to climate change. The system enables us to collect emission volumes of greenhouse gases such as CO₂ and CFCs and energy consumption volumes at each of our business sites in various countries and regions and use the data to identify risks. The Energy Strategy Promotion Committee analyzes factors affecting these risks and reports the high-priority issues to the ESG Committee, and consequently supports them in deciding on the appropriate operations. We have utilized internal carbon pricing to evaluate climate-related risks, and have reviewed the anticipated impacts and action required.

A scenario analysis based on the TCFD recommendations enables us to identify the risks derived from our environmental performance as well as the risks happening in our supply chain and site locations. We take measures to deal with important issues to be implemented.

3.2.4 Strategy

For TCFD scenario analysis, we have taken consideration into two types of climate-related scenarios in reference to the Representative Concentration Pathways (RCP) 2.6 through 8.5 described in the report of the Intergovernmental Panel on Climate Change (IPCC). One is the 1.5°C scenario in which rigorous measures are implemented to build a decarbonized society and effectively keep temperature rises down to 2°C or less than the level during the Industrial Revolution by the year

2100. The other is the 4°C scenario in which the average temperature predicted to rise by 3.2 to 5°C over the level during Industrial Revolution as a result of failing to implement measures that surpass the current ones.

1. Scenario analysis results

(1) 4°C scenario:

Measures that surpass the current ones have not been implemented, resulting in the average temperature predicted to rise by 3.2 to 5°C over the level during the Industrial Revolution by the year 2100.

① Risks (Physical risks)

In the 4°C scenario, risks such as the impact of climate change on production facilities, disruption of raw materials supply, factory shutdowns due to power failures, etc., were identified. To address these risks, we have been developing preventive measures based on our Business Continuity Plans (BCPs), which include diversification of production sites and procurement sources and implementation of measures to secure stable power supplies. Especially in recent years, typhoons and heavy rains caused by climate change have caused damage by disrupting power grids, which form an important lifeline, in various regions. Since the 1960s, the Fujifilm Group has been avoiding the risk of operational shutdowns due to power failures by sequentially setting up in-house cogeneration systems at its major production sites, thereby securing stable power supplies.

The risk of changes to animal and plant habitats caused by temperature increases and changes in precipitation patterns may lead to a decline in the animal and plant population and to extinction. These changes are likely to cause procurement instabilities and steep rises in prices for plant-derived materials. In addition, depletion of fossil fuel resources is expected to cause supply instabilities and rising prices for petroleum-based materials. The Fujifilm Group is working to reduce these risks by reducing its material consumption, including employing thinner films made from plant-derived materials and recycling parts of multifunction devices in the area of business innovation.

② Opportunities

Global warming has increased the frequency and severity of extreme heat events, marine heat waves, rainstorms, droughts and tropical cyclones. We anticipate a rise in the social demand for products and services aimed at adapting to extreme weather patterns and the impact on ecosystems and human health associated with such extreme weather.

[Resilience of social infrastructure]

In the face of the growing frequency of such extreme weather, resilience of the social infrastructure is one of the important issues that require action. To adapt to these climate changes, the Fujifilm Group is committed to contributing to society with its high-definition lens processing and manufacturing technologies to create high-sensitivity surveillance cameras for monitoring river and sea levels at night and during inclement weather and with its degradation analysis technologies for bridges and embankments that makes use of high-precision image analysis and AI technologies. In addition, we foresee a rise in the importance of solutions that contribute to early disaster relief and restoration of the livelihood of citizens in the event of a disaster, as well as the maintenance of local government functions, through digitization of disaster response processes for local governments.

[Securing drinking water and water for agricultural use]

Changes in the climate and ecosystem will also cause difficulties in accessing drinking water and food. This is expected to result in an increase in drinking water production and manufacturing at plant factories. The global water shortage is growing into a major risk, and we believe we can make a significant contribution to securing drinking water and water for agricultural use with our filtration technology, which employs ion exchange membranes for the desalination of brine and seawater.

[Reducing burdens on medical professionals and improving accessibilities to medical services]

The rise in temperature is having a serious impact on people's health. The burden on medical professionals has increased with the unforeseen spread of infectious and various other diseases. Typhoons, torrential rains and heat waves have increased in frequency, impeding the movement of patients and medical professionals. The possibility of the collapse of the medical care system is a real risk in countries and regions suffering from a shortage of medical professionals. Applying our medical IT technologies and diagnostic imaging systems and AI technologies on a global scale will enable us to contribute to reducing the burden on medical professionals and to improve medical accessibility through remote diagnosis and other methods.

(2) 1.5°C scenario

Rigorous measures are implemented to build a decarbonized society, keeping temperature rises down to 2°C or less than the level during the Industrial Revolution by the year 2100.

① Risks (Physical risks)

In the 1.5°C scenario, measures to cut the use of fossil fuels and foster technological innovation are implemented in the transition to a decarbonized society. They include, for example, a carbon tax and carbon border adjustments mechanism designed to discourage the transfer of business operations prompted by differences in carbon taxes among countries and

regions. The Fujifilm Group's direct and indirect CO₂ emissions in fiscal 2021 were 1,053,000 tons. If the carbon tax, the internal carbon pricing set for the first half of fiscal 2022, is assumed at ¥11,000/ton-CO₂, our financial risk is estimated at approx. ¥11.6 billion.

In December 2021, the Fujifilm Group raised its climate change targets in its Sustainable Value Plan 2030 (SVP2030), and we set our target to achieve net zero CO₂ emissions from our energy consumption by fiscal 2040. To achieve this, we are promoting energy conservation and introducing renewable energy sources. Through energy conservation and the use of renewable energy sources, our direct CO₂ emissions in fiscal 2021 were reduced by 3% over the fiscal 2019 level, the base year for our target.

② Opportunities

As CO₂ emissions from human activity chiefly come from energy usage, we expect to increase energy efficiency to the highest possible level and move toward a society that uses chiefly renewable energy sources (wind power, solar power, water power, etc.,) with no CO₂ emissions.

[Energy conservation]

To raise the energy efficiency for society as a whole, higher energy efficient methods will be prioritized for use in our products and services. We contribute to reducing CO₂ emissions by our products when in use, with CO₂ emissions during data storage reduced by the use of large-capacity magnetic tape data archive systems and by supplying energy-saving multifunction devices.

[Creating energy]

Various infrastructure development projects are expected to use natural energy sources. Among them, wind power generation facilities are expected to increase worldwide both on land and offshore; these locations require difficult inspections in high places and remote areas, needing advances in technology for facility degradation diagnosis and inspection. We are presently working in collaboration with wind power energy suppliers to develop technologies that will enable inspection and diagnosis of wind power turbine blade defects while in operation, even in the strong winds experienced in coastal and offshore areas, through a combination of high-performance, vibration-proof, superzoom cameras that employ our imaging technology and high-precision forming technology with high-precision image analysis and AI technologies. We will contribute to promotion and stable operation of wind power generation facilities.

[Storing energy]

Due to the fluctuations in electric power generated by natural energy sources depending on the weather, time of day and season, energy storage technology is essential to ensure a stable supply of power. We are using our dispersion and coating and materials technologies and material technologies to work with other companies to develop a semi-solid battery that is lower in cost and higher in capacity than existing liquid lithium-ion batteries. We believe that it will also be usable on electric vehicles and stationary applications.

[CO₂ recovery and fixation]

In the transition to a decarbonized society, CO₂ capture and fixation in the atmosphere are necessary for industries that cannot avoid the use of CO₂-emitting fossil fuels. In this area, we believe we will be able to produce useful materials from CO₂ with our bioengineering technology.

[Solutions services adapted to a decentralized society]

To make the shift from a centralized society made up of large cities into a decentralized society spread over various local areas through the employment of natural energy, we believe we need to disseminate solutions that support living conditions and business activities in decentralized communities.

In support of this, solutions services for business activities that foster digitization, automation and paperless execution of business processes are expected to become necessary in a decentralized society that includes remote working and hybrid work, reducing CO₂ emissions by cutting back on time, transportation and space. The demand for this is likely to grow in the future.

For the medical care necessary in daily life, solutions that provide support for medical professionals and use medical IT systems, diagnostic medical imaging systems and AI technologies and solutions and that contribute to better access to medical care are expected to become necessary in each community as described in 4°C scenario. This will be big business opportunities for us. Therefore, we are contributing to regional medical services corresponding to a decentralized society through our medical system business (sales target for FY2030: one trillion yen).

In view of these developments, the Fujifilm Group plans to continue refine its core technologies and develop a wide variety of products and services that will become essential in a society founded on a resilient energy platform.

2. Scenario analysis results for details

(1) 4°C scenario

4°C scenario: Measures that surpass the current ones have not been implemented, resulting in the average temperature predicted to rise by 3.2 to 5°C over the level during the Industrial Revolution by the year 2100.			
	Environment, Social Conditions and Systems	Our Risks	Measures (Activities)
Risks (Physical risks)	Increase in the frequency and severity of heat waves, rainstorms, tropical cyclones, etc. Torrential rains on land will trigger flooding and cause rivers to overflow. When these events happen in ocean areas, they are expected to trigger high waves and high tides that will eventually lead to flooding and landslides.	<p>Cessation in procurement and factory production due to sea level rising or natural disasters, such as flooding.</p> <ul style="list-style-type: none"> • Factory production stoppages due to droughts. • Power grid breakdown and Power cuts due to typhoons. 	<ul style="list-style-type: none"> • Study hazard maps and risk assessments at our own sites and major suppliers. • Develop the Business Continuity Plans (BCPs) that include diversification of procurement suppliers and production sites geographically. • Obtain and monitor the latest rain forecast and flood prevention by controlling water gates to factories. • Continual water risk assessment for all sites by our own water risk assessment system (Please refer to 3.4.5.) • Install regular and emergency in-house power generation systems.
	<p>In some areas, anomalies may result in droughts, negatively impacting farmland and ecosystems. Changes in temperature and precipitation patterns alter animal habitats, lowering their population and even driving them into extinction. This causes supply instability and a price increase of plant-derived materials.</p> <p>Other results include depletion of fossil fuel as well as supply instability and a price increase of oil-derived materials.</p>	<ul style="list-style-type: none"> • Material shortages due to tree and forest withering. (Paper: pulp, Film: cellulose) 	<p>[Paper]</p> <ul style="list-style-type: none"> • Reduce paper with Document Solutions Services utilizing digital and IT technologies. <p>[Film]</p> <ul style="list-style-type: none"> • Reduce film materials by designing thinner films and promotion of recycle.
		<ul style="list-style-type: none"> • Material shortages due to fossil fuel depletion. 	<ul style="list-style-type: none"> • Utilize used multifunction devices. (reuse) • Aim at appropriate number of devices and reduction of unimportant print-outs by providing an appropriate management across the lifecycle of multifunction devices (device selection/ operation/disposal). (Managed Print Services)
	Increase in the frequency and severity of heat waves builds up heat stress, which affects people’s wellbeing.	<ul style="list-style-type: none"> • Intense heat has a growing adverse impact on the health of employees, such as heatstroke and sleep deprivation. 	<ul style="list-style-type: none"> • Measure heat index at work sites and send heatstroke warnings to employees.
	Environment, Social Conditions and Systems	Our Technologies*2	Business Opportunities
Opportunities*1	<p>There is an increased demand for systems, products and technologies required for society to adapt to extreme weathers.</p> <ul style="list-style-type: none"> • Monitoring and predicting climate • Preventive maintenance of infrastructures such as structures and catchments 	<ul style="list-style-type: none"> • Lens processing, polishing, coating, and manufacturing technology/Image processing technology  <ul style="list-style-type: none"> • High-precision image analysis and AI technologies 	<p>[Resilience of social infrastructure]</p> <ul style="list-style-type: none"> • Provide high-sensitivity surveillance cameras capable of monitoring rivers and weather even in stormy weather or at night • Offer infrastructure degradation diagnosis services for bridges, dam walls, and embankments in case of typhoons. • Solution that contributes to local government operation and early support and restoration of the lives of citizens in the event of a disaster, through digitization of the local government’s disaster response process.

Opportunities*1	<ul style="list-style-type: none"> • Securing water for daily life 	<ul style="list-style-type: none"> • Ion exchange technologies enabling selective ion permeation 	<p>[Securing drinking water and water for agricultural use]</p> <ul style="list-style-type: none"> • Contribution to measures for water shortage by water filtration technology and ion exchange membranes.
	<ul style="list-style-type: none"> • The burden on medical professionals will increase with the rise in unforeseen diseases and infections. Disruption of transportation networks due to inclement weather will restrict the mobility of medical professionals and patients. 	<ul style="list-style-type: none"> • Medical IT, diagnostic medical imaging and AI technologies 	<p>[Reducing burdens on medical professionals and improving accessibilities to medical services]</p> <ul style="list-style-type: none"> • Solution that supports medical professionals and provides improved access to medical care, with medical IT, diagnostic medical imaging and AI technologies <ul style="list-style-type: none"> · Highly portable X-ray devices that are small and rechargeable · Diagnostic medical equipment with AI function for inspection of infectious diseases in remote islands and various other regions • Highly portable and waterless clinical chemical inspection system

*1 Develop and offer products that contribute to mitigation of and adaptation to climate change by utilizing the Green Value Products Certification Program. (Refer to 3.5.3.)

*2 Icons indicate the proprietary core technologies that support our accumulated technologies

(2) 1.5°C scenario

1.5°C scenario: Rigorous measures are implemented to build a decarbonized society, keeping temperature rises down to 2°C or less than the level during the Industrial Revolution by the year 2100.			
	Environment, Social Conditions and Systems	Our Risks	Measures (Activities)
Risks (Physical risks)	<p>During transition into a decarbonized society, the government implements a policy for restricting the use of fossil fuels and promoting technological innovation. Carbon pricing (carbon taxes, emissions trading and carbon border adjustment mechanism) is introduced.</p>	<ul style="list-style-type: none"> • Increase in costs to build new facilities due to carbon taxes on fossil fuel and transition to fuel without emitting CO₂. • Rise in procurement prices due to carbon taxes on raw materials. <p>Total financial impact derived from direct and indirect CO₂ emissions from our manufacturing must bear some 11.6 billion yen/year.*1</p>	<p>[Promote energy saving and renewable energy usage]</p> <ul style="list-style-type: none"> • In December 2021 we raised our targets for addressing climate change to align them with the SBTi 1.5°C criteria. • Reduce CO₂ emissions by 50% across the entire product lifecycle by FY2030 (compared to the FY2019 level). • Achieve net zero CO₂ emissions from our energy consumption by fiscal 2040. • Promote low carbon investment by the internal carbon pricing system. <p>[Prediction for 2030]</p> <ul style="list-style-type: none"> • Accomplish CO₂ emission targets in our SVP 2030 by these measures and other energy saving measures. Reduction of carbon tax on CO₂ emissions at manufacturing by 5.6 billion yen/year compared to FY2021 level.*2
	Environment, Social Conditions and Systems	Our Technologies*4	Business Opportunities
Opportunities*3	<ul style="list-style-type: none"> • Methods that excel in energy efficiency are prioritized to reduce CO₂ emissions from energy use. 	<ul style="list-style-type: none"> • Barium ferrite magnetic material with excellent magnetic properties and long-term storage  <ul style="list-style-type: none"> • Advanced toner technology with a low fusing temperature  <ul style="list-style-type: none"> • Photopolymer Material technology with high developing performance in printing process 	<p>[Energy conservation]</p> <ul style="list-style-type: none"> • Reduce energy consumption by energy-saving data storage using high-capacity magnetic tape data archiving systems. • Downsizing, reusing, recycling, and reduced energy consumption with energy-saving multifunction devices. • Reduce use of resources and energy by process-less CTP plates for printing.
	<ul style="list-style-type: none"> • Technology development and infrastructure improvements will shift to the use of renewable energy sources. 	<ul style="list-style-type: none"> • Lens processing, polishing, coating, and manufacturing technologies, high-speed and high-precision mechatronics technology/ Image processing and High-precision image analysis and AI technology 	<p>[Creating energy]</p> <ul style="list-style-type: none"> • Solution that enables remote inspection and diagnosis of offshore and land wind power turbines while in operation

	<ul style="list-style-type: none"> • Due to the fluctuations in electric power generated by renewable energy sources, which depend on the weather, time of day and season, storage battery technology will become essential to ensure stable supplies of power. 	<ul style="list-style-type: none"> • Dispersion and coating technology 	<p>[Storing energy]</p> <ul style="list-style-type: none"> • Practical application of a semi-solid battery, expected to be lower in cost and larger in capacity than existing liquid lithium-ion batteries, to vehicles and stationary applications
	<ul style="list-style-type: none"> • Among industries that cannot avoid the use of CO₂-emitting fossil fuels, technology for capturing CO₂ and fixing it in the atmosphere for underground storage will be developed. Recycling of CO₂ will be also promoted by converting CO₂ into useful materials. 	<ul style="list-style-type: none"> • Highly efficient cell culture technology/genetic engineering 	<p>[CO₂ recovery & fixation]</p> <ul style="list-style-type: none"> • Biotech production of useful materials from CO₂, utilizing hydrogen-oxidizing bacteria
	<ul style="list-style-type: none"> • Due to the regional characteristics of renewable energy use, a transition will take place from centralized urban societies to decentralized regional communities. For this reason, solutions that support the livelihood of people and business activities in these decentralized communities will gain acceptance. 	<ul style="list-style-type: none"> • IT solution and system design technology with excellent communication quality and confidentiality  <ul style="list-style-type: none"> • Medical IT, medical imaging AI technology  	<p>[Solutions services adapted to a decentralized society]</p> <ul style="list-style-type: none"> • Business solutions that support remote and hybrid work through digitization and automation of business processes, as well as paperless business execution • Solution that supports the medical professional and provides improved access to medical care, with the use of medical IT systems, diagnostic medical imaging systems and AI technologies <ul style="list-style-type: none"> · Highly portable X-ray devices that are small and rechargeable · Diagnostic medical equipment with AI function for inspection of infectious diseases in remote islands and various other regions

*1 When the carbon tax is assumed to be ¥11,000/ton as the same level as the internal carbon pricing set for the first half of fiscal 2022, FY2021 CO₂ emissions at the manufacturing stage were at 1,053,000 tons, which translated to 1,053,000 × ¥11,000/ton ≈ ¥11.6 billion/year.

*2 FY2021 CO₂ emissions at the manufacturing stage are at 1,053,000 tons. The CO₂ emissions target for the manufacturing stage in the year 2030 is 542,000 tons in SVP2030. If this target is achieved, the carbon tax saving value translates to (1,053-542) thousand tons × ¥11,000/ton in FY2030 compared to FY2021 (identical to *1) ≈ ¥5.6 billion/year.

*3 Develop and offer products that contribute to mitigation of and adaptation to climate change by utilizing the Green Value Products Certification Program. (Refer to 3.5.3.)

*4 Icons indicate the proprietary core technologies that support our accumulated technologies

3.2.5 Metrics and Targets

The Fujifilm Group has established following the targets for addressing climate change in SVP 2030 and is planning to promote energy conservation and renewable energy proactively. In addition, we manage the Green Value Products certification program certifying our products and services that excel in reducing environmental impact to make a greater contribution to reducing CO₂ emissions in society.

1. Targets and progresses of CO₂ emissions reduction across the entire product lifecycle

Long-term target: Reduce CO₂ emissions by 50% by the end of FY2030 (compared to the FY2019 level)
Progress: 7.5% reduction at the end of FY2021 (compared to the FY2019 level).

2. Targets and progresses of the Fujifilm Group’s CO₂ emissions from energy consumption

Long-term target: Reduce the Fujifilm Group’s CO₂ emissions by 50% by the end of FY2030 (compared to the FY2019 level).
Progress: 3% reduction at the end of FY2021 (compared to the FY2019 level).
Mid-term target: Reduce the Fujifilm Group’s CO₂ emissions by 11% by the end of FY2023 (compared to the FY2019 level)
Progress: 3% reduction at the end of FY2020 (compared to the FY2019 level).
Short-term target: Reduce the Fujifilm Group’s CO₂ emissions by 4% by the end of FY2022 (compared to the FY2019 level).

3. Renewable Energy Usage Targets

- Convert 50% of purchased electric power to renewable energy-derived power by FY2030.
- Convert 100% of purchased electric power to renewable energy-derived power aiming at zero CO₂ emissions from our energy consumption by converting using fuels to fuels which do not accompany CO₂ emissions like hydrogen in our in-house cogeneration systems by FY2040.
- This target was recognized as being in line with the purpose of the RE100 by the Climate Group, an international NPO; we joined the RE100 in April 2019.

4. Targets for contribution to reducing CO₂ emissions through products and services

- Contribute to reducing accumulated 90 million tons CO₂ emissions by FY2030.

3.3 Activities Related to Climate Change

3.3.1 Activity Overview

The Fujifilm Group is working to reduce GHG emissions across the entire product lifecycle, from the material procurement to manufacturing, transportation, use and disposal, through the following activities.

	Measures
Procurement	Promote material recycling Reinforce business partnerships with suppliers
Manufacturing	Promote Green Value Manufacturing* * Please refer to the following site for Green Climate Strategy. Environmental Strategy Briefing on April 13, 2022 https://ir.fujifilm.com/en/investors/ir-materials/presentations/main/0118/teaseritems1/0/tableContents/019/multiFileUpload2_0/link/ff_presentation_20220413_001j.pdf
Transportation	More efficient transportation
Use	Provide energy-saving products
Disposal	Waste recycling Develop products with low CO ₂ emissions at disposal

3.3.2 Collaboration with Initiatives

1. Participating in climate change initiatives

The Fujifilm Group participates in the following climate change initiatives to endorse and support their activities.

(1) Japan Climate Leader's Partnership (JCLP)

A coalition of Japanese companies that aim to build a sustainable decarbonized society, established in 2009. We became a partner in May 2018.

<Our activities>

- In July 2020, we gave a presentation, "The Fujifilm Group's Procurement of Renewable Energy," at a seminar held by JCLP. The presentation introduced our renewable energy usage practices and the company's electricity and fuel strategy towards decarbonization.

(2) Japan Climate Initiative (JCI)

Established in July 2018 as a voluntary network to reinforce communications and exchange opinions among corporations, local governments, NGOs, and other organizations that are actively working to combat climate change. We joined the initiative in 2018.

<Our activities>

- In June 2020, as a JCI member, we participated in an opinion exchange session with the Environment Minister towards Green Recovery from the COVID-19 pandemic. We appealed for the government's support in technological development and infrastructure building towards fuel decarbonization, which is critical in the chemical industry.
- In January 2021, as one of 93 corporate members, we published a message calling for the Japanese government to raise its 2030 renewable energy target to 40–50% in the 2030 electricity mix.
- In April 2021, JCI submitted a statement to request the Japanese government to raise its emission reduction target from 26% to a more ambitious level, one that better represents Japan's responsibility as a leading economy and is more aligned with the European Union's target of 55% and the United States' 50%. At the press conference related to the statement, we announced our endorsement of the JCI message along with our own efforts towards reducing climate change.

(3) Task Force for Climate-related Financial Disclosure (TCFD)

An organization that advises corporations on disclosing financial information concerning climate change risks and opportunities. We announced our endorsement of the TCFD recommendations in December 2018.

<Our activities>

- Joined the TCFD Support Project by the Ministry of the Environment in 2019.
- Joined the TCFD Consortium in 2019.
- Began disclosing environmental analyses and information based on TCFD recommendations starting with our Sustainability Report 2019.

(4) RE100

An international initiative of corporations that are committed to using 100% renewable electricity for their business operations. We joined the organization in 2019.

<Participation background: Decarbonization difficulties in the chemical industry>

The chemical industry requires high temperature steam heat. It is extremely difficult to replace the conventional energy required for these processes with renewable energy using current technology. We are aware that acceleration of technological innovation is indispensable towards the decarbonization of electricity and energy, not only within our companies but across society as a whole. For this reason, we joined RE100 in 2019, aiming at zero CO₂ emissions by 2050 through replacement with fuels without CO₂ emissions, such as hydrogen, in addition to our renewable energy usage target. In 2021, we increased the target values and brought forward the goal date to 2040.

<Our activities>

- In June 2019 at the JCLP Symposium, the “Proposal from Corporate Consumers Aiming to Source 100% of Power from Renewable Electricity” was released based on discussions among RE100 Japanese companies.
- In 2020, in a series of seminars, “Corporate Sourcing of Renewable Energy,” jointly held by RE100 and GWEC/CDP, we presented the Fujifilm Group’s practice of renewable energy procurement.
- In March 2021, under a collaboration with JCLP, 53 of the RE100 companies submitted a letter calling for the Japanese government to increase their renewables ambitions.

(5) Science-Based Targets initiative (SBTi)

A partnership comprising the World Wide Fund for Nature (WWF), CDP (former Carbon Disclosure Project), United Nations Global Compact, and the World Resources Institute (WRI). The initiative recommends corporations to set science-based CO₂ emissions reduction targets to limit the global average temperature rise to 1.5°C above pre-industrial levels.

<Our activities>

- In 2017, we announced our reduction targets and obtained the official 2°C Limit validation within the same month.
- In 2020, we obtained the official Well-Below 2°C Limit validation by presenting our revised targets.

2. Endorsement and support for climate change policies

The Fujifilm Group announces political requests and endorsements through participating in climate change initiatives and industry organizations.

<Our activities>

- 2019: Participated in the “Project to Support the Use of Scenario Analysis in line with TCFD recommendations” by the Ministry of the Environment.
- 2020: Participated in the Ministry of the Environment’s project to promote a decarbonized society, “Spreading Carbon Neutral – Senior Management Talks about Decarbonization” through our video. The video introduced the Fujifilm Group’s anti-climate change efforts, such as the 100% switch to wind energy in FUJIFILM Manufacturing Europe B.V. in the Netherlands in 2016, and setting group targets for renewable energy usage in 2019.
- Participating in projects by the New Energy and Industrial Technology Development Organization (NEDO), “Development of Continuous Production and Process Technologies of Fine Chemicals” and “Artificial Photosynthesis.” We were listed among the corporations under the Zero Emissions Challenge 2021, which covers companies participating in projects related to the Environment Innovation Strategy, under the Ministry of Economy, Trade and Industry.
- Keidanren Carbon Neutrality Action Plan (former Commitment to a Low Carbon Society)
Cross-border voluntary efforts by the business community aiming at carbon neutrality by 2050. The plan is designed to encourage corporations to create their carbon neutrality visions and monitor their progress by undertaking checking and assessment. We participated in the plan through the Japan Chemical Industry Association by annually reporting progress in CO₂ emissions reduction and energy-saving measures.

<Our concrete measures>

- We are working to reduce CO₂ emissions by continuing our pursuit of efficient energy usage in production processes, begun in the 1990s, and a gradual switch to low carbon fuels, such as natural gas, since the 2000s.
- The manufacturing industry tends to aim at optimization of production efficiency towards a set CO₂ emissions intensity target. However, we decided to set an absolute reduction target determined from the base year to achieve business expansion and emissions reduction at the same time.

3.3.3 Data Related to Climate Change Measures

1. GHG Emissions (Scope 1, 2)

Annual Changes

	Unit		FY2017	FY2018	FY2019	FY2020	FY2021
Total direct GHG emissions (Scope 1)	kt CO ₂ e	Fujifilm Group Total	687	672	633	603	633
		Fujifilm	644	629	594	567	599
		FUJIFILM Business Innovation	43	43	40	36	34
Total indirect GHG emissions (Scope 2) Market-based	kt CO ₂ e	Fujifilm Group Total	531	510	451	409	420
		Fujifilm	379	366	325	294	306
		FUJIFILM Business Innovation	152	143	126	115	114
Total indirect GHG emissions (Scope 2) Location-based	kt CO ₂ e	Fujifilm Group Total	593	576	514	475	494
		Fujifilm	436	427	382	354	375
		FUJIFILM Business Innovation	157	149	132	120	118

* Scope 1: Total of vehicle and fuel-derived CO₂ emissions plus chlorofluorocarbons.

* Scope 2: The 2021 edition IEA factors were used to calculate location-based emissions. Excludes internal power distribution from private power generators and cogeneration systems.

* The coverage of each data item is for 100% of total sales.

* The above "Scope 1 and 2 (market-based)" data is verified by a third party organization (SGS Japan Inc.).

2. GHG Emissions (Scope 3)

FY2021 Results

No.	Category	Emissions from the Fujifilm Group (kt CO ₂ e)	Proportion of Scope 3	Fujifilm	FUJIFILM Business Innovation
1	Purchased goods and services	2,130	61.3%	1,462	667
2	Capital goods	441	12.7%	348	93
3	Energy excluding Scope 1,2	144	4.1%	136	8
4	Transportation and distribution (Upstream)	12	0.3%	6	6
5	Waste generated in operation	9	0.3%	8	1
6	Business travel	10	0.3%	5	5
7	Employee commuting	29	0.8%	15	14
8	Leased assets (Upstream)	Calculated as Scope 2	–	–	–
9	Transportation and Distribution (Downstream)	286	8.2%	125	161
10	Processing of sold products	77	2.2%	77	–
11	Use of sold products	90	2.6%	90	Calculated as Category 13
12	Disposal of sold products	88	2.5%	88	–
13	Leased assets (Downstream)	158	4.5%	–	158
14	Franchise	N/A	–	–	–
15	Investment	N/A	–	–	–
	Total	3,473	100%	2,360	1,113

3. GHG Emissions across the Entire Product Lifecycle

FY2021 Result of GHG Emission

Unit: kt-CO₂/year

	Procurement		Manufacturing		Transportation	Use		Disposal	Total
	2,273		1,053		286	248		88	3,948
Items	PET, TAC, etc.	458	Fuels	596	286	Medical equipment	62	88	
			Vehicles	25		Minilab	20		
	Aluminum	1,148	Fluorocarbons	12		Copiers/Printers/Fax machines	158		
			Purchased electric power	408		Others	8		
	Copiers/Printers/Fax machines	667	Purchased heat	12					

4. Energy Consumption Data*1

Annual Changes

Unit: TJ

Scope		FY2017	FY2018	FY2019	FY2020	FY2021
Heavy oil, etc.*1	Fujifilm	1,350	1,134	1,049	920	905
	FUJIFILM Business Innovation	6	4	3	2	2
	Group Total	1,356	1,139	1,053	923	907
Vehicles	Fujifilm	130	130	126	116	121
	FUJIFILM Business Innovation	330	301	273	257	252
	Group Total	461	431	400	374	373
Gas*2	Fujifilm	10,427	10,436	9,932	9,654	10,297
	FUJIFILM Business Innovation	355	362	348	304	266
	Group Total	10,782	10,798	10,280	9,959	10,563
Bio Gas*3	Fujifilm	39	55	59	53	54
	FUJIFILM Business Innovation	0	0	0	0	0
	Group Total	39	55	59	53	54
Purchased electric power	Fujifilm	8,263	8,170	7,876	7,152	7,285
	FUJIFILM Business Innovation	2,747	2,606	2,372	2,167	2,140
	Group Total	11,010	10,776	10,248	9,319	9,425
Purchased heat	Fujifilm	72	98	90	83	120
	FUJIFILM Business Innovation	122	114	115	105	114
	Group Total	194	213	205	188	233
Renewable Energy*4	Fujifilm	839	794	770	785	976
	FUJIFILM Business Innovation	0	0	0	0	0
	Group Total	839	794	770	785	976
Fujifilm		21,121	20,818	19,902	18,765	19,756
FUJIFILM Business Innovation		3,561	3,388	3,111	2,836	2,775
Group Total		24,682	24,206	23,014	21,601	22,531

* The actual sum may not match the total of the displayed values due to how the values are handled.

*1 Total of heavy oil A, heavy oil C, kerosene oil, light oil, and gasoline.

*2 Total of natural gas, liquified natural gas, city gas, butane, and liquified petroleum gas.

*3 Landfill methane gas.

*4 Total of power from private generators and purchased energy.

5. Renewable Energy-derived Power Consumption

Annual Changes

Unit: MWh

		FY2017	FY2018	FY2019	FY2020	FY2021
Renewable energy-derived power consumption	Fujifilm Group Total	99,907	94,741	94,658	94,038	112,728
	Fujifilm	99,907	94,741	94,658	94,038	112,728
	FUJIFILM Business Innovation	0	0	0	0	0

* The data items in fiscal 2021 and earlier were also amended because the criteria for inclusion as renewable energy was revised.

6. Status for Renewable Energy-derived Power Consumption

Year	Site		Status	Type	Capacity
2006	FUJIFILM Kyushu	Japan	Installed	Solar power	100 KW
2006	FUJIFILM Kaisei Factory	Japan	Installed	Solar power	72 KW
2011	FUJIFILM Manufacturing Europe B.V.	Netherlands	Installed	Wind power	10,000 KW
2012	FUJIFILM Manufacturing U.S.A., Inc. (North Kansas City)	USA	Installed	Solar power	71 KW
2014	FUJIFILM Recording Media U.S.A., Inc.	USA	Installed	Solar power	667 KW
2015	FUJIFILM Speciality Ink Systems Limited	UK	Installed	Solar power	200 KW
2015	FUJIFILM Manufacturing Europe B.V.	Netherlands	Purchased	Wind power	(Purchase)
2018	FUJIFILM Printing Plate (China) Co., Ltd	China	Installed	Solar power	1,440 KW
2018	FUJIFILM Wako Pure Chemical Corporation Osaka Factory/Harima Factory	Japan	Purchased	Water power, solar power, wind power, and others	(Purchase)
2019	FUJIFILM Healthcare Manufacturing Corporation Sano Factory	Japan	Installed	Solar power	95 KW
2019	FUJIFILM Electronic Materials (Europe) N.V.	Belgium	Purchased	Water power, solar power, wind power, and others	(Purchase)
2019	FUJIFILM Belgium N.V.	Belgium	Purchased	Water power, solar power, wind power, and others	(Purchase)
2020	FUJIFILM Diosynth bio technologies UK	UK	Purchased	Water power, solar power, wind power, and others	(Purchase)
2020	FUJIFILM IRELAND	Ireland	Purchased	Water power, solar power, wind power, and others	(Purchase)
2020	FUJIFILM Speciality Ink Systems Limited	UK	Purchased	Water power, solar power, wind power, and others	(Purchase)
2021	Fujifilm Asia Pacific Pte. Ltd.	Singapore	Purchased	Water power	(Purchase)

* Some sites purchase renewable power and Tradable Green Certificates.

7. Utilizing carbon offset

Efforts in FY2021

Business Fields	Coverage
Consumer Healthcare	<ul style="list-style-type: none"> We offset CO₂ emissions by customers per day when a customer purchases either an ASTALIFT Jelly Aquarysta or Moist Lotion
Graphic Communication	<ul style="list-style-type: none"> Conducting the Green Graphic Project through which all the CO₂ emissions can be offset by using our SUPERIA Process-less Thermal CTP Plate and providing a carbon zero plate to customers. (METI Acorn Mark acquired)
Business Innovation	<ul style="list-style-type: none"> Carbon offset for CO₂ emissions for all power used at the All Japan High School Soccer Tournament. Green Electricity Certificate (issued for wind power-derived power generation by the Japan Natural Energy Company, Ltd.) for all energy consumption at FUJIFILM SUPER CUP 2022, and for power consumed in the use of the production system printer Iridesse™ Production Press, etc.

3.4 Promoting Resource Recycling

3.4.1 Basic Approach

Since our establishment, the Fujifilm Group has been actively recycling resources, through reducing water usage, recycling and reusing water, recovering and reusing resources (e.g. silver), and establishing a recycling system for multifunction devices, etc. We are conducting efforts to use resources effectively and reduce waste through measures which take into account the total lifecycle of a product, by considering the 3Rs (reduce, reuse, recycle) in the product design, reducing loss at the manufacturing stage, collecting, reusing and recycling used products, and recycling or converting into valuables.

3.4.2 Reducing Waste and Using Resources Effectively

The product design and manufacturing divisions are working together to reduce waste in the Fujifilm group. In designing, products are designed with an awareness of recycling and conserving resources. Moreover, in manufacturing, we are improving the production yield rate based on “constant manufacturing condition,” which forms the basis of Fujifilm’s quality, to increase product quality and reduce waste.

We have been promoting Group-wide optimization, including extracting valuables from waste and improving the quality of recycling, not only at our production sites but over our entire business operations including offices and warehouses.

We are working for the entire Group to reduce the amount of waste by improving processes and by reusing plastic members to achieve our SVP 2030 targets.

1. Targets and progresses on waste reduction and resource recycling (Target for 2030)

Target 1: Reduce the amount of waste generated by the Fujifilm Group by 30% by FY2030 (compared to the FY2013 level).

Progress: Increased by 6% at the end of FY2021 (compared to the FY2013 level).

Target 2: Recycle index: More than 10.

Progress: 7.6 at the end of FY2021.

Target 3: Valuable conversion index: More than 1.

Progress: 0.64 at the end of FY2021.

2. Reducing waste

Waste Generation

Unit: ton

		FY2017	FY2018	FY2019	FY2020	FY2021
A. Total waste generated volume*1	Fujifilm Group Total	86,200	88,700	88,000	81,900	86,600
	Fujifilm	74,300	78,300	80,100	74,400	79,800
	FUJIFILM Business Innovation	11,900	10,400	7,900	7,500	6,700
B. Total wastes used, recycled or sold	Fujifilm Group Total	71,400	72,200	70,900	66,400	71,700
	Fujifilm	59,800	62,000	63,400	59,700	65,900
	FUJIFILM Business Innovation	11,600	10,200	7,500	6,700	5,800
C. Total thermal recycled waste in B	Fujifilm Group Total	23,600	28,800	22,900	20,600	21,300
	Fujifilm	20,400	25,800	20,300	18,000	19,400
	FUJIFILM Business Innovation	3,200	3,000	2,600	2,500	1,900
Total volume of simple disposal waste*2 (A – B)	Fujifilm Group Total	14,800	16,500	17,100	15,500	14,900
	Fujifilm	14,500	16,300	16,700	14,700	13,900
	FUJIFILM Business Innovation	300	200	400	800	900

* Data coverage is for 100% of total sales.

* The above data has been verified by the third party organization: SGS Japan, Inc.

*1 Processed by external service providers and simple incineration or landfill disposal on sites.

*2 Simple incineration or landfill disposal by external service providers and on sites.

3. Valuable-converted waste

Annual Changes in Valuable-Converted Waste*

Unit: thousand tons/year

	FY2017	FY2018	FY2019	FY2020	FY2021
Valuable-converted waste	57.4	47.0	45.4	39.3	43.8

* Valuable resources sold to the third party.

4. Recycling

Annual Changes in Recycling Index*¹ and Valuables Conversion Index*²

	FY2017	FY2018	FY2019	FY2020	FY2021
Recycling index	8.7	7.2	6.8	6.8	7.8
Valuables conversion index	0.80	0.65	0.64	0.59	0.61

*¹ Recycling index = (Recycled volume + Valuable-converted volume)/Simple disposal volume

*² Valuables conversion index = Valuable-converted volume/Recycled volume

5. Product packaging

Annual Changes in Container and Packaging Material* Used (Fujifilm non-consolidated)

Unit: thousand tons/year

	FY2017	FY2018	FY2019	FY2020	FY2021
Total consumption	15.6	16.3	16.1	12.6	14.2

*Total of corrugated paper boxes, paper materials, paper containers, metal materials, plastic molds, plastic film/sheet and glass used.

Annual Changes in Reduction in export Packaging Material Weight*¹ (Cumulative total)

Unit: %

	FY2017	FY2018	FY2019	FY2020	FY2021
Packaging material reduction rate* ²	17.5	17.8	14.1	15.4	12.9

*¹ Total weight of export packaging materials handled by FUJIFILM Logistics in FY2020.

*² Packaging material reduction rate (%) = $\frac{\text{Weight reduced}}{\text{Total material weight} + \text{weight reduced}}$

3.4.3 Effective Recycling of Used Products

As a part of resource input reduction, we employ the Closed Loop Recycling System of recycling in different business areas.

1. Resource recycling system in Business Innovation business

(1) Product recycling policy in Business Innovation business: Promoting reuse of resources for infinite “Zero disposal”

Based on the concept that “used products are valuable resources, not waste,” our resource recycling system for multifunction devices takes the following three approaches for manufacturing aiming to reduce environmental impact across the product lifecycle.

Resource recycling system	Closed Loop Recycling System	Utilize used products as a resource
	Inverse Manufacturing	Create products under the premise of reusing parts to minimize environmental impact
	Zero Emissions	Parts that cannot be reused are separated and recycled to be utilized again as new materials

(2) Basic principle of international resource recycling system construction

As our business becomes globalized, we aim to create an International Resource Recycling System across the areas we operate (Japan, China, and the Asia Pacific Region). In light of this aim, we have established the following systems for the resource recycling system for overseas operations so that our stakeholders can work with us without concern.

[Basic approach in overseas operations]

- ① Manage and operate factories under the manufacturer’s responsibility to avoid potential risks
- ② Ensure consistent recycling quality equivalent to that in Japan
- ③ Reduce environmental impact in each country and region

[Four principles]

- ① Prevent illegal dumping by collecting used products under the manufacturer’s responsibility
- ② Do not import items that could potentially end as waste
- ③ Do not cause environmental impact to the importer countries and regions (where recycling sites are established)
- ④ Offer benefits to the importer countries and regions (where recycling sites are established)

FUJIFILM Business Innovation Integrated Recycling System <https://www.fujifilm.com/fbglobal/eng/company/csr/svp2030/environment/recycle.html>
 About collecting used cartridges <https://www.fujifilm.com/fb/support/cru/printer> (in Japanese only)

(3) Resource recycling

New Resource Reduction by Using Reuse Parts in Business Innovation Business*

Unit: tons

	FY2017	FY2018	FY2019	FY2020	FY2021
New Resource Reduction	3,730	2,967	3,393	3,145	3,777

* The total amount of new resource reduction in the production stage by using reuse parts.

* Total for Japan and the Asia-Pacific Region as FUJIFILM Business Innovation trading areas until FY2020.

The Percentage of Used Product Recycling by Sites in Business Innovation Business*

	FY2017	FY2018	FY2019	FY2020	FY2021
Japan	99.9%	99.9%	99.9%	99.9%	99.9% or more
Other Asia-Pacific Region	99.6%~99.9%	80.0%~99.9%	90.0%~99.9%	96.3%~99.8%	96.1%~99.8%

* Our recycling system adheres to the Basel Convention

* Asia Pacific Region: China, Hong Kong, Indonesia, Malaysia, Philippines, Korea, Thailand, Vietnam, Singapore, Australia, and New Zealand.

2. PLATE to PLATE – Closed loop recycling system in the Graphic Communication business

We have established a closed loop recycling system called “PLATE to PLATE” in the printing supply chain, through which we extract aluminum as pure as newly purchased aluminum from used CTP and PS plates and reuse it in the next plate production. Various stakeholders, including printing companies, aluminum recycling companies, alloy manufacturers, and roller manufacturers are involved in this system. Through this PLATE to PLATE system, we have reduced CO₂ emissions throughout the CTP and PS plate lifecycle by up to 60%, compared with using new aluminum. Compared to cascade recycling, in which lower grade materials are recycled from the original product, closed loop recycling is a more advanced and stable recycling system that can maintain the original quality without being affected by the quality of the materials purchased from recycled material vendors.

* Closed loop recycling system for used CTP and PS plates <https://holdings.fujifilm.com/en/sustainability/activity/environment/fpd#link01>

3.4.4 Effective Use of Water Resources

In the production of the motion picture and photographic film that had formed the mainstay of its business operations since its foundation, the Fujifilm Group had made extravagant use of clean water. For this reason, the Group has taken early steps in reducing water use and in water recycling. In face of the recent growth in the interest focused on water risks as an important international issue, the Group is implementing further steps for the reduction and efficient use of water resources.

Due to the concern over the possible expansion of areas stricken by water shortage issues, the Group created a matrix system for water risk evaluation in 2014 that uses conditions in “water stress regions” and “impact on businesses based on water withdrawal” as its two indicators, and has engaged in continual evaluation of water risks for all business operations under the Group.

At the same time, we contributes to issues on water treatment in society by providing our product and services, including filtration materials.

1. Targets and progress on water

Long-term target: Reduce the amount of water the Fujifilm Group uses for production by 30% by FY2030 (compared to the FY2013 level).

Progress: 14% reduction at the end of FY2021 (compared to the FY2013 level).

Mid-term target: Reduce the amount of water the Fujifilm Group uses for production by 20% by FY2025 (compared to the FY2013 level).

Progress: 14% reduction at the end of FY2021 (compared to the FY2013 level).

Short-term Target: Reduce the amount of water the Fujifilm Group uses for production by 1% by FY2022 (compared to the FY2021 level).

2. Results in water resource management

Water Withdrawal/Discharge in FY2021

		Unit		FY2017	FY2018	FY2019	FY2020	FY2021
Water withdrawal	Clean water	million m ³	Fujifilm Group Total	5.0	5.0	4.7	4.2	4.1
			Fujifilm	4.4	4.4	4.2	3.7	3.7
			FUJIFILM Business Innovation	0.6	0.6	0.5	0.5	0.4
	Industrial water	million m ³	Fujifilm Group Total	3.3	3.3	3.1	3.3	3.3
			Fujifilm	3.3	3.3	3.1	3.3	3.3
			FUJIFILM Business Innovation	0	0	0	0	0
	Underground water	million m ³	Fujifilm Group Total	35.7	34.6	34.7	33.6	35.7
			Fujifilm	34.0	33.1	33.2	32.3	34.4
			FUJIFILM Business Innovation	1.7	1.4	1.5	1.3	1.4
	Rain water, others	million m ³	Fujifilm Group Total	0.2	0.3	0.2	0.2	0.2
			Fujifilm	0.2	0.3	0.2	0.2	0.2
			FUJIFILM Business Innovation	0.02	0.02	0.02	0.02	0.01
Water discharge	Sewage water	million m ³	Fujifilm Group Total	18.1	17.9	17.8	16.3	14.9
			Fujifilm	17.4	17.3	17.2	15.7	14.5
			FUJIFILM Business Innovation	0.6	0.7	0.6	0.6	0.5
	Rivers	million m ³	Fujifilm Group Total	22.4	21.9	22.7	22.7	21.8
			Fujifilm	21.1	20.8	21.5	21.7	20.7
			FUJIFILM Business Innovation	1.3	1.1	1.2	1.0	1.2
	Others	million m ³	Fujifilm Group Total	1.1	1.0	0.9	0.9	0.8
			Fujifilm	1.1	1.0	0.9	0.9	0.8
			FUJIFILM Business Innovation	0.02	0.02	0.02	0	0

* Data coverage for all Fujifilm Group's sites

* The above data has been verified by the third party organization: SGS Japan, Inc.

FY2021 Revenue Intensity

		Unit		FY2017	FY2018	FY2019	FY2020	FY2021
Revenue intensity	Withdrawal	kt/100 million yen	Fujifilm Group Total	1.81	1.77	1.84	1.92	1.67
	Water consumption		Fujifilm Group Total	1.70	1.68	1.79	1.76	1.45

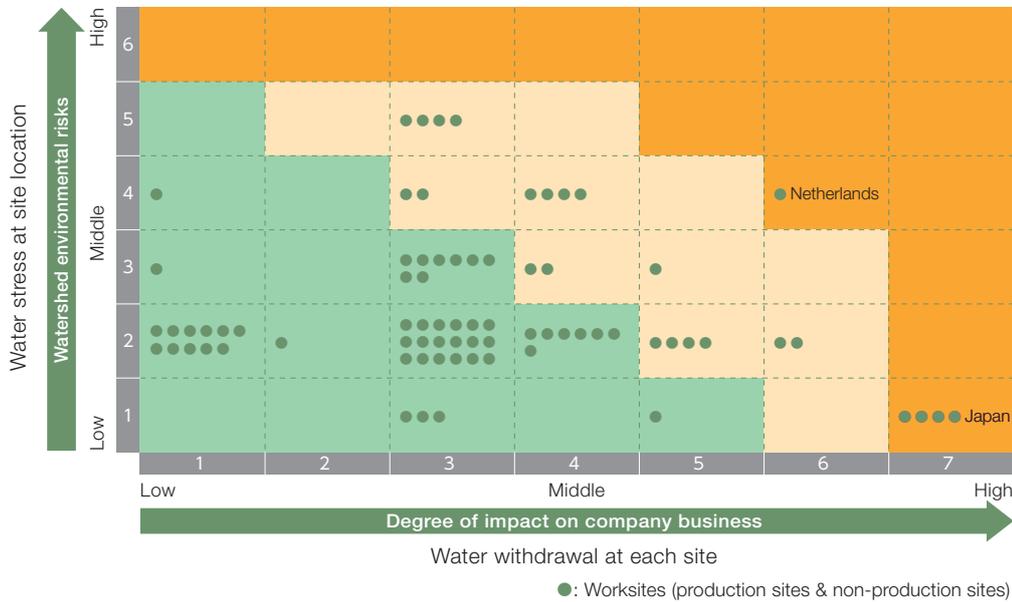
* Data coverage for all Fujifilm Group's sites

* The above data has been verified by the third party organization: SGS Japan, Inc.

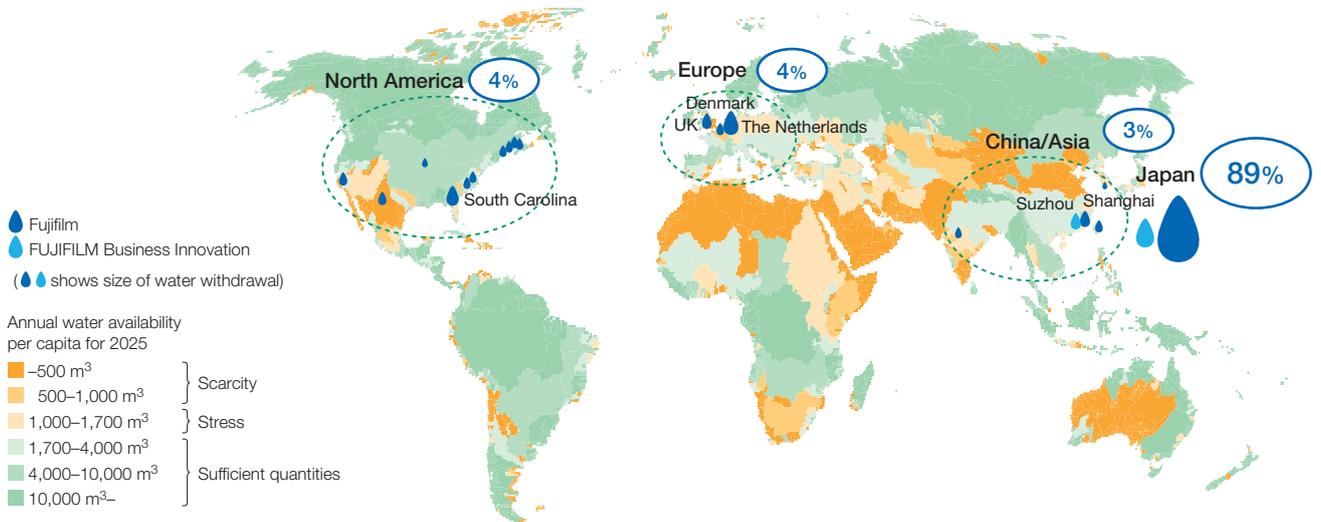
3.4.5 Response to Water Risks

1. Water risk evaluation for business operation

Assessment Map of the Impact of Water Resources on Company Business



2025 Water Stress Map and 2021 Fujifilm Group's Water Withdrawal



Water Stress Map: Mapping Fujifilm Group's current water withdrawal into 2025 Water Stress Map (UNEP)

2. FY2020 water withdrawal by region

FY2021 Results

Unit: %

		Japan	Americas	Europe	China, Asia/Oceania	Total
Water withdrawal	Clean water	20	38	11	31	100
	Industrial water	96	0	0	4	100
	Underground water	97	0	3	0	100
	Rain water, Others	97	0	3	0	100

* Data coverage for Fujifilm Group's production sites & non-production sites

3.4.6 Working Together with Water-Related Stakeholders

The Fujifilm Group is promoting environmental protection activities together with local residents and NGOs. In the production of the motion picture and photographic film that had formed the mainstay of our business operations since our foundation, we have been working to protect water sources up to the present.

Major Activities

Sites	Details	Stakeholders
FUJIFILM Kyushu Co., Ltd.	Tree planting in the important water recharge zone of the Shirakawa river	Minami-Aso village, Kumamoto Prefecture
FUJIFILM (China) Investment Co., Ltd.	Voluntary tree planting for 24 years	Local NPO
FUJIFILM Manufacturing Europe B.V.	Conducting joint wastewater treatment with four neighboring corporations by installing a large-capacity water treatment facility in our own premises.	Neighboring four companies

3.5 Product Stewardship (Design for Environment)

3.5.1 Basic Approach

Based on the Fujifilm Group Green Policy (Environmental Policy), we are working to implement Design for Environment in all new and re-designed products. We set environmental quality targets at the product development stage, then we conduct product assessment in the design and development stage in order to understand the level of achievement against our set environmental targets before market introduction of products. The assessment results and requirements from the market are then reflected in the targets for future product development. This approach is applied not only to the development of material products and equipment products, but also to the development of software and solution in a bid to reduce the environmental impact on society through our products, services and technologies. Along with the objective and quantitative appraisal of environmental impact by means of Life Cycle Assessment, we proactively demonstrate our environmental consideration through environmental labels.

Design for Environment

<https://holdings.fujifilm.com/en/sustainability/activity/environment#link07>

3.5.2 Design for Environment

1. Standards of Design for Environment

(1) Materials and equipment

In the development of environmentally conscious products, we also set targets concerning environmental quality from the perspective of climate change mitigation (reduced power use, etc.), the Reduce, Reuse & Recycle principle of resource saving and recycling, risk reduction of chemical substances, and biodiversity by considering each stage of product lifecycle including material procurement, manufacturing, transportation, use and disposal. The degree of target achievement is then assessed once a product has been developed.

(2) Software, service, and IT solutions

In the area of software and service solutions, we set resource conservation, energy conservation, transportation reduction, space saving, and time saving in customers' sites as our environmentally conscious evaluation items. We are working to create products that can contribute to environmental impact reduction throughout the whole of society.

2. Life Cycle Assessment (LCA)

The Fujifilm Group is developing products with less environmental impact through objective and quantitative environmental impact assessment throughout product lifecycle (material procurement, manufacturing, transportation, use, and disposal) utilizing Life Cycle Assessment (LCA) in the product development stage.

LCA is also used to assess the progress of efforts for the Group target, which is to reduce CO₂ emissions across our product lifecycle by 50% by FY2030 (compared to the FY2019 level).

3.5.3 "Green Value Products" Certification Program

To create environmentally conscious products, the Fujifilm Group introduced "Green Value Products" certification in fiscal 2018 for products and services that satisfy certain standards for environmental consciousness.

The standards and their operation of Design for Environment are made common across the Group so that the degree of environmental value is quantified through the standards set for each product and service. The products and services are then classified as Silver, Gold, or Diamond to indicate the improvement level. This also helps clarify the environmental issues to be addressed next for further reduction of environmental impact.

Level	Certification Criteria
Diamond	Products and services that use their respective industries' innovative technologies to substantially contribute to reducing environmental impact
Gold	Products and services that reduce environmental impact at their respective industries' highest level
Silver	Products and services that reduce environmental impact at a higher level than their respective industries' standard

3.5.4 Result of Design for Environment

1. Certifications of Fujifilm Group Green Value Products

Target: Make Green Value Products rate per sales 60% by FY2030.

Progress: 30% per sales.

Level	Number of the Certified Products		Major Certified Products
	FY2021	Total	
Diamond	0	2	<ul style="list-style-type: none"> •SUPERIA ZN-II and ZN-B process-less CTP plates for newspaper printing
Gold	25	80	<ul style="list-style-type: none"> •Mirrorless digital camera FUJIFILM GFX 50R •Smartphone Printer instax mini Link •SUPERIA ZD-II process-less CTP plates for commercial printing •Digital inkjet press Jet Press 750S •Data Management Solutions •ApeosPort C5240 series and ApeosPort/DocuCentre-V1 C7070 series of color multifunction devices, etc. •ApeosPort Print C5240 color printer •Document handling software “DocuWorks Cloud” •Private office services “Cocodesk” •“Net Print Services”
Silver	13	121	<ul style="list-style-type: none"> •ApeosPort-VII CP 4422 color printer, etc. •Wide Format Multi Functional Printer “ApeosWide 6050/3030” •Production printer “Revoria Press PC1120”, etc. •RakuRaku Scan Pro •SYNAPSE series for medical imaging IT systems, etc.

“Green Value Products” Certified Products <https://holdings.fujifilm.com/en/sustainability/activity/environment/green-value-products>

2. Products in response to climate change

(1) Measures for mitigating climate change

In fiscal 2021, we revised CO₂ emissions reduction targets across the entire product lifecycle of Fujifilm Group products to “50% reduction by 2030 compared to the FY2019 level.”

CO ₂ emissions reduction across the entire product lifecycle	<p>(1) Target: Reduce CO₂ emissions across the entire product lifecycle by 50% by FY2030 (compared to the FY2019 level).</p> <p>(2) Progress: Reduce by 7.5% compared to the FY2019 level.</p> <p>(3) Major products:</p> <ul style="list-style-type: none"> •Process-less thermal CTP plates: No film development process and closed loop recycle of used plates •Digital inkjet press: Reduction of processes by digital printing •Multifunction devices/printers: Design for Environment; reuse, reduce and reuse by used products •TAC Display films: thinner film; using biomass materials •Cosmetics: Using refill container
The contribution of products to reduce CO ₂ emissions at customers' site	<p>(1) Target: Contribute to reducing accumulated 90 million tons CO₂ emissions in society by FY2030.</p> <p>(2) Progress: Contribution amount was 24.5 million tons. Progress: 27%</p> <p>(3) Major products:</p> <ul style="list-style-type: none"> •High capacity magnetic tape: Energy-saving by archive data storage •Multifunction devices/printers: Reducing energy consumption •Document handling software: Paper reduction •Medical IT System: Streamlining business process

(2) Measures in response to climate change

Major product examples:

“Hibimikke (Crack Finder)”: Offer infrastructure degradation diagnosis services for bridges, dam walls, and embankments.
 Document Management Cloud Services “Working Folder”: Improving business environment in response to social changes with secured large cloud storage services

3.5.5 Disclosing Environment-Related Information for Products

The Fujifilm Group actively discloses environment-related data for products, while aiming to contribute to the resolution of environmental issues through our products and services.

1. Environmental labels

The environmental labels indicate products with low environmental impact. We actively use the label as a part of environmental information disclosure. We use the following labels:

Environmental Labels Which the Fujifilm Group Obtained

<p>Type I: Third party certification (ISO14024)</p>	<p>A third party certifier defines and operates product classification and judgment criteria for environmental certification. In response to a company's request, the certifier examines the product and permits use of their mark if the product meets their criteria. The certified product can then display the mark, which encourages consumers to choose products that support environmental protection.</p>	<p>Japan China Taiwan South Korea Thailand Vietnam Singapore Malaysia Philippines New Zealand</p>	<ul style="list-style-type: none"> • Eco Mark (JEM) • Environmental Labelling (CEL) • Green Mark (TGM) • Eco-Label (KEL) • Green Label (TGL) • Green Label (VGL) • Green Label (SGL) • MyHIJAU Mark • Green Choice (GCP) • Environmental Choice (ECNZ)
<p>Type II: Self-declared environmental claims (ISO14021)</p>	<p>This is a program by manufacturers to promote the environmental quality of their products, services, and systems to the market through self-declaration. No third-party judgment is involved. Environmental quality is demonstrated by labels attached to products and descriptions in instruction manuals, promotional materials, and CSR reports.</p>	<p>Fujifilm</p>	<ul style="list-style-type: none"> • Green Value Products (for all products) • PLATE to PLATE aluminum recycling label
<p>Type III: Environmental Product Declarations (ISO14025)</p>	<p>This is a method to indicate quantitative data on a product's environmental impact calculated by the Life Cycle Assessment (LCA). ECO LEAF is an environmental label that displays quantitative environmental data for various ranges, while Carbon Footprint shows simply quantitative data on global warming potential.</p>	<p>Japan Japan</p>	<ul style="list-style-type: none"> • EcoLeaf • Carbon footprint (ISO14067)
<p>Others</p>	<p>There are environmental labels other than Type I to III, including energy-saving labels that display the achievement level of a certain environmental performance. Also, green purchase systems are available to encourage consumers (including public organizations) to choose products and services with lower environmental impact.</p>	<p>Japan Japan, the US China China Hong Kong South Korea Taiwan Vietnam Europe (EU)</p>	<ul style="list-style-type: none"> • Act on Promoting Green Purchasing • Energy Star Program • China Energy Label • Energy Efficiency Certification • Energy Label (VEELS) • e-Standby Power Program • Energy Efficiency Certification • Energy Efficiency Label • EU ErP (Lot 6/26)

2. Safety Data Sheet (SDS) and Article Information Sheet (AIS)

To ensure customers' safety when handling our chemical products*¹ and material products*², the Fujifilm Group publishes safety information on the chemical substances contained in the products and handling precautions.

*1 Chemical products: Fine chemicals, various treatment chemicals, and other chemical substances or mixtures.

*2 Material products: Various functional films, photographic papers, and other articles manufactured from chemical substances.

3. Incidents of non-compliance concerning product and service information and labeling

In fiscal 2021, there was no serious incident of non-compliance concerning product and service information and labeling.

3.6 Management of Chemical Substances

3.6.1 Basic Approach

In addition to thorough compliance with the current laws and regulations of chemicals, the Fujifilm Group is voluntarily reducing the usage of chemicals that have been found to be seriously hazardous and a potential concern to society ahead of the introduction of new legal requirements. We lower chemical risks by reducing the usage of the substances or replacing them with safer alternative chemicals.

The Fujifilm Group established a safety test facility in 1975 and has been assessing the safety of the materials it has developed in terms of human health and the global environment. In “Environment,” a priority issue in our CSR plan SVP 2030, we are developing low-risk, sustainable materials and manufacturing processes, grounded upon our core technologies and the chemical library and safety data we have accumulated to date, in the drive to resolve various social issues identified in the five SDGs that we are contributing to. In animal welfare*, we are working hard to replace the animal testing used to assess safety when developing materials.

The products offered by the Fujifilm Group cover from the upstream to the downstream of supply chains, including fine chemicals, highly functional materials, optical devices, office equipment, and medical devices. This is why we are working to contribute to appropriate chemical management throughout the supply chains by disseminating our expertise and operational structure for the safe handling of chemicals.

*1 3Rs of animal protection (Replacement: Use of alternative method; Reduction: Reduction of the number of animals used; and Refinement: Relief of animal pain)

3.6.2 Anticipatory Risk Management of Chemical Substances

The Fujifilm Group specifies the chemical substances that require special attention based on their hazard levels, the strictness of requirements specified by the applicable laws and regulations, and our own management policy. These chemical substances are classified into the S category and we have established a voluntary management policy for each category. Those chemical substances that are deemed to potentially fall into the S category are designated as “priority risk management chemical substances,” and we are starting to reduce their usage or to replace them as soon as possible to minimize the related risks. We have been continuing our efforts to reduce the environmental impact of our products throughout their life cycles, and have been disclosing our technologies at The Society for Imaging Science and Technology and other academic conferences. Efforts have also been made to prevent the generation of hazardous substances throughout the products’ life cycles. For example, we have already begun and completed the development of materials that do not generate formaldehyde in the product-use process (J. Photogr.Sci.,36,64 (1988)) and the development of alternative technologies for nonylphenols and octylphenols.

Target of Anticipatory Risk Management of Chemical Substances

- Target:** Replace or reduce usage of “priority risk management chemical substances” by FY2030.
- Progress:**
- Replacement of two of the seven risk management priority substances identified in the year before last was completed by the end of the previous year. In 2021, we reduced the use of four substances, and judged that one substance poses a low risk.
 - Our global chemical substance management system has been revamped to improve the accuracy of risk assessment of chemical substances used in our group. We began using this database not only to reduce risks, but also to develop technologies that contribute to solving social issues.

Table of the Classification of Our Chemical Management

S category and its voluntary management policy	
S0	Ban on use
S1	Substitute
S2	Reduce the usage or the emissions
S3	Plan to substitute
S4	Study for replacement of substances
Priority risk management chemical substances	
Not classified	



Management based on risk assessment



Compliance with laws and industry standards

3.6.3 Promoting Alternatives to Animal Testing

The Fujifilm Group is actively developing alternative methods for skin sensitization testing, skin irritation testing, etc. as well as participating in joint studies on alternative methods in the safety evaluation of chemicals.

Target: Adopting alternatives to animal testing in all safety assessments.
Conduct all the safety evaluation as alternatives to animal testing.
(1) Conduct the safety evaluation for our newly developed chemicals using alternative methods for animal testing by FY2025*¹.
(2) Obtain the safety data on the safety data sheet for our chemical products using alternative methods for animal testing by FY2030*².

Result: “Amino acid Derivative Reactivity Assay (ADRA)” is an alternative testing for skin sensitization with animals exclusively developed by FUJIFILM using our advanced chemical synthesis and molecular design technologies. It provides a higher accurate evaluation of skin sensitization potential compared with the conventional method. ADRA was adopted in the OECD test guidelines in 2019, and is now globally recognized as one of the standard testing methods. In 2022, we developed the evaluation method “ADRA” that can evaluate not only chemicals but also mixtures, and was newly adopted in the OECD test guidelines (OECDTG442C). We will utilize this testing method for the chemicals and products we develop in the future.

To ensure the safety of our employees, we are progressing the reduction of animal testing by introducing a new evaluation method using a Reconstructed Human Epidermis model for skin irritation tests on the chemicals used as raw materials in our products.

*¹ We haven't already tested with animals for safety evaluation of chemicals used in cosmetics (including quasi-pharmaceutical products). We do not plan to conduct animal testing for this purpose unless such testing is required to achieve accountability of chemical safety or is instructed by the authorities concerned.

Note that we conduct legally specified safety evaluation for chemicals used in medicines and foods.

*² Chemical products: Fine chemicals, various treatment chemicals, chemicals or mixture.

3.6.4 Contribute to Resolving Social Issues through Development of New Materials and Processes

The Fujifilm Group is committed to using our core technology of materials and process development to provide products and services that resolve various social issues.

Target: Contribute to resolving social issues through development of new materials and processes.

Result: Disclose our exclusive materials and processes developed by our Group to contribute SDGs.

Examples of Our Unique Materials and Processes that Contribute to Meeting the SDGs

Materials/ Processes	Contribution	SDGs
High picture quality toners with low environmental impact	<ul style="list-style-type: none"> Reduce the energy used in the production of toners for multifunction devices and printers by more than 35% compared to conventional toners*1. Reduce the toners used in printing by more than 40% compared to conventional toners. Reduce the power consumption in printing by up to 40% compared to conventional toners. <p>*1 Conventional toners refers to toners made using the melt-kneading and pulverization method.</p> <p>Awarded by the Minister of the Environment under the 16th (2016) Green and Sustainable Chemistry Awards https://www.jaci.or.jp/english/gscn/awards/aw_gsc_16th.html</p> <p>High picture quality toners with low environmental impact (EA-Eco toner and Super EA-Eco toner) https://www.fujifilm.com/fbglobal/eng/company/technology/production/digital/ea_eco.html https://www.fujifilm.com/fbglobal/eng/company/technology/production/digital/seaeco.html</p>	  
Flow synthesis process	<ul style="list-style-type: none"> Reduce waste generation and heavy metal catalysts. Saving energy and spaces. Quick optimization of synthesis conditions using simulation and AI technology. Safe control of hazardous and dangerous reaction processes. Shortening of commercialization by building reactors. <p>Flow synthesis custom manufacturing service https://specchem-wako.fujifilm.com/jp/cdmo-chemicals/flow-synthesis-contract.htm (in Japanese only)</p>	  
Immobilized catalysts / Flow reaction catalysts	<ul style="list-style-type: none"> Catalysts that can be recovered and reused only by simple operations. Reduction of waste and energy conservation through simplification of purification processes in the manufacture of various materials such as active pharmaceutical ingredients and biodiesel fuels. Highly activated and durable catalysts that can also be applied to flow synthesis. Hydrogenation catalysts that can also be expected to be applied to organic chemical hydride processes for storing and transporting hydrogen. <p>Immobilized catalysts https://labchem-wako.fujifilm.com/jp/category/synthesis/catalyst/catalyst_of_flow_synthesis_s1/index.html (in Japanese only)</p> <p>Flow reaction catalysts https://labchem-wako.fujifilm.com/us/category/synthesis/flow_synthesis/catalyst/index.html</p>	  
Organic semiconductors	<ul style="list-style-type: none"> Pliable and lightweight materials that are expected to be used in flexible devices and medical sensors. Low temperature processes can be applied to device creation. (reduce ca. 200-900°C less than inorganic semiconductors) <p>Novel High-Performance n-Type Organic Semiconductor Materials with Atmospheric Stability and High Mobility https://labchem-wako.fujifilm.com/us/category/01306.html</p>	  
Reagents packaged in biomass plastic	<ul style="list-style-type: none"> Replaced plastic containers and packaging materials for several of our reagent products with biomass plastics or non-plastic materials ahead of others in the industry. Help to reduce CO₂ emissions while maintaining the stability and quality of the reagents. <p>Biomass plastic containers and packaging materials adopted for reagent products https://labchem-wako.fujifilm.com/jp/siyaku-blog/028809.html (in Japanese only)</p>	  

3.6.5 Contribution to Sound Chemical Management Across the Supply Chain

It is indispensable for effective chemical substance management to share information about the chemical substances contained in products and safe handling methods for such chemicals and products across the supply chain.

The Fujifilm Group uses chemSHERPA, a chemical information communication system conforming to international standards, to share information about chemicals in our products with suppliers and customers and to comply fully with laws and regulations, as well as IEC 62474 and other standards. We are a member of the system's operational consortium, helping promote chemSHERPA throughout the supply chain by offering explanatory meetings and individual consultations to our transaction partners.

It is a legal requirement to provide product safety information using Safety Data Sheet (SDS) for inks, treatment chemicals, and chemical products (i.e. articles). Voluntary use of an Article Information Sheet (AIS) in the photographic industry has been a common practice to communicate safety information concerning articles such as photographic films and printing paper. Now, the Fujifilm Group is proactively using AISs beyond our photographic products for other industrial materials, printing products, medical materials, display materials, etc. to communicate with our customers and ensure safe usage of our products.

Target 1: Communicate information on chemical substances in our products in compliant with international standards.
Result: To promote wider use of chemSHERPA in the supply chain in compliance with international standard IEC 62474, we hold explanatory meetings for suppliers via our website. We have contributed to deepen their understanding of the chemSHERPA scheme and communicate accurate information in the supply chain.

Target 2: Continue providing Article Information Sheets (AIS).
Result: Total of 350 AISs have been newly created or updated and published on our official website.

Target 3: Disseminate knowhow about the safe handling of chemical substances.
Result:

- Training programs for chemical laws and regulations, and the safe handling of chemical substances were organized for all the divisions involved in Fujifilm Group's chemical lifecycle (procurement, R&D, manufacturing, sales and disposal). The program is given by an expert from FUJIFILM Wako Pure Chemical who holds specialized seminars outside the Company.
- Participating in Japan's Ministry of Economy, Trade and Industry (METI) projects regarding technical support in handling chemicals for the ASEAN region, we gave presentations and practices on chemical risk assessment based on our own experiences for the regulatory authorities, chemicals industry associations, and companies that handle chemicals in Vietnam and the Philippines.

3.6.6 Fluorocarbons Emissions/Volatile Organic Compounds (VOC) Emissions

We are introducing measures to reduce perfluorocarbons (PFC) and hydrofluorocarbons (HFC) as the greenhouse gases, and also chlorofluorocarbons (CFC) and hydrochlorofluorocarbons (HCFC) as ozone depleting substances, according to the regulations in each country. We have set a target to reduce VOC emissions to less than the smallest value in the last three years.

1. Emissions of FCs and VOC

	Unit	FY2017	FY2018	FY2019	FY2020	FY2021
PFC	kg PFC/metric tons produced	62	112	0	0	0
CFC	kg	161.1	0.15	0	0	0
HCFC	kg	3,403	5,349	3,489	3,815	4,590
HFC	kg	6,650	5,685	5,451	5,419	5,165
VOC	metric tons	800	707	735	675	754

* Data coverage (ratio to total profit or total employees) is 100% of the total sales.

* Emissions data has been verified by a third-party organization, SGS Japan, Inc.; however, the production volume used in the calculations is out of certification.

2. Response to the PRTR Law (Fujifilm Group) in Japan

The Fujifilm Group controls substances that must be reported under the PRTR Law (Pollutant Release and Transfer Register Law) and another substances on a voluntary basis, and has been endeavoring to reduce those emission. Data (usage volume, atmospheric emissions volume, emission into public water, volume going into sewage water, volume moved outside of facilities, and volume recycled) on substances used in amounts of one ton or more per year by Fujifilm and its domestic subsidiaries may be reported on the following Fujifilm website.

Subjects and Circumstances for PRTR Notification

https://holdings.fujifilm.com/en/sustainability/activity/environment/environmental-preservation#nav_02

3. VOC emissions by region

Unit: hundred tons/year

	FY2017	FY2018	FY2019	FY2020	FY2021
Japan	6.4	5.8	6.1	5.4	6.3
Overseas	1.6	1.3	1.3	1.3	1.2
Group total	8.0	7.1	7.3	6.7	7.5

* Values presented are rounded and the sums of the items do not always make up the totals.

4. Reductions in VOCs atmospheric emissions* (Fujifilm non-consolidated)

Category	Name of Substance	Reduction (tons)	Reduction Rate in Comparison to Previous Fiscal Year (%)
Substances requiring reporting under the PRTR Law	Dichloromethane	3.3	10
Substances voluntarily controlled by the company	Methyl alcohol	-60.3	-59
	Ethyl acetate	-19.3	-16
	Methyl ethyl ketone	3.2	10
	Acetone	-0.1	-6

* Reduction in volumes in FY2021 compared with actual levels in previous year

3.6.7 Managing Hazardous Waste

We stores hazardous waste in a place designated by a certified officer under appropriate management, and then treated by authorized disposers.

Items that contain polychlorinated biphenyls (PCBs) are strictly managed following the laws of different countries and treated according to a predetermined disposal plan.

1. Annual changes in amount of specified hazardous waste

Unit: t

		FY2017	FY2018	FY2019	FY2020	FY2021
Amount of specified hazardous waste	Fujifilm Group Total	2,094	1,570	1,306	1,651	2,015
	Fujifilm	1,323	733	533	869	1,165
	FUJIFILM Business Innovation	771	837	774	782	850

2. Storage and management of devices/equipment containing PCBs* (FY2021)

Types of Equipment Containing PCBs Unit	Unit	Storing and Managing Amount	
		Japan	Group Total
High voltage transformers	Quantity	1	18
High voltage condensers	Quantity	0	90
PCB oil waste, etc.	kg	0.0	0.0
Sludge, etc.	m ³	0.0	0.0
Fluorescent lamp stabilizers	Quantity	4,639	4,639
Low voltage condenser excluding fluorescent lamps	Quantity	90,548	90,548
Low voltage transformer Quantity	Quantity	0	0
Rags	kg	1,153	1,153
Other devices Quantity	Quantity	414	414

* Excludes PCB wastes in low concentration

3.6.8 Managing Pollutants

We have established management standards for air and water pollutants to meet the requirements and limit values concerning concentrations and emission quantities specified by the laws and regulations applicable to each site. Pollutant emissions are monitored and regularly checked for compliance with these specified limits.

In addition to environmental risk assessment, we have been reinforcing environmental monitoring to prevent the release of waste in excess of regulatory levels outside factory premises.

1. Annual changes in volume of atmospheric emissions

Unit: tons/year

		FY2017	FY2018	FY2019	FY2020	FY2021
SOx emissions	Japan	15	19	11	15	12
	Overseas	3	3	1	0	3
	Group total	18	22	11	15	15
NOx emissions	Japan	290	232	242	225	220
	Overseas	111	94	82	43	49
	Group total	401	326	325	268	269
Soot particle emissions	Japan	2.4	1.8	2.1	2.2	3.6
	Overseas	1.8	3.3	5.7	0.1	1.9
	Group total	4.2	5.1	7.9	2.3	5.5

* Group total, below the limit of detection = 0

* Values presented are rounded and the sums of the items do not always make up the totals.

2. Annual changes in water contaminant burden & emissions*1

Unit: tons/year

		FY2017	FY2018	FY2019	FY2020	FY2021
Total amount of COD*2	Japan	55.9	68.6	49.4	54.1	48.0
	Overseas	49.6	27.2	19.7	25.6	24.9
	Group total	105.4	95.8	69.1	79.7	72.9
Total amount of BOD*3	Japan	24.3	26.8	25.1	21.5	20.9
	Overseas	0.1	0.6	1.2	0.5	0.7
	Group total	24.5	27.4	26.3	22.1	21.5
Total amount of nitrogen emissions	Japan	181.7	167.2	143.1	149.4	193.9
Total amount of phosphorous emissions	Japan	2.7	1.8	2.0	2.7	1.9

* Values presented are rounded and the sums of the items do not always make up the totals.

*1 Effluent release into public water bodies

*2 COD (Chemical Oxygen Demand): An indicator of water pollution. COD indicates the amount of oxygen consumed when water-borne pollutants (primarily organic contaminants) are oxidized upon the introduction of an oxidant.

*3 BOD (Biochemical Oxygen Demand): BOD is a way to measure the degree of water pollution, and indicates how much oxygen in the water is being used by organisms to decompose contaminants by looking at the reduction in oxygen in the water.

3. Surveying and remediating soil and underground water pollution

The Fujifilm Group autonomously conducts environmental surveys on soil and underground water pollution. Regarding substances that are used at manufacturing facilities and that are subject to environmental limits set by regulations, the Group rigorously manages the usage and storage of such substances and monitors the concentrations of such substances in underground water. We are prepared to deal with any unforeseen pollution incidents in a timely fashion.

Soil/Underground Water Contamination Measures

https://holdings.fujifilm.com/en/sustainability/activity/environment/environmental-preservation#nav_03

3.7 Biodiversity Conservation

3.7.1 Basic Approach

For the preservation and maintenance of biodiversity, the Fujifilm Group has established the Fujifilm Group Basic Concepts and Action Guidelines for Biodiversity Conservation (also known as Guidelines for Biodiversity) as the group-wide policy based on the Fujifilm Charter for Corporate Behavior and Code of Conduct.

To prevent our business activities having an adverse impact on biodiversity, we are committed to preservation, conservation and sustainable use and are working to reduce the destruction of biodiversity. We are engaged in constant communication with our stakeholders in this area from an international standpoint to ensure that we are responding to the needs of society.

- FUJIFILM Holdings “Guidelines for Biodiversity” <https://www.fujifilmholdings.com/en/sustainability/vision/creature.html>
- Fujifilm “Policies for Wood Pulp Procurement” https://www.fujifilm.com/about/procurement/purchasing_policy/wood_pulp/
- FUJIFILM Business Innovation “Sustainable Paper Procurement” https://www.fujifilm.com/fbglobal/eng/company/csr/svp2030/environment/chem_bio.html#anc02

3.7.2 Risk Assessments of Our Business Activities

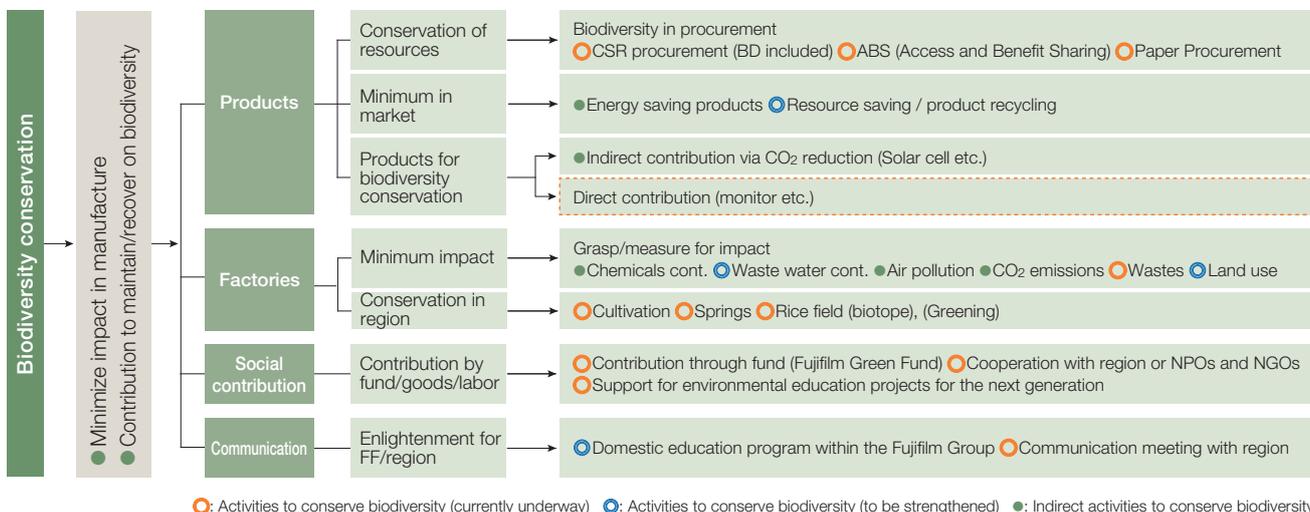
The Fujifilm Group assesses and promotes to minimize biodiversity risks in its business operations. Our findings regarding the impact of our business activities on biodiversity led to our designating paper procurement in our Business Innovation segment as a priority area affecting forest resources. In 2018, in compiling the Natural Capital Accounting data we disclose in our Integrated Report, we used the Natural Capital Protocol from the Natural Capital Coalition to assess the impact of our Business Innovation segment on paper procurement and its dependency on natural capital. Specifically, we compared procurement of raw materials for paper production from sustainably managed forest resources with procurement from forest resources that have problems with sustainability and evaluated their respective impacts on climate change, public health and sanitation and biodiversity. The results showed that procurement from sustainable resources reduced our social loss in the range from 20 (in minimum) to 750 (in maximum) million dollars in comparison to procurement from unsustainable resources.

These findings substantiate the monetary value of our paper procurement activities, which we have been carrying out since 2004 with an awareness of ecosystems, biodiversity and the human rights of local communities. We now intend to expand the scope of our measures.

3.7.3 Activities for Biodiversity

In addition to the measures taken with paper procurement, we are introducing measures that address risks and opportunities in biodiversity, arranged into the key elements of “products,” “factories,” “social contribution” and “communication.”

Activities on Biodiversity Conservation –Outline–



1. Biodiversity in products

The Fujifilm Group manufactures environmentally conscious products that do not adversely affect biodiversity.

(1) Design for the Environment

In product development, we have adopted conservation of biodiversity as a theme in Design for the Environment. Biodiversity assessments are conducted across the entire product lifecycle.

The key points in assessment are (1) reduction of environmental impact from the production stage to minimize or reduce the impact on the ecosystem; (2) investigation of losses, reductions, splits, etc., in the growth and habitat of biological resources at procurement locations; and (3) availability of sustainable biological resources. Confirming that there are no issues in these three assessment areas ensures that our products and services are sustainable and have high environmental value.

(2) Efforts to procure plant-derived materials

The Fujifilm Group established “Management Rules for Procurement of Plant-Derived Materials” in fiscal 2021. The rules are to strictly control procurement of materials made from plant resources, such as pulp and palm oil, to ensure that they are managed with consideration for the environment and human rights. The rules ensure that we are not involved in the destruction of nature nor human rights infringement.

In our Business Innovation segment, specific subrules for paper procurement require not only quality standards but also supplier criteria to ensure that our suppliers pay attention to biodiversity and respect the rights of local residents in their business operations. To confirm the compliance status of existing suppliers and new suppliers, the officer responsible for procurement chairs the CSR Paper Procurement Committee annually.

Percentage of suppliers fully meeting our paper procurement standards for shared paper procurement (Business Innovation): 100%

Percentage of FSC®-certified paper brands for paper products in Business Innovation: 44%

FUJIFILM Business Innovation paper procurement regulations:

https://www.fujifilm.com/fbglobal/eng/company/csr/svp2030/environment/chem_bio.html#anc02

2. Reducing environmental impact at our factories and contributing to local communities

(1) Minimizing impact

Our factories handle a range of hazardous materials that adversely affect biodiversity. Air pollution, water quality contamination and soil contamination have led to the degradation of biodiversity, not only in areas where our factories are located, but also in surrounding regions and nearby river systems, which in some cases require a very long period of time for recovery. To prevent such incidents, in addition to compliance with relevant laws, we have established voluntary control levels designed to raise site management to a higher level.

(2) Environmental protection in local communities

- **Preservation of paddy fields in areas that are water sources**

FUJIFILM Kyushu has signed contracts with farmers in Minami-Aso Village to support rice cultivation with the aim of replenishing groundwater levels and preserving the paddy field landscape. Employees of the company and their families participate in planting and harvesting rice every year.

- **Maintaining forests that protect watersheds**

FUJIFILM Kyushu cooperates in planting trees and maintaining forests that protect the catchment function of the watershed on the upper reaches of the Shirakawa River. This has contributed to providing sustainable water supplies for people living in the Kumamoto City area. Thirteen thousand broad-leaf trees including konara oak and yamazakura cherry have been planted over 5.24 hectares of land.

3. Promoting environmental awareness in cooperation with NPOs and other organizations

Activities to promote greater environmental awareness among young people have been organized in cooperation with NPOs.

- Network for Coexistence with Nature, an approved NPO and others: Experts of the sea and the mountains talked about coexistence with nature to high school students in the “Kikigaki-Koshien” project.
- Charitable Trust Fujifilm Green Fund and other funds: “Watashi-no-Shizenkansatsuro Competition” features elementary and junior high school students submitting picture maps of nature observation trails along with a text description.
- Green Cross Japan: Roughly 100,000 children think about and take actions related to nature close to their lives in the Kankyo Nikki program, “Midori-no-Komichi.”
- Oze Preservation Foundation: Support its landscape preservation activities, such as by displaying “Take your garbage home” promotional banners at Ozegahara.

4. Collaboration with initiatives regarding biodiversity

FUJIFILM Holdings participates in the Japan Business Initiative for Biodiversity (JBIB), an organization promoting innovative actions to conserve biodiversity in Japan and contributes to member businesses conserving biodiversity in the supply chain by sharing standards on paper procurement and knowledge on inspection and audit methods.

4.1 Employee Overview

Definitions in this section

- Fujifilm Group: FUJIFILM Holdings Corporation and its consolidated companies
- Fujifilm Group Japan: FUJIFILM Holdings Corporation and its consolidated companies in Japan
- Fujifilm Group Overseas: FUJIFILM Holdings Corporation and its consolidated companies outside of Japan
- Fuji Xerox Co., Ltd. changed its corporate name to FUJIFILM Business Innovation Corp. as of April 1, 2021.

4.1.1 Basic Approach

Under our corporate slogan, "Value from Innovation," the Fujifilm Group has been transforming our businesses proactively in the rapidly changing business environment, aiming at delivering value to society. To realize the aim, we emphasize that each and every one of our diverse employees has his/her unique strengths, exercises the full potential, and achieve results through productive manners of working while collaborating with various stakeholders, both inside and outside the Group.

4.1.2 Employee Basic Data

1. Fujifilm Group: All employees

Fujifilm Group Employee Structure

As of March 31, 2022

	Total	Male	% of Total	Female	% of Total
Executive officers (excluding Directors)*1	8	6	75%	2	25%
Regular employees	75,474	52,815	70%	22,659	30%
Managerial personnel*2	13,507	11,338	84%	2,169	16%
General employees	61,967	41,477	67%	20,490	33%
Non-regular employees	9,568	—	—	—	—

*1 FUJIFILM Holdings Corporation

*2 Based on the definition by each overseas subsidiary

2. Fujifilm Group Japan operating companies: Regular employees

FUJIFILM Corporation

As of March 31, 2022

	Total	Male	Female
Number of employees	4,611	3,804	807
Proportion	100%	82.5%	17.5%
Managerial personnel	1,150	1,097	53
Proportion	100%	95.4%	4.6%
Average age	43.03	43.41	41.24
Average length of employment (years)	18.27	18.35	17.89
Utilization of paid leave*1	73.7%	—	—
Turnover rate*2	1.72%	1.53%	2.60%

*1 From October 1, 2020 to September 30, 2021

*2 Turnover rate = $\frac{\text{Attrition} + \text{Voluntary}}{\text{Total number of regular employees at FUJIFILM Corporation at the end of the preceding fiscal year} + \text{number of retirees (numerator not counting compulsory retiree, transferee to other group companies, or retiree through the early retirement program)}}$

FUJIFILM Business Innovation Corp.

As of March 31, 2022

	Total	Male	Female
Number of employees Proportion	5,065 100%	4,280 84.5%	785 15.5%
Managerial personnel Proportion	1,085 100%	990 91.2%	95 8.8%
Average age	44.89	45.66	40.65
Average length of employment (years)	19.86	20.45	16.62
Utilization of paid leave*1	66.0%	—	—
Turnover rate*2	3.55%	3.28%	4.90%

*1 From April 1, 2021 to March 31, 2022

Attrition + Voluntary

*2 Turnover rate = $\frac{\text{Attrition + Voluntary}}{\text{Total number of employees at FUJIFILM Business Innovation Corp. at the end of the relevant fiscal year} + \text{number of retirees from April 1, 2021 to March 30, 2022}}$

(numerator not counting compulsory retiree, transferee to other group companies, or retiree through the early retirement program)

3. Fujifilm Group Japan operating companies: New regular employee hires

FUJIFILM Corporation

As of March 31, 2022

		Total	Male	Female
Number of new graduate new hires*1	Total	113	87	26
	Technical positions	64	50	14
	Administrative positions	49	37	12
Starting salaries for new graduates	Graduate	238,000 yen*3		
	Master	265,900 yen*3		
	Doctor	289,900 yen*3		
Number of mid-career recruitment*2		16	14	2

*1 The number of new employees joined on April 1, 2022 (including graduates and postgraduates).

*2 The number of employees, excluding new graduates, joined within relevant fiscal year.

*3 Amount after the labor-management agreement on June 1, 2022

FUJIFILM Business Innovation Corp.

As of March 31, 2022

		Total	Male	Female
Number of new graduate new hires*1	Total	68	50	18
	Technical positions	55	45	10
	Administrative positions	13	5	8
Starting salaries for new graduates	Graduate	231,530 yen		
	Master	257,280 yen		
	Doctor	300,400 yen		
Number of mid-career recruitment*2		13	11	2

*1 The number of new employees joined on April 1, 2022 (including graduates and postgraduates).

*2 The number of employees, excluding new graduates, joined within relevant fiscal year.

Number of New Employee Hires*

		FY2018	FY2019	FY2020	FY2021
FUJIFILM Corporation	Total	152	152	122	129
	Male	110	118	96	101
	Female	42	34	26	28
FUJIFILM Business Innovation Corp.	Total	174	192	208	81
	Male	139	149	162	61
	Female	35	43	46	20
FUJIFILM Corporation and FUJIFILM Business Innovation Corp.	Total	326	344	330	210
	Male	249	267	258	162
	Female	77	77	72	48

* The total number of new graduates on April 1 of the next fiscal year and mid-career recruitment within relevant fiscal year

4. Fujifilm Group Japan operating companies: Post retirement employees

FUJIFILM Corporation and FUJIFILM Business Innovation Corp. have been employing post retirement employees whose ages are over sixty because the experience and expertise they accumulated in-house are invaluable.

Post Retirement Employees*

As of March 31, 2022

	FY2021
FUJIFILM Corporation	55
FUJIFILM Business Innovation Corp.	152

* Employees re-employed during the relevant fiscal year

5. Fujifilm Group Japan operating companies: Nationalities of employees

The Fujifilm Group has conducted a survey on the nationalities of employees directly employed by our major operating companies since fiscal 2019. As of the end of fiscal 2021, we had 225 employees from 18 countries and regions outside Japan; the top five nationalities in descending order are China (122), Korea (42), Brazil (34), India (5), and Philippines (5).

4.2 Diversity and Equal Opportunities for Employees

Definitions in this section

- Fujifilm Group: FUJIFILM Holdings Corporation and its consolidated companies
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4.2.1 Basic Approach

The Fujifilm Group lists “Respect and promotion of diversity” and “Prohibition of discrimination” in the Fujifilm Group Code of Conduct. Diversity of our people and non-discrimination culture form the base for us at the Fujifilm Group. We aim to become a robust organization that can contribute to a prosperous society by creating new values through respecting, accepting, and being inspired by each employee’s personality and individuality.

We are fully committed to providing equal opportunities in hiring, promotion and advancement, compensation, benefits, and training regardless of nationality, age, gender, sexual orientation or gender identity, race, ethnicity, religion, political creed, ideology, national or social origin, disability, etc. In line with this commitment, we establish and operate the company systems and rules.

Even during a major life event, such as childcare and nursing care, our workplace allows flexibility to enable employees to continue their work and then smoothly resume working. This support aims to ensure opportunities not only for the employees to grow through their working experiences but also for the Fujifilm Group to fully leverage their diversity for the Group.

Fujifilm Group Code of Conduct Chapter 1 Respect of human rights

<https://holdings.fujifilm.com/en/about/philosophy/law>

4.2.2 Management System

One of the Priority Issues addressed in the Sustainable Value Plan 2030 (SVP 2030), our CSR plan, states “Create systems and workplaces so that the Fujifilm Group’s diverse employees may exert their capabilities and creativity to the fullest extent.” Concretely, we set the following targets to monitor the progress of our efforts to transform the way we work and to advance diversity and inclusion: (1) Promoting talented employees worldwide; (2) Promoting women in leadership; (3) Continue exceeding the legally-stipulated rate of employment of people with disabilities (in Japan); and (4) Achieve zero retirement of employees due to childcare or nursing care (in Japan).

We clearly state respect and promotion of diversity and prohibition of discrimination in the Fujifilm Group Charter for Corporate Behavior and Code of Conduct. Our Code of Conduct is shared in 24 languages and penetrated through the Group across the globe by trainings including e-Learning.

4.2.3 Effort Results and Progress

The Fujifilm Group has set new long-term targets in line with SVP 2030, against the indices to measure “the extent to which diverse employees are exerting their capabilities and creativity to the fullest extent.”

1. Targets and results

Target 1: Promoting talented employees worldwide

Principal indices: Percentage of international employees*1 in major positions*2 in the Fujifilm Group
FY2030 target: 35%, FY2021 results: 27.7%

*1 International employees: Non-Japanese. We continue to promote talents who can lead our businesses in different markets regardless of their nationalities.

*2 Major positions: Presidents of major subsidiaries, general managers of major businesses, and several other senior positions. Taking our Group globally, we reviewed our key senior positions. In addition to the existing major positions in our Group companies, we include key senior positions in our businesses and headquarters that are becoming increasingly important when looking toward the future.

Percentage of international employees in major positions

	FY2019	FY2020	FY2021	FY2030 Target
Fujifilm Group	26.0%	27.1%	27.7%	35%

Target 2: Promoting women in leadership

- Principal indices:** (1) Percentage of women in managerial positions in the Fujifilm Group
FY2030 target: 25%, FY2021 results: 16.1%
- (2) Percentage of women in managerial positions in the Fujifilm Group Japan
FY2030 target: 15%, FY2021 results: 6.4%

We aim to promote talented female employees to managerial positions across the Fujifilm Group, and at the same time, we plan to enhance hiring of a greater number of female future-manager candidates.

In Japan, FUJIFILM Corporation and FUJIFILM Business Innovation Corp. individually formulated a five-year action plan covering FY2021-2025 for promoting women's advancement in response to The Act on Promotion of Women's Participation and Advancement in the Workplace. Both plans have been made public.

Percentage of Women in Managerial Positions

	FY2019	FY2020	FY2021	FY2030 Target
Fujifilm Group	14.5%	15.4%	16.1%	25%
Fujifilm Group Japan	5.4%	5.8%	6.4%	15%

* Based on the definition by each overseas subsidiary

Target 3: Continue exceeding the legally-stipulated rate of employment of people with disabilities (in Japan)

- Principal indices:** Percentage of employees with disabilities according to the group-wide calculation under FUJIFILM Holdings
FY2030 target: Higher than the legally-specified percentage (2.35%), FY2021 results: 2.47%

Since fiscal 2016, the Fujifilm Group Japan's percentage of employees with disabilities remains higher than the legally-specified percentage. We will continue to maintain this figure in the future.

In order to create inclusive workplace for all employees including members with disabilities, we continue our collaboration with external agencies such as the Vocational Training Center for the Disabled. Together with those experts, we have identified jobs for physically challenged employees and supported their retention. Further, we have set up new workplaces to help people with intellectual or mental disabilities gain opportunities to actively participate in working.

Percentage of Employment of Persons with Disabilities*

As of April 1, 2022

	FY2017	FY2018	FY2019	FY2020	FY2021	FY2030 Target
Fujifilm Group Japan	—	2.32%	2.42%	2.48%	2.47%	2.35%
FUJIFILM Corporation	2.27%					
FUJIFILM Business Innovation Corp.	2.18%					

* We disclose the actual percentage determined by the group-wide calculation method under FUJIFILM Holdings from FY2018.

Target 4: Achieve zero retirement of employees due to childcare or nursing care (in Japan)

- Principal indices:** (1) Job retention rate three years after returning from childcare leave
FY2030 target: 100% (Fujifilm Group Japan),
FY2021 results: 95.1% (FUJIFILM Corporation)
- (2) Job retention rate three years after returning from nursing care leave.
FY2030 target: 100% (Fujifilm Group Japan),
FY2021 results: 100% (FUJIFILM Corporation)

Since fiscal 2020, we have expanded the scope of this metric to cover the entire Fujifilm Group Japan.

We held seminars for not only the employees returning from childcare leave but also their managers to raise awareness about ways of making their return to work problem-free. To enable a satisfactory balance between work and childcare, we also promoted childcare leave for male employees and the utilization of accumulated unused paid leave. For nursing care, we held specialist seminars to prevent employees from quitting their jobs due to nursing care and offered enhanced consultation supports for those engaged in nursing care.

We have been accelerating innovations of the work style for all of our group employees, not limited to those currently facing major life events. Our efforts include establishing new rules and revising existing operations to make working hours or holiday allocations more flexible, shifting to online meetings, shortening the time for meeting, and setting work environment for employees working from home.

Returning Rate from Childcare and Nursing Care leaves

FUJIFILM Corporation

	Total	Male	Female
Returning rate from childcare leave* ¹	100% (66/66)	100% (22/22)	100% (44/44)
Returning rate from nursing care leave* ¹	100% (1/1)	100% (1/1)	N/A
Retention rate after 3 years from reinstatement (childcare)* ²	95.1% (39/41)	100% (6/6)	94.3% (33/35)
Retention rate after 3 years from reinstatement (nursing care)* ³	100% (2/2)	100% (1/1)	100% (1/1)

FUJIFILM Business Innovation Corp.

	Total	Male	Female
Returning rate from childcare leave* ¹	100% (99/99)	100% (55/55)	100% (44/44)
Returning rate from nursing care leave* ¹	100% (2/2)	N/A	100% (2/2)
Retention rate after 3 years from reinstatement (childcare)* ²	86.0% (92/107)	87.5% (35/40)	85.1% (57/67)
Retention rate after 3 years from reinstatement (nursing care)* ³	100% (5/5)	100% (3/3)	100% (2/2)

*1 Returning rate = $\frac{\text{Number of returned employees whose expiration date of the leave arrived in FY2021}}{\text{Number of all employees whose expiration date of the leave arrived in FY2021}}$

*2 Retention rate after 3 years from reinstatement = $\frac{\text{Number of regular employees as of the end of the current fiscal year among those who reinstated in the second preceding fiscal year}}{\text{Number of regular employees reinstated after the leave in the second preceding fiscal year}}$

*3 Based on the same method as *2

2. Systems for balancing work and life

We have established multiple company systems and offer various benefits that more than satisfy legal requirements in order to accommodate flexible work during the period of life events such as childcare and nursing care.

FUJIFILM Corporation

Childbirth and Childcare	Nursing Care	Others
<ul style="list-style-type: none"> • Catering for pre- and post-birth requirements • Leave of absence for childcare • Use of Stock Leave* for childcare • Support for employees working while raising children • Three-person interview at the time of returning to work from childcare leave • Child medical care leave program (1 relevant child: 12 days per year; 2 or more children: 24 days per year) • Shorter working hours (child in the third grade or lower) • Use of stock leave* for fertility treatment • Leave of absence for birth support (one year leave system for fertility treatment) • Exemption from overtime work and from work on holidays • Reinstatement to same workplace after leave of absence for childcare 	<ul style="list-style-type: none"> • Leave of absence for nursing care • Nursing care leave program (1 care recipient: 12 days per year; 2 or more care recipients: 24 days per year) • Use of Stock Leave* for nursing care • Support for employees working while caring a family member • Expansion of nursing care counseling office 	<ul style="list-style-type: none"> • Flexible working hours • Working from home • Active Life Leave • Leave of absence for volunteer work, Using of Stock Leave* for volunteer work • Use of Stock Leave* for self development • Discretionary labor system • No overtime day (twice a week) • Re-employment Program • Paid leave on an hourly basis

* Stock Leave is unused paid leave that can be accumulated up to 60 days per employee to be used for medical treatment, rehabilitation, childcare, nursing care, and volunteer activities.

FUJIFILM Business Innovation Corp. (All those systems provide for generous leave beyond that required by law.)

Childbirth and Childcare	Nursing Care	Others
<ul style="list-style-type: none"> • Maternity leave • Leave of absence for childcare (until the child turns to two-years old, with financial support equivalent to housing related allowance) • Reinstatement after leaving the company for reasons such as spouse's transfer or childcare • Accumulated paid leave* for healthcare of employees' family • Shorter working hours during childcare (until the third grade of elementary school) • Limited overtime during childcare (until the sixth grade of elementary school) • Limited late-night overtime during childcare (until six grade of elementary school) • Special leave for supporting the wife at the time of childbirth (Two days for the first child; five days for the second and later children) • Leave of absence for birth support (one-year leave at maximum for fertility treatment) 	<ul style="list-style-type: none"> • Leave of absence for nursing care program • Limited overtime during nursing care • Limited late-night overtime during nursing care • Leave for nursing care • Accumulated paid leave* for nursing care 	<ul style="list-style-type: none"> • Flexible working hours • Working from home • Continuous service award special vacation; "refresh vacation" • Accumulated paid leave* for volunteer activities • Social service system (leave of absence program for employees participating in socially beneficial activities) • Leave of absence for education • Leave of absence to support for senior employees' second career • Flexible work schedules for senior employees in preparation for the next career after retiring from the company • Transfer or leave of absence when employee's spouse is transferred

* Accumulated paid leave is unused leave that can be accumulated up to 60 days per employee to be used for healthcare of the family, childcare, nursing care, and volunteer activities.

4.2.4 Freedom of Association

The Fujifilm Group clearly states that we maintain good relations between employees and employers while respecting the right to engage in collective bargaining and the right to enjoy freedom of association, as permitted by applicable laws, and rules in the country where business is conducted. Such statements are part of the Fujifilm Group Code of Conduct and the Fujifilm Group Human Rights Statement.

Fujifilm Group Human Rights Statement: Consideration for Fujifilm Group Personnel

<https://holdings.fujifilm.com/en/sustainability/vision/policy/statement>

Fujifilm Group Code of Conduct: Article 9, Chapter 1 Basic Labor Rights

<https://holdings.fujifilm.com/en/about/philosophy/law>

1. Labor union membership

As of March 31, 2022

	Total Number of Employees Represented by an Independent Trade Union	% of Employees Represented by an Independent Trade Union*
FUJIFILM Corporation and FUJIFILM Business Innovation Corp.	6,539	67.6%

* % of employees represented by an independent trade union = Ratio to regular employees including managerial staff.

2. Major revisions to systems that operate based on agreements between the Labor Unions and the Company (in the last five years)

FUJIFILM Corporation

As of March 31, 2022

FY	Item
2017	<ul style="list-style-type: none"> • Partial revision of collective labor agreement and wage rules • Partial revision of collective labor agreement, written agreement and work rules regarding childcare leave • Established rules for employees to drive their own cars to the office.
2018	<ul style="list-style-type: none"> • Partial revision of wage rules • Wider range of job assignment destinations within the Fujifilm Group in Japan
2019	<ul style="list-style-type: none"> • Revision of maximum working hours and designation of timing to take Paid Leave, in line with the amendments to the Labor Standards Act. • Revision of the F-PRO* allowance • Revision of parts of the employee leave system to improve convenience and address inadequacies in the system
2020	<ul style="list-style-type: none"> • Partial revision of wage rules • Partial revision of collective labor agreement and corresponding work rules to allow paid leave for childcare or nursing care on an hourly basis • Addition of group companies in Japan as destination for temporary transfer of employees (e.g. FUJIFILM Healthcare Corporation)
2021	<ul style="list-style-type: none"> • Partial revision of wage rules (revision of starting salary) • Establishment of a new site (Amagasaki) • Change in job assignment destination within the Fujifilm Group in Japan (FUJIFILM Business Innovation Corp. and else)

* F-PRO: Discretionary labor system of FUJIFILM Corporation

FUJIFILM Business Innovation Corp.

As of March 31, 2022

FY	Item
2017	<ul style="list-style-type: none"> • Labor-management agreement signed on the introduction of the Paid Leave by the Hour System on April 1, 2018 (February 2018)
2018	<ul style="list-style-type: none"> • Revision of regulations for employees working abroad (January 1, 2019) • Revision of regulations of travel expense (January 1, 2019) • Revision of personnel systems (April 1, 2019) • Expansion of coverage for remote working system (April 1, 2019) • Expansion of coverage for home working system (April 1, 2019)
2019	<ul style="list-style-type: none"> • Updates to the employee holiday and leave system (including congratulatory/condolence leave, alternative holidays, etc.)
2020	<ul style="list-style-type: none"> • Introduction of hour-based paid leave for nursing children or other family members • Revision of basic conditions at the time of transfer
2021	<ul style="list-style-type: none"> • Fixation of the number of annual scheduled holidays • Change of normal working hours per day • Revision of welfare system

4.2.5 Standard Entry Level Wage

We confirmed that the standard entry level wage paid by the Fujifilm Group companies for fiscal 2021 exceeded the current local minimum wage where the company is located.

Percentage of Companies Which Standard Entry Level Wage Exceeded Local Minimum Wage for Fiscal 2021

	Japan	The Americas	Europe	Asia and Others
% of Fujifilm Group companies which standard entry level wage exceeded local minimum wage	100%	100%	100%	100%

4.3 Health, Safety and Wellness of Employees

Definitions in this section

- Fujifilm Group: FUJIFILM Holdings Corporation and its consolidated companies
- Fujifilm Group Japan: FUJIFILM Holdings Corporation and its consolidated companies in Japan
- Fujifilm Group Overseas: FUJIFILM Holdings Corporation and its consolidated companies outside of Japan
- Fuji Xerox Co., Ltd. changed its corporate name to FUJIFILM Business Innovation Corp. as of April 1, 2021.

4.3.1 Basic Approach

In Fujifilm Group Code of Conduct, the Fujifilm Group clearly states that we comply with applicable occupational health and safety laws and regulations, such as those designed to prevent workplace accidents. We also state that we aim to maintain and enhance safe, healthy and fit working environments by giving due consideration to the physical and mental health of our employees. In April 2019, we revised Fujifilm Group Occupational Safety and Health Policy to show concrete measures based on this Code of Conduct. We have been putting this idea into practice and promoting activities.

In the following September, we adopted Fujifilm Group Employee Wellness Declaration to demonstrate our strong commitment to employee wellbeing. We believe it is one of the top managements' priorities to maintain and enhance the wellness of employees as our employees are the foundation imperative in realizing our Corporate Philosophy and Vision.

Fujifilm Group Employee Wellness Declaration and related information

<https://holdings.fujifilm.com/en/sustainability/vision/policy/health-safety>

Fujifilm Group Occupational Safety and Health Policy

The Fujifilm Group operates its businesses based on this policy, considering that the promotion of workers' occupational safety and health is the most important foundation of its corporate activities.

1. We will consider the occupational safety and health of employees including dispatched workers and contractors as the top priority, and maintain safe, healthy and fit working environments.
2. We will comply with applicable occupational safety and health laws and self-regulations, such as those designed to prevent workplace accidents and excessive working hours.
3. We will promote health and productivity management through proactively supporting employees to maintain and enhance their physical and mental health.
4. We will establish smooth communications between all the Fujifilm Group companies and their employees on promoting occupational safety and health.
5. We will actively and continuously provide employee education and training on occupational safety and health.

Established in January 2010, Revised in April 2019

Fujifilm Group Code of Conduct: Article 8, Chapter 1 Occupational Safety and Health/Health Promotion

<https://holdings.fujifilm.com/en/about/philosophy/law>

4.3.2 Management System

In FUJIFILM Holdings, ESG Division is responsible for occupational health and safety and Human Resources Division is responsible for employee wellness. Major issues related to each topic are reported to the Board of Directors through the ESG Committee chaired by the President of FUJIFILM Holdings.

Promotion Structure



4.3.3 Occupational Safety

With the concept of “Occupational health and safety is the basis of all business activities,” FUJIFILM Holdings gives the highest priority to the health and safety of its employees and is fully compliant with the related laws and regulations. For companies newly joining our Group following M&A, we manage their occupational safety and labor risks appropriately by conducting related due diligence, including risks of workplace accidents deriving from the facilities and working procedures, along with their compliance with related laws and regulations. The priority issues and results of each Group company are reported to and discussed by the FUJIFILM Holdings ESG Committee, and then reported to the Board of Directors.

In 2020, FUJIFILM Holdings enacted, at its sites all over the world, new Occupational Health and Safety Regulations that meet the requirements of ISO 45001:2018, an international occupational health and safety standard. The operation of the said regulations help clarify the safety management structure and safety promotion activity goals throughout the group to further reinforce our governance of occupational health and safety.

The Fujifilm Group reduces occupational risks according to the characteristics of each workplace and company. Some examples of such risk reduction activities are given below.

- The occupational safety committee is operated jointly by management and employees and occupational safety meetings are held regularly.
- Occupational safety managers are appointed and checklist-based workplace inspections are undertaken.
- When a new working procedure is introduced or an existing procedure is changed, a risk assessment is carried out to identify risk factors and create risk countermeasures.
- Chemical risk assessments are carried out to identify risk factors in working procedures that involve chemicals.
- Chemical handling training are provided to employees and contract workers who undertake risk assessments and handle chemicals, as well as the standard occupational safety training.

1. Efforts for occupational health and safety

Group-wide target #1: Zero serious workplace accidents*

* Serious workplace accident: An accident that causes death or permanent disability.

Group-wide target #2: Workplace accident rate of 0.1 or less by FY2030.

Number of Employees Taking Occupational Health and Safety Training

	FY2021
Fujifilm Group*	27,443

* Including those who are acquired licenses, skill training courses, and special education required by law when engaging in hazardous work.

2. Serious workplace accidents in FY2021

Fujifilm Group: 1

An employee got an open fracture in his right arm while inspecting a facility.

Number of Fatal Workplace Accidents

		FY2017	FY2018	FY2019	FY2020	FY2021	Target for 2022
Fujifilm Group	Employees	0	0	1	0	0	0
	Contracted	0	0	1	0	0	0
Fujifilm*	Employees	0	0	0	0	0	0
	Contracted	0	0	0	0	0	0
FUJIFILM Business Innovation*	Employees	0	0	1	0	0	0
	Contracted	0	0	1	0	0	0

* Fujifilm and FUJIFILM Business Innovation (-FY2018), all employees of Fujifilm Group (FY2019-)

3. Workplace accident rate and workplace accident severity

() : chemical industry average in parenthesis*6

Japan		FY2016	FY2017	FY2018	FY2019	FY2020	Target
Workplace accident rate*4	Fujifilm Group Japan	0.35 (0.28)	0.12 (0.47)	0.42 (0.42)	0.29 (0.32)	0.36 (0.58)	Workplace accident rate of 0.1 or less by FY2030
	Fujifilm and its group companies in Japan*1	0.30	0.00	0.30	0.31	0.29	
	FUJIFILM Business Innovation and its group companies in Japan*2	0.37	0.18	0.54	0.28	0.43	

Overseas		FY2017	FY2018	FY2019	FY2020	FY2021	Target
Workplace accident rate*4	Fujifilm Group Overseas*3	1.87	2.71	1.36	2.01	1.40	Workplace accident rate of 0.1 or less by FY2030
	Fujifilm and its group companies outside of Japan	1.87	2.71	1.53	1.85	1.40	
	FUJIFILM Business Innovation and its group companies outside of Japan	—		1.23	2.24	1.39	

Japan		FY2017	FY2018	FY2019	FY2020	FY2021
Workplace accident severity*5	Fujifilm Group Japan	0.00 (0.01)	0.00 (0.01)	0.003 (0.01)	0.004 (0.01)	0.006 (0.01)
	Fujifilm and its group companies in Japan*1	0.00	0.00	0.005	0.003	0.007
	FUJIFILM Business Innovation and its group companies in Japan*2	0.00	0.00	0.002	0.004	0.006

Overseas		FY2017	FY2018	FY2019	FY2020	FY2021
Workplace accident severity*5	Fujifilm Group Overseas*3	0.04	0.06	0.031	0.036	0.025
	Fujifilm and its group companies outside of Japan	0.04	0.06	0.043	0.033	0.021
	FUJIFILM Business Innovation and its group companies outside of Japan	—		0.022	0.041	0.029

TRIR (Fujifilm Group)

	FY2017	FY2018	FY2019	FY2020	FY2021
TRIR*7	—	—	2.10	2.34	2.07

*1 Fujifilm: Unconsolidated until 2018; total data for Fujifilm and its group companies were used for calculation starting in FY2019.

*2 FUJIFILM Business Innovation: FUJIFILM Business Innovation were unconsolidated until FY2018. Total data for FUJIFILM Business Innovation and its group companies were used for calculation starting in FY2019.

*3 Fujifilm group companies outside of Japan until FY2018.

*4 Workplace accident rate (LITR) = $\frac{\text{Number of employees involved in workplace accidents}}{\text{Gross number of hours worked}} \times 1,000,000$ *5 Workplace accident severity = $\frac{\text{Number of workdays lost}}{\text{Gross number of hours worked}} \times 1,000$

*6 Source for chemical industry average: 2021 Survey on Industrial Accidents, Ministry of Health, Labour and Welfare

*7 Total recordable incident rate (TRIR) is the number of injuries per million working hours (accidents not associated with lost work time + accidents involving lost time & deaths)

4.3.4 Employee Wellness

We have appointed Director, General Manager of FUJIFILM Holdings Human Resource Department as Employee Wellness Officer for the Group. Our Employee Wellness Promotion Group of FUJIFILM Holdings Human Resource Department acts the key role to manage each wellness promotion department in the Fujifilm Group, and to plan and roll out group-wide wellness promotion initiatives. The Fujifilm Group Employee Wellness Declaration has been disseminated to all Group companies across the world, and the companies are now taking actions that most suit to their region and country.

In Japan, the Group companies are working closely with Fujifilm Group Health Insurance Association, the labor union, and occupational health physicians to maintain and promote workplaces wellness. Since fiscal 2019, we have assigned individuals responsible for employee wellness promotion in every company in Japan at the officer and person-in-charge levels. Group-wide wellness promotion meetings are organized to share the Group wellness policy and related information.

1. Enactment and dissemination of Fujifilm Group Employee Wellness Declaration

The chairman of FUJIFILM Holdings, Mr. Kenji Sueno, published a message concerning employee wellness in the Fujifilm Group newsletter targeted at all group employees. From fiscal 2019 we have also been providing a health-related e-learning course under the supervision of occupational health physicians. Every year, more than 42,000 employees in Japan participate in the course to raise their health awareness. At the same time, we shared wellness information via FUJIFILM Holdings' and Group companies' intranets and newsletters. Since February 2020, all executive officers of FUJIFILM Corporation and FUJIFILM Business Innovation Corp. and the presidents of their subsidiaries have declared their personal wellness commitments on the intranet. With the disclosed commitments including endoscopic screenings and no-smoking declarations by executive officers, we accelerate employee wellness under the leadership of the top management.

2. Central management and analysis of employees' health data

In 2015, we introduced an information system that centrally manages employees' health checkup results linked to their working hours and results of stress level checks. It visualizes each employee's health status per company or across the entire Group. On top of that, we analyze the health data combined with medical data provided by Fujifilm Group Health Insurance Association to evaluate collective employee health level for each Group company and issue a health report that includes specific advice for further wellness enhancements. Those reports enable each company to clarify health issues to be addressed.

3. Setting the mid-term target for wellness issues

Since fiscal 2018, we have focused on five priority areas associated with employee wellness: behavior-related diseases; smoking; cancer; mental health; and long working hours. For each of the priority areas, we have set KPIs and group-wide targets for fiscal 2022.

(1) KPIs in Health Issues, Mid-term Targets and Results

Priority Areas	KPIs	Mid-term Targets for FY2022	Results	
			FY2020	FY2021
Behavior-related diseases	Employees with BMI \geq 25	21%	27.0%	26.9%
	Employees with HbA1c \geq 6.0%	6%	7.8%	7.7%
Smoking	Employees who smoke	12%	20.8%	19.6%
Cancer	Lungs	100%	98.9%	99.4%
	Stomach	100%	84.7%	81.9%
	Stomach by endoscope	90%+	60.7%	59.9%
	Large intestine	100%	91.5%	88.8%
	Breasts	90%+	79.7%	77.5%
	Cervical	90%+	66.9%	65.9%

Scope: Fujifilm Group employees in Japan (Screening rates for stomach and large intestine cancers are for employees aged 40 or over)

(2) Efforts against cancer

Cancer is one of the five priority areas. We launched Fujifilm Nishi-Azabu Endoscopic Screening Clinic in our Nishi-Azabu HQ in 2014. For employees who require endoscope, we use our own system which incorporates our unique advanced technology. The system includes transnasal endoscope which reduces nausea caused by gag reflex that tends to occur with conventional transoral endoscope.

In April 2022, we launched FUJIFILM Mediterrace Yokohama, a medical clinic for Fujifilm Group Health Insurance Association members, in FUJIFILM Business Innovation Yokohama Minatomirai Center. The clinic equipped with the Fujifilm Group's cutting-edge endoscope and mammography systems as well as an AI-driven medical IT system enable us to offer high-quality health checkup services to Fujifilm Group employees.

Moving forward, by the end of fiscal 2022, we strive to bring the employees screening rate to 90% at lowest for stomach cancer, large intestine cancer, breast cancer, and cervical cancer. We promote this initiative with our strong will to minimize the number of Group employees passing away from cancer by increasing the chances of early cancer detection and receiving appropriate treatment.

Cancer Screening (Fujifilm Group Health Insurance Association Subsidy Program)

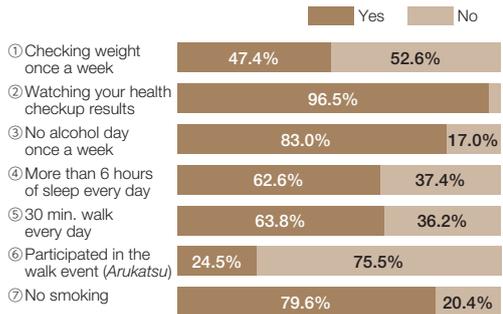
Cancer Type	Procedure	Target Group (age/gender)	Interval
Stomach	Endoscopy (X-ray)	35/over 40	Annual
Esophagus			
Large Intestine	Fecal occult blood test	35/over 40	Annual
	Colonoscopy	Over 50	Once during employment period
Breast	Ultrasound (under 39)	Female	Annual
	Mammography (over 40)		
Cervical	Cytologic diagnosis	Female	Annual
Prostate	PSA (blood)	Male over 50	Biennial
Lung	Chest helical CT	Over 40	Annual
Liver, kidney, pancreatic, biliary tract	Ultrasound	35/over 40	Annual

4. Wellness initiatives

We have started a wide range of initiatives for workplace wellness under the leadership of the Employee Wellness Officer assigned in each company.

(1) Initiatives in Japan

Example Activities in Japan in the Priority Areas

Priority Areas	FY2021 Program	FY2021 Results, etc.
Behavior-related diseases	<p>Establishment of the “Seven Actions for Good Health” to acquire wellness practices</p>  <p>* Seven Actions for Good Health is a set of practices for employees to acquire healthy habits.</p> <ol style="list-style-type: none"> Check weight once a week; Watch your health checkup results; No alcohol day once a week; More than 6 hours of sleep every day; 30 min. walk every day; Participate in the walk event (<i>Arukatsu</i>); No smoking. 	<p>Results of the implementation survey for “Seven Actions for Good Health”</p>  <p>Legend: Yes (Dark Brown), No (Light Brown)</p> <ul style="list-style-type: none"> ① Checking weight once a week: Yes 47.4%, No 52.6% ② Watching your health checkup results: Yes 96.5%, No 3.5% ③ No alcohol day once a week: Yes 83.0%, No 17.0% ④ More than 6 hours of sleep every day: Yes 62.6%, No 37.4% ⑤ 30 min. walk every day: Yes 63.8%, No 36.2% ⑥ Participated in the walk event (<i>Arukatsu</i>): Yes 24.5%, No 75.5% ⑦ No smoking: Yes 79.6%, No 20.4% <p>Scope: All employees of the Fujifilm Group Japan 38,585 (FY2021)</p>
Smoking	Online program for quitting smoking	9 participants
	Free distribution of two weeks' worth of antismoking patches	97 participants
	Free distribution of antismoking chewing gum	106 participants
	Non-smoking during working hours	Incorporated into working regulations since April 2020
	Smoking areas on company premises closed	All of the 131 smoking areas in the Group were closed since fiscal 2020.
Cancer	Lecture by medical specialists	<p>Lecture video over the intranet in Japan</p> <ul style="list-style-type: none"> Oral cancer seminar (Jan) Stomach, colon cancer and endoscopy seminar (Feb)
Mental health	Mental health-related training	<ul style="list-style-type: none"> Line care (e-learning) for managers. 8,811 viewers. Mental Health Care in COVID-19 (e-learning) for all employees. 44,111 viewers. Improve conditions in workplaces judged to be high stress based on stress check results.
	Mental health consultation office	Newly established an office (telephone and face-to-face interview) for consulting about mental health issues.

Raising health awareness among employees

To further promote employee wellness, we set up the Seven Actions for Good Health Committee in fiscal 2022 jointly with all companies in Japan, their respective labor union, and the Health Insurance Association.

We plan to expand the programs through which group employees can improve their health in enjoyable ways, such as *Arukatsu*, a twice-yearly walking event jointly organized by the labor union and the Health Insurance Association, and *Arukatsu Koshien*, a group-wide walking competition in which 34 domestic group companies participate.

(2) Initiatives around the world

FUJIFILM Holdings Employee Wellness Promotion Group started regular communications with the wellness promoters in the U.S., Europe, China, and Asia Pacific in fiscal 2019. For our overseas employees, various wellness programs are developed and implemented taking into account local conditions such as medical care system and wellness practices in each region or country.

Additionally, we have conducted activities on a global scale to protect our employees from COVID-19 infection.

In January 2020, we established the COVID-19 Control Office within FUJIFILM Holdings. In cooperation with the overseas Group companies, the office played a central role in supplying face masks and sterilizers as well as sharing anti-infection measures depending on the situation in each region where we operate.

In fiscal 2021, workplace vaccinations for COVID-19 took place in 14 domestic sites. Other initiatives include distribution of a seminar by an infectious disease specialist, who also works as an occupational health physicians for FUJIFILM Holdings, across the group to promote day-to-day measures to ensure our business could continue safely.

(3) Health promotion among suppliers

We confirm that our suppliers have external assessment results and certificates concerning their employees' wellness. We also provide a lecture every year for suppliers to raise health awareness among their employees by explaining the importance of employee wellness and describing our own health promotion activities.

(4) Recognition

In March 2022, FUJIFILM Holdings was listed on the Health and Productivity Stock Selection for the second consecutive year. The Health and Productivity Stock Selection certifies industry leader companies listed on the Tokyo Stock Exchange that are actively promoting health and productivity management from a strategic perspective, recognizing the importance of health and productivity management. The certification was started in 2015 jointly by the Ministry of Economy, Trade and Industry, Japan (METI) and the Tokyo Stock Exchange.

Also, 25 companies in the Fujifilm Group were certified as "Health and Productivity White 500" for 2022 accredited by METI. The certification is given to the 500 businesses engaged in excellent employees' well-being practices promoted by Nippon Kenko Kaigi (Health and Productivity Management Organization). The honor indicates that the active health and productivity management initiatives by those companies are highly recognized.

Listed on the Health and Productivity Stock Selection for the second consecutive year



Certified as "Health and Productivity White 500" for the sixth consecutive year



4.4 Employee Development, Talent Attraction and Engagement

Definitions in this section

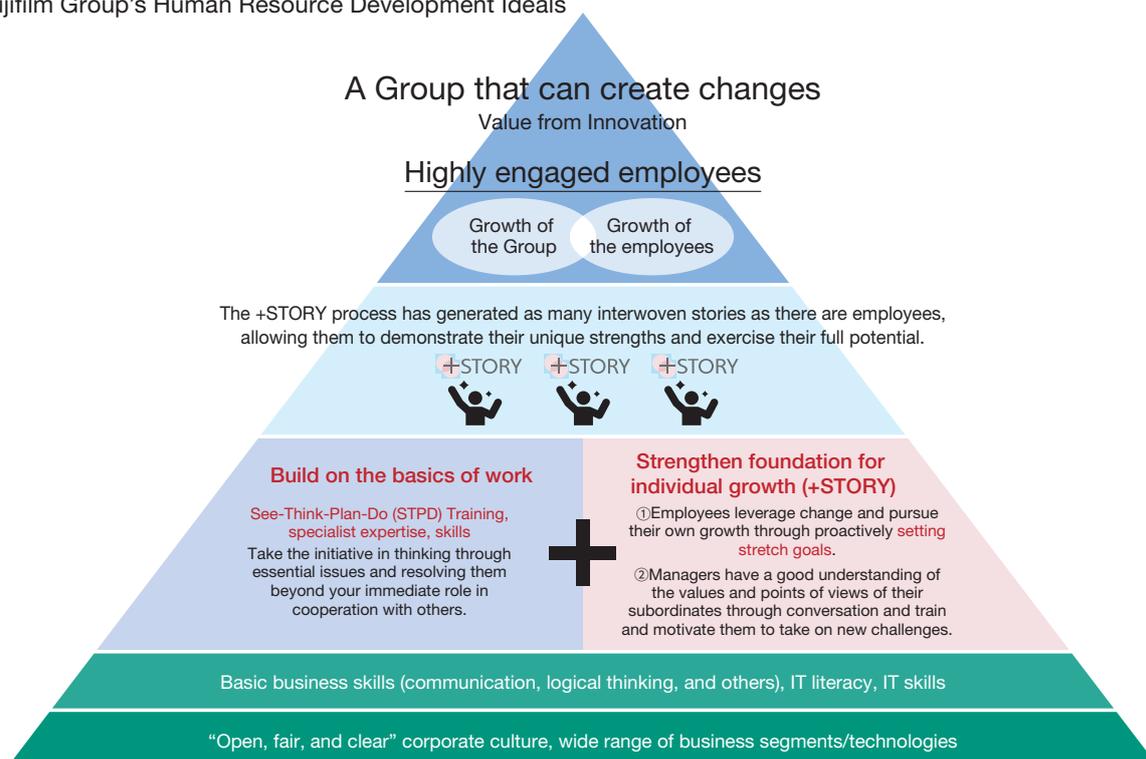
- Fujifilm Group: FUJIFILM Holdings Corporation and its consolidated companies
- Fujifilm Group Japan: FUJIFILM Holdings Corporation and its consolidated companies in Japan
- Fujifilm Group Overseas: FUJIFILM Holdings Corporation and its consolidated companies outside of Japan
- Fuji Xerox Co., Ltd. changed its corporate name to FUJIFILM Business Innovation Corp. as of April 1, 2021.

4.4.1 Basic Approach

For the Fujifilm Group to be able to create change, it is important that we continually drive up the individual growth of our employees as well as the growth of the Group. Our Human Resources Division has built two pillars of employee development to drive individual growth in the changing environment and to enable them to make day-to-day changes. Based on these pillars, various initiatives have been rolled out aiming to create a workplace where highly engaged employees can demonstrate their unique strengths and exercise their full potential.

- (1) Build on the basics of work (“See-Think-Plan-Do” Training)
- (2) Strengthen foundation for individual growth (self-development assistance program “+STORY”)

The Fujifilm Group’s Human Resource Development Ideals



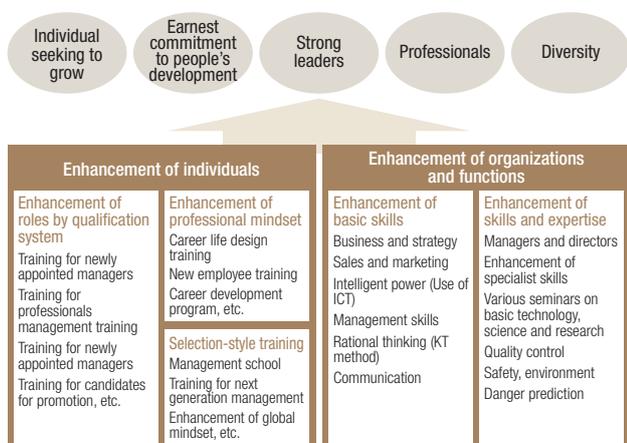
4.4.2 Structure for Human Resource Development

1. Human resource development programs

- (1) Build on the basics of work (“See-Think-Plan-Do” Training)

The Fujifilm Group is pushing forward global human resource development through collaborations among the human resource departments of each Group company under the leadership of the Human Resources Division of FUJIFILM Holdings. The universal foundation to determine the direction of our human resources development is the FUJIFILM WAY (FF-WAY), which focuses on reinforcement of See-Think-Plan-Do (STPD). The FF-WAY incorporates essential factors to change people’s minds towards realizing the company vision and to reform our corporate culture. The methods used for day-to-day business operations have been established in accordance with the FF-WAY. The Fujifilm Group promotes dissemination of the FF-WAY to all employees under the initiative of the director of each company.

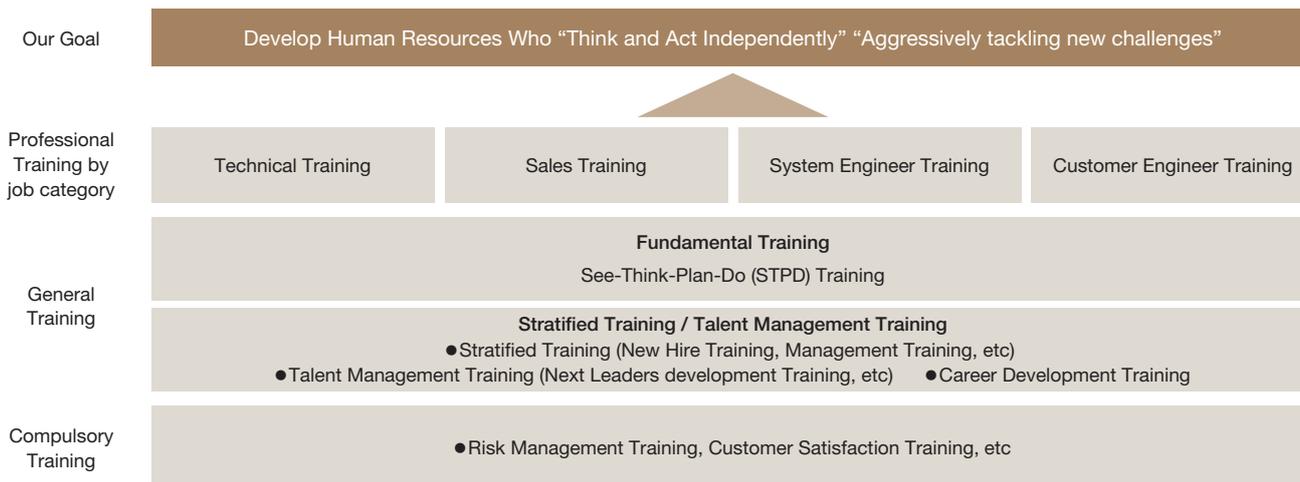
FUJIFILM Corporation’s Human Resource Development



FUJIFILM Corporation’s Training to Develop Global Human Resources

● For Japanese employees	
For employees appointed to overseas positions	<ul style="list-style-type: none"> Training prior to overseas appointment Training to develop overseas managers
Overseas onsite training	<ul style="list-style-type: none"> Short-term onsite training system Overseas trainee system Overseas study system
For interested employees	Language lessons, distance-learning (languages)
For technical position	MOT (technical management) training
● For employees of overseas subsidiaries	
Development of global leadership	<ul style="list-style-type: none"> FUJIFILM Global Leadership Seminar FUJIFILM Regional Leadership Seminar
Dissemination of corporate philosophy	FUJIFILM WAY Training

Human Resources Development of FUJIFILM Business Innovation Corp.



(2) Strengthen foundation for individual growth (self-development assistance program “+STORY”)

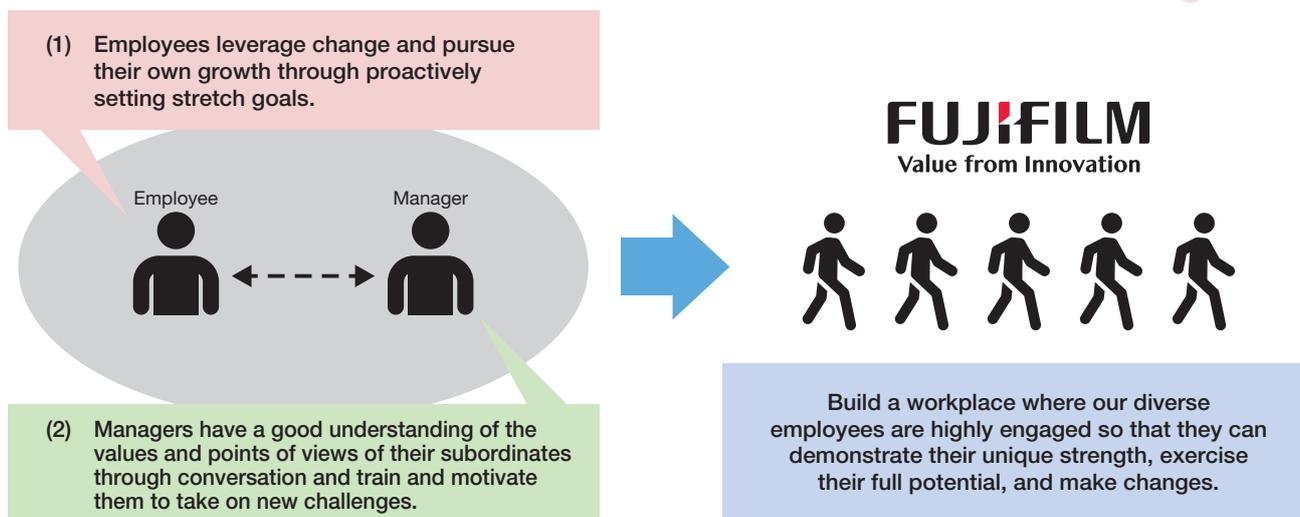
The objectives of the Fujifilm Group’s career development tool +STORY (plus-story) are twofold:

- ① Employees leverage change and pursue their own growth through proactively setting stretch goals;
- ② Managers have a good understanding of the values and points of views of their subordinates through conversation and train and motivate them to take on new challenges.

Employees encounter different situations time to time naturally while they are absorbed in the task at hand. Each situation is accompanied by particular feelings such as fulfilled, delighted, impressed, disappointed, frustrated, or painful. Those personal feelings employees experience, coupled with encounters with inspiring people, act as the threads for weaving their unique stories using the +STORY format. In the annual +STORY conversation with their immediate managers, employees review what they have experienced in the past year.

Our +STORY enables employees to receive multiple “pluses” while they follow the defined process; lessons learned from their own experiences and setting a stretch goal reflecting those lessons, and the managers themselves receive a “plus” through thinking deeply how they can offer the subordinates support in pursuing their own stories. The numerous stories equaling the number of employees undergoing the +STORY process as a whole serve as a driving force for the Fujifilm Group.

Objectives of the self-development assistance program “+STORY”



2. Individual performance appraisal

The Fujifilm Group has been introducing performance assessments through the Management by Objectives approach in Group companies across the world. The Management by Objectives approach draws out employees’ sense of ownership and facilitates mutual communication with their supervisors, and hence help build an “open, fair, and clear” corporate culture. We aim to embed this approach throughout the Group companies for a better corporate culture. In those organizations or functions where the Management by Objectives approach is already in place, employees are to participate in one-on-one meetings with their immediate managers for annual or biannual performance review.

3. Employee engagement

One of our goals in the Sustainable Value Plan 2030 (SVP 2030) is “Create environments that lead to motivated workplaces.” The growth of each employee in the group and full exertion of their capabilities are the indispensable driving force to achieve our organizational goals. Based on this idea, we regard positive feedback concerning their work as the foundation of their will to exert their capabilities. For this reason, we conduct regular surveys on employees’ engagement with their jobs.

Also, the Fujifilm Group employees are free to access FUJIFILM Holdings’ consultation contacts directly without having their supervisor involved. For more details, refer to 2.2.5-4 *Whistle-Blowing Office and Consultation Office*.

4.4.3 Results and Progress

1. Human resource development programs

The Fujifilm Group globally invests in human resource development by offering comprehensive learning and training opportunities ranging from tiered programs for all levels of regular employees including people managers, executive leadership programs, and professional skill development programs on top of the mandatory trainings delivered across the Group.

FY2021 Training and Development Inputs

	Hours / Days*1	Amount Spent*2 (Currency: yen)
Total	approx. 1.58 million hours	approx. 1.7 billion yen
Average per employee	approx. 19 hours (2.5 days)	approx. 20 thousand yen

*1 Time spent in days is based on our normal working hours per day, 7 hours 40 minutes or 460 minutes.

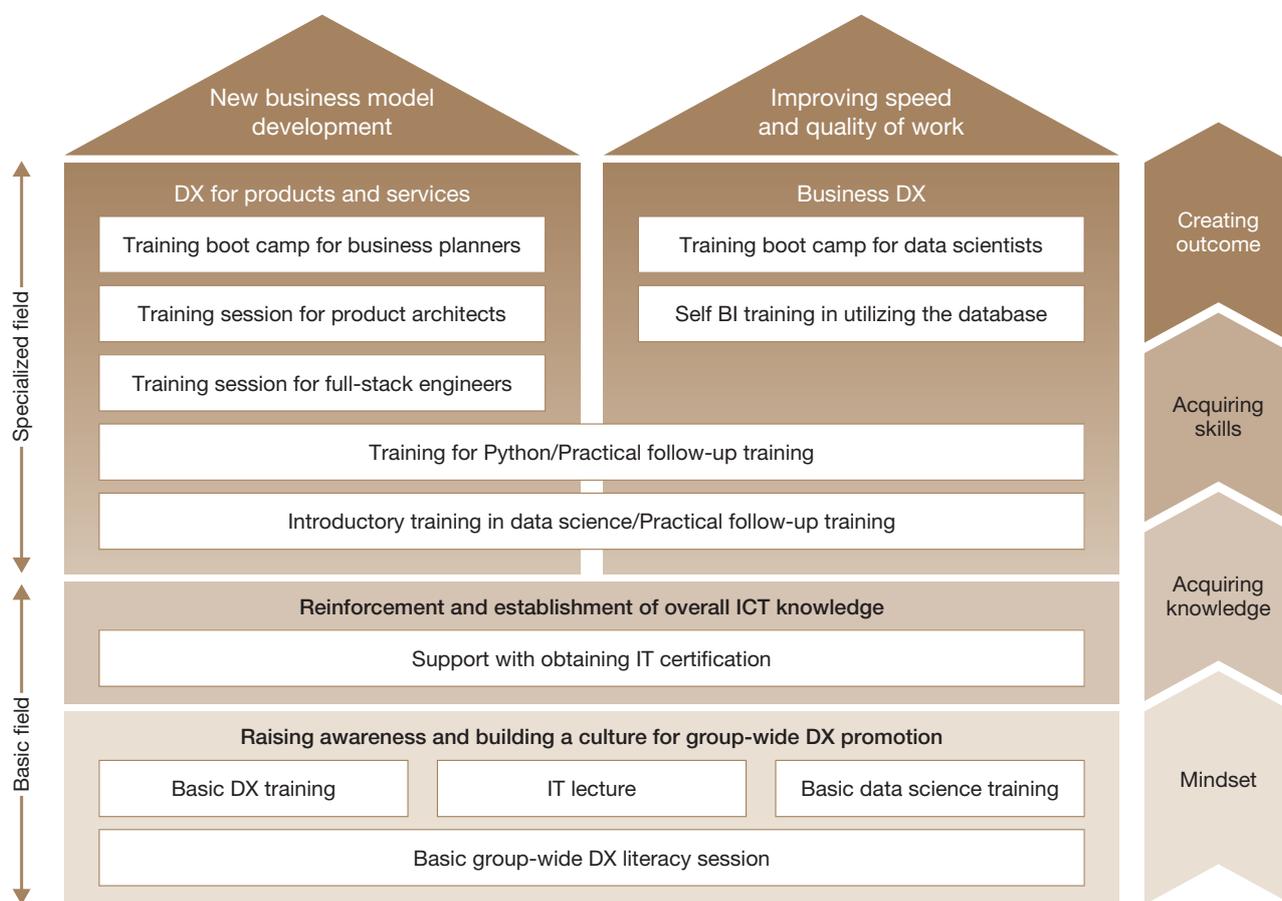
*2 For FY2021, the reported figure is the total spend for the programs rolled out by FUJIFILM Holdings Corporation and for the programs led by our lines of business. For FY2020 and before, we reported the spend for the programs rolled out by FUJIFILM Holdings Corporation only.

We continued to provide our employees with the FUJIFILM WAY Training and STPD (See-Think-Plan-Do) Training in fiscal 2021. In Japan, these programs start at the new hire training and are incorporated into each training session for employees who are being promoted. We provide e-learning courses so that our overseas employees may participate in the training at the convenience of each organization.

We also focus on developing diverse DX capabilities. Our employees with advanced IT skills have been utilizing those skills in their day-to-day works.

Specifically, we are training business planners, architects, and engineers who develop and implement new business models for transforming our products and services. We are also developing data scientists and experts in business intelligence (BI) tools and Python to promote business DX and improve work productivity from the aspects of speed and quality. To date, 4,300 employees have participated in the Basic DX literacy course while 870 have participated in the introductory data science training course for strengthening skills required in specialized areas. In addition, we have been providing our employees with support to obtain qualification such as the IT Passport.

DX Human Resources Development System of the Fujifilm Group



2. Individual performance appraisal

By fiscal 2019, we have implemented the Management by Objectives approach to 100% of Fujifilm Group Japan employees. Annually or biannually, employees have a one-on-one meeting with their managers to review their approach and progress against the goals that they had set out at the beginning of the period. During the meeting, employees' comparative rankings within the respective employee category were communicated by their managers and objectives for the following period were set accordingly.

Implementation of MBO (Fujifilm Group Japan)

As of March 31, 2022

	FY2020
Use of Management by Objective approach	100%
Comparative ranking of employees within one employee category	100%

3. Support for self-development assistance program "+STORY"

To help our employees learn from other employees' stories, we have launched +STORY Live, an online series, as well as +STORY interviews on the intranet.

+STORY Live is a program in which our employees share the lessons learned from their working experiences as well as their own goals. Each episode of the monthly program, which started in March 2021, has been viewed by some hundreds of Fujifilm Group employees. As our businesses and functions are wide-ranging, we have many employees with various expertise and unique strengths fostered through working in the Fujifilm Group. +STORY Live provides our employees with opportunities to gain inner awareness and share knowledge and experience for their development.

In response to our employees' willingness to take on new challenges and desire for growth, we have an internal job posting system called +STORY Challenge System across the Group. It serves as a place for posting roles to be strengthened such as development of new priority businesses and global expansion of existing businesses.

We continued to offer sessions on balancing work and childcare, focusing on the employees who had returned from childcare leave. The sessions helped reinstated employees, resume their career path using the +STORY tool in parallel with balancing workplace and household responsibilities.

4. Employee engagement

Between October and December 2020, we conducted a questionnaire survey covering all employees in the 215 Fujifilm Group companies in the world on their understanding of company policies and compliance issues. The total response was 84,925 (48,029 in Japan and 36,896 overseas) including direct-hire and agency-dispatched temporary workers, with a total response rate of 98%.

The survey also measured the extent of employee engagement. To the question "You are proud to work for the Fujifilm Group," 75% of employees surveyed responded favorably in 5-point scale. Likewise, to the question "You feel that your current job is rewarding," 67% responded favorably in 5-point scale. The results of the survey were analyzed according to breakdown on multiple categories such as management level and country/region as well as the trend where available. Feedbacks were provided to each unit without personal data to identify areas for improvement as a workplace.

In fiscal 2021, we paused our employee engagement survey to allow our leaders to allocate enough time to comprehensively analyze the fiscal 2020 results, and draw up and implement plans to enhance the engagement level. We will conduct engagement surveys to regularly measure the levels of the key metrics so that we can build a workplace for our employees to be actively involved in their work and to invest in their enthusiasm and talents even further.

Employee engagement score: Proud to work for the Group

"I am proud to work for the Fujifilm Group"

	FY2017	FY2020		FY2021
	Evaluated on a 4-point Scale	Evaluated on a 4-point Scale	Evaluated on a 5-point Scale	(No Survey)
% of favorable responses*1	84%	91%	75% (Target: 75%)	—
% of neutral response			18%	
% of unfavorable responses*2	16%	9%	7%	
% of Fujifilm Group employees participating in survey	97%	98%		—

*1 Favorable responses in the FY2020 survey combine the top two responses on a 5-point scale. To monitor changes from the FY2017 survey, the results of the FY2020 survey were converted into a 4-point scale. The top two responses in both surveys were "strongly agree" and "somewhat agree".

*2 Unfavorable responses include unclear responses or when the question was left blank.

Employee engagement score: Current job is rewarding
 “I feel that my current job is rewarding”

	FY2020	FY2021
	Evaluated on a 5-point Scale	(No Survey)
% of favorable responses* ¹	67%	—
% of neutral response	22%	
% of unfavorable responses* ²	11%	
% of Fujifilm Group employees participated in survey	98%	—

*1 Favorable responses in the FY2020 survey combine the top two responses, “strongly agree” and “somewhat agree” on a 5-point scale.

*2 Unfavorable responses include unclear responses or when the question was left blank.++

5. Employee stock ownership

Fujifilm Group Japan started its employee stock ownership scheme in 1975 for Fujifilm Group employees in Japan to help motivate their job engagement.

	FY2018	FY2019	FY2020	FY2021
Number of employee stock owners	10,688	11,344	13,227	14,197
% of ownership*	30%	32%	37%	39%

* % of ownership = $\frac{\text{Number of employee stock owners as of relevant fiscal year}}{\text{Number of domestic Group company employees as of relevant fiscal year}}$

6. Attracting talents

As a global group operating a wide range of businesses, we have been working to attract talents as the top priority. Talented employees are promoted to major positions regardless of their nationalities and serving years.

4.5 Human Rights

4.5.1 Basic Approach

The Fujifilm Group recognizes that respect for human rights is our responsibility. We clearly state our commitment to this responsibility in Fujifilm Group's Charter for Corporate Behavior and Code of Conduct translated into 24 languages. The Charter for Corporate Behavior and the Code of Conduct state our basic approach toward respecting human rights. We established Fujifilm Group Human Rights Statement, in which we declare our support for a range of global human rights principles, including the UN International Bill of Human Rights and the UN's Guiding Principles on Business and Human Rights and to take any necessary measures to assess and mitigate the risks that negatively impact human rights in business activities. To create the Human Rights Statement, we sought opinions and advice from our Group companies and stakeholders across the world and it was introduced after adoption by the CSR Committee (current ESG Committee), chaired by the President of FUJIFILM Holdings Corporation in 2018.

The Fujifilm Group aims to grow together with our suppliers through sharing with them the importance of social responsibility and corporate ethics in undertaking business activities. With this aim, we communicate to our suppliers our "Request to Suppliers" which refers to Fujifilm Group Charter for Corporate Behavior and Code of Conduct, and Fujifilm Group Sustainable Procurement Guidelines, and request them to operate in line with the Charter and the Code.

In step with the expansion of our healthcare business, in July 2020 we established the Fujifilm Group Global Healthcare Code of Conduct to clarify our basic principles, such as respect for the human rights of our patients in all of our activities, as well as to ensure appropriateness and transparency in our interactions with medical professionals. In December 2020, we adopted the Fujifilm Group AI Policy as the basis for our active utilization of AI in the drive to accelerate our efforts to resolve social issues in our various business areas. In view of the fact that AI technology has yet to reach maturity, we will examine the risks that are likely to emerge in ethics and other areas to ensure that we carry out our business activities with respect for basic human rights.

Fujifilm Group Charter for Corporate Behavior Article 2. Social Responsibility, Article 3. Respect for Human Rights, Article 5. Vibrant Workplaces

<https://holdings.fujifilm.com/en/about/philosophy/conduct>

Fujifilm Group Code of Conduct

<https://holdings.fujifilm.com/en/about/philosophy/law>

Fujifilm Group Human Rights Statement

<https://holdings.fujifilm.com/en/sustainability/vision/policy/statement>

Request to Suppliers and Fujifilm Group Sustainable Procurement Guidelines

<https://holdings.fujifilm.com/en/sustainability/vision/policy/procurement>

Fujifilm Group Global Healthcare Code of Conduct

<https://holdings.fujifilm.com/en/sustainability/vision/policy/global-healthcare>

Fujifilm Group AI Policy

<https://holdings.fujifilm.com/en/sustainability/vision/policy/ai>

4.5.2 Management System

1. Human rights due diligence process

The Fujifilm Group has implemented a human rights due diligence process in accordance with the procedures set out in the UN Guiding Principles on Business and Human Rights, covering all business activities we are operating or involved in. To facilitate the process, we referred to the requirements in the UN Guiding Principles Reporting Framework with Implementation Guidance, which we studied in the Human Rights Due Diligence Working Group under the Global Compact Network Japan. Specifically, we identify potential and actual risks, investigate where in the value chain of business activities such risks are likely to occur, specify the individuals who could be negatively impacted and how, examine and implement preventive or mitigating measures, communicate with external stakeholders, and disclose relative information. We summarize the findings from the risk assessment in a form of risk map and revisit it periodically.

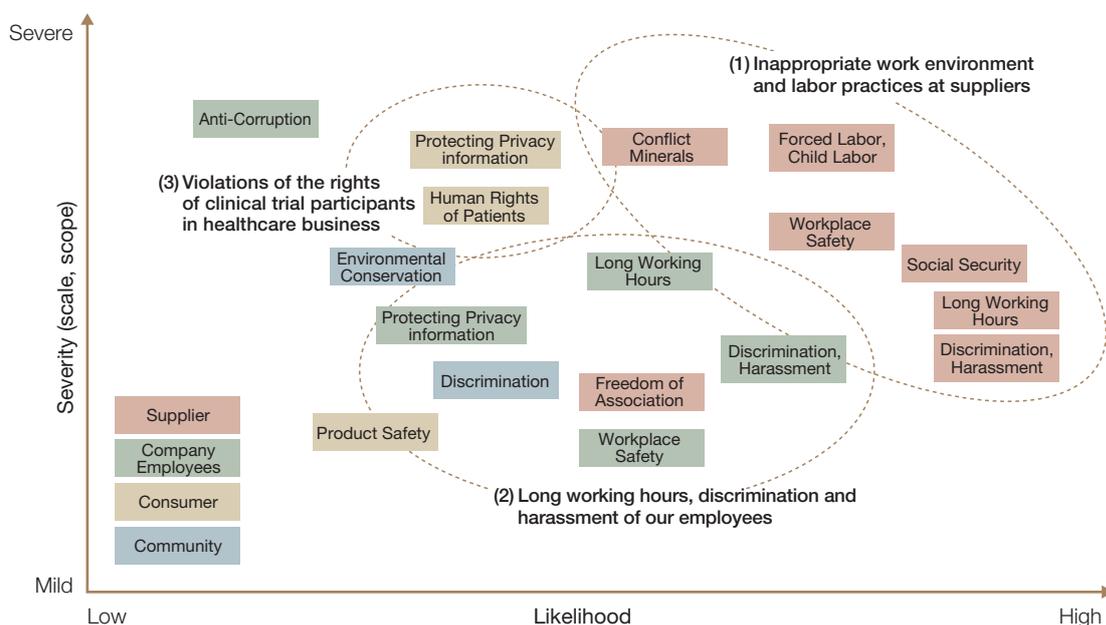
In the Fujifilm Group, priority issues concerning human rights are escalated, along with the progress of preventive or mitigating measures implemented, to the FUJIFILM Holdings ESG Committee for their deliberation and reported to the Board of Directors. In 2020, the ESG Committee added "Activities for identifying significant human rights issues in business activities and preventing and reducing any issues" as a subject of deliberation and decision-making in the ESG Committee Policy. On a day-to-day basis, resources to ensure respect for human rights are allocated depending on the individuals potentially impacted; Human Resource resources for issues concerning the Fujifilm Group employees, Procurement resources for issues concerning suppliers or in-plant contractors. Prior to the execution of a merger and acquisition or at the start of a new business involving large investment, we perform human rights checkup as a part of the comprehensive due diligence process, to assess the appropriateness of such investment.

2. Human rights impact assessment to determine Fujifilm Group’s priority issues

In fiscal 2019, we re-examined potential human rights issues based on the character of our businesses and the countries in which we operate. We also assessed the potential and likely severity for those issues. We have set three human rights issues as a priority which were shared and discussed among top management at the regular Board of Directors meeting of FUJIFILM Holdings held in July 2020. We have continued to implement associated activities on the following three priority issues in fiscal 2021:

- (1) Inappropriate work environment and labor practices at suppliers;
- (2) Long working hours, discrimination and harassment of our employees;
- (3) Violations of the rights of clinical trial participants in healthcare business.

Impact Assessment of Potential Human Rights Issues (Risks Associated with Existing Businesses)



3. Prevention and mitigation of adverse impact on human rights and progress

(1) Inappropriate work environment and labor practices at suppliers

The Fujifilm Group operates businesses that require assembling and processing products and parts, and has a large number of suppliers to work with. In these circumstances, one of our priority human rights issues to tackle is possible inappropriate work environment and labor practices at our suppliers. The Fujifilm Group implements actions for respecting human rights in our supply chain at the suppliers and in-plant contractors mainly within the framework of sustainable procurement. We clearly specify the Procurement Policy and Request to Suppliers as a procurement approach and present specific checkpoints in the Fujifilm Group Sustainable Procurement Guidelines to gain the understanding of suppliers involved in our global product manufacturing regarding the importance of CSR management.

In the Sustainable Value Plan 2030 (SVP 2030), our CSR mid- and long-term plan announced in 2017, we committed to reinforce the CSR foundations such as labor practices, human rights, environment, and corporate ethics throughout the supply chain which we set as the base for business activities. The Group’s sustainable procurement program comprises (1) Communication of sustainable procurement-related policies; (2) Risk assessments on suppliers; (3) Requesting suppliers to improve and offering support; (4) Improvement activities by suppliers. We provide various checks and support for suppliers, aiming to eliminate forced labor and child labor and encouraging better labor management, occupational health and safety, and consideration for migrant workers.

Procurement Policy, Request to Suppliers and Fujifilm Group Sustainable Procurement Guidelines
<https://holdings.fujifilm.com/en/sustainability/vision/policy/procurement>

Sustainable Value Plan 2030 (SVP 2030), Mid-Term to Long-Term CSR Plan
<https://holdings.fujifilm.com/en/sustainability/plan/svp2030>

(2) Long working hours, discrimination and harassment of our employees**Employee education regarding human rights issues**

The Fujifilm Group conducts the global education for all the employees to disseminate the Human Rights Statement as well as Fujifilm Group's Charter for Corporate Behavior and Code of Conduct. As for the human rights issues on our employees, we raise awareness among Group employees in their new hire training programs and training programs for new managerial personnel. The training programs for new managerial personnel focus on workforce management in general, including prevention of long working hours and mental health measures, as well as harassment prevention. Regarding overtime working hours, trend in monthly overtime is monitored, and warnings and guidance are issued to the business divisions exceeding the designated levels and the necessary corrective measures are implemented continuously. We address harassment issues by implementing measures coordinated to fit the conditions at each company or business division, in addition to regular training programs.

(3) Violation of the rights of clinical trial participants in healthcare business

The Fujifilm Group Global Healthcare Code of Conduct published in fiscal 2020 opens with a declaration of respect for the right to self-determination, dignity, privacy and the human rights of clinical trial participants. The Code of Conduct not only applies to all executive officers and employees in our healthcare businesses, but also to our subcontractors, temporary workers, sales agents and distributors, and all other business partners and interested parties involved in the provision, sales and support of our products and services. We implement appropriate steps to request all these parties to respect the standards and requirements of the Code of Conduct.

Complaints related to healthcare products and services are reported promptly to the relevant business division or affiliate. Appropriate investigation will then be carried out, followed by corrective measures where necessary. Complaints may be reported to the relevant regulatory authority where appropriate.

Our Global Healthcare Code of Conduct has been disseminated across the Fujifilm Group. We develop e-learning programs for all employees working in the field of healthcare worldwide.

4. Human rights grievance mechanism for internal and external stakeholders

Chapter 1 of the Fujifilm Group Code of Conduct describes our policies on Respect for Human Rights. The Fujifilm Group employees have access to the internal whistle-blowing systems to report any concerns relating to violation of any item listed in the chapter or infringements of human rights that require correction and remedies. Reports can be submitted to either (1) each company or region, or (2) FUJIFILM Holdings. In either case, the anonymity of the whistle blower is ensured and therefore employees will not be unfavorably treated because of their report.

For the results of the whistle-blowing system in fiscal 2021, see 2.2.6 *Achievements* in this report.

For external stakeholders, we provide "Contact regarding Sustainability" form on our official website to listen to the feedbacks on our sustainability activities including those related to human rights from the public at large, both anonymously and otherwise. All complaints and suggestions will be considered and handled appropriately after investigating the facts.

Contact regarding Sustainability  <https://holdings.fujifilm.com/en/contact>

5. Collaboration with initiatives regarding human rights**(1) UN Global Compact**

FUJIFILM Holdings is signed up for United Nations Global Compact, a voluntary initiative that encourages companies to undertake fair operations in the areas of human rights, labor, environment, and anti-corruption. We have also been in collaboration with the Global Compact local network in Japan, by participating in, to name those concerning human rights, the Human Rights Due Diligence Working Group, Supply Chain Working Group and Human Rights Education Working Group.

(2) Caux Round Table (CRT) Japan

FUJIFILM Holdings has been participating in the Stakeholder Engagement Program (SHE) organized by the Nippon CSR Consortium (secretariat: CRT Japan) since 2012, discussing human rights issues by industry.

* CRT Stakeholder Engagement Program (SHE)

(Japanese)  <http://crt-japan.jp/portfolio/she-program/>

(English)  <http://crt-japan.jp/en/portfolio/human-rights-due-diligence-workshop/>

4.5.3 Results for Measures Including Remedies and Corrective Actions

1. Establishing and disseminating policies related to human rights

The Fujifilm Group Global Healthcare Code of Conduct was established in fiscal 2020 to clarify our commitment to human rights in the healthcare business. In addition, the Guidelines on the Global Healthcare Code of Conduct were released to our employees to provide a detailed explanation of the Code of Conduct. To foster greater awareness and ensure comprehensive implementation of the Code of Conduct across the Group, Healthcare Compliance Training Programs were held for some 3,500 employees in the healthcare business in Japan, including our Medical Systems Business and Pharmaceuticals Business. For employees outside Japan, an e-learning program for basic training in understanding our Code of Conduct was implemented for approx. 20,000 employees. In fiscal 2021, these training programs were implemented for employees who are new to the healthcare business as well as for those of companies that have recently joined the Fujifilm Group to inform them fully of the Fujifilm Group Global Healthcare Code of Conduct.

The Fujifilm Group, which is part of the drive to accelerate the use of AI technology to resolve social issues, established its Fujifilm Group AI Policy in December 2020 to clarify our basic principles for the application of AI technology, including respect for human rights and fair and appropriate use of the technology. While launching the All-Fujifilm DX Promotion Initiative in July 2021 and accelerating the promotion of DX utilizing AI technology in each business field, we have confirmed with related parties that we will continue to respect human rights based on this policy.

Regarding information accessibility, which is one of the human rights issues, the Fujifilm Group held an accessibility seminar online in November 2021 for Group employees in Japan engaged in the production of official websites, advertisements, and brochures with the participation of 193 employees. This was held to confirm a basic understanding of social demands and outstanding issues with the aim of improving usability for all users, including people with disabilities, who sometimes have trouble accessing information. In the questionnaire for participants, the awareness of consideration for accessibility increased from 38.0% before the course to 97.7%, saying that they learned the possible difficulties from the viewpoint of people with disabilities and understood the importance of creating an environment where everyone can easily access information.

2. Efforts for the priority issues on human rights

(1) Inappropriate work environment and labor practices at suppliers

The Fujifilm Group pledges in its Human Rights Statement to respect human rights in its business activities and its supply chain. In the past, we assessed risks in the area of sustainable procurement with a self-check list on labor practices, human rights, the environment and corporate ethics and found that risks were minimal in our tier-1 suppliers in Japan and Western nations. In this activity, we have designated China, where a number of our manufacturing sites are located, as a priority region. In fiscal 2021, we continued to conduct risk assessment based on self-checks. We have also conducted on-site visit risk assessments at suppliers and our internal expert teams check our supplier sites to provide support with improvements. In fiscal 2021, we found some problems with labor practices, including employees' overtime hours and the insufficient management system related to labor and human rights (response to child labor, elimination of discrimination, etc.). Requests were made to the corresponding suppliers to make improvements. By the end of fiscal 2021, we had confirmed the progress made with improvements to critical items at all suppliers who underwent on-site visit risk assessments.

In the face of the recent increased international interest in modern slavery and human trafficking in the supply chain, we are giving close attention to the issues and released a fiscal 2021 statement in response to the Modern Slavery Act 2015 of the UK and the Modern Slavery Act 2018 of Australia through our Group companies. In fiscal 2021, there were no reported incidents involving violations of the rights of indigenous peoples in the business activities and procurement activities of the Fujifilm Group.

We will continue to foster greater understanding across the Group. For details of our sustainable procurement activities, including activities related to conflict minerals and other themes that involve potential human rights violations, please refer to *2.5 Supply Chain Management* in this report.

(2) Long working hours, discrimination and harassment of our employees

In fiscal 2021, long working hours, discrimination and harassment were identified as priority issues in 69 companies in the Fujifilm Group. Preventive and mitigation measures have now been developed and implemented at all these companies.

For details of our group-wide risk management, please refer to *2.2.4 Risk Management* in this report.

Among the reports and consultations processed by the Fujifilm Group's internal whistle-blowing system in fiscal 2021, there were no cases of human rights violations with such severity as to be publicly reported.

Taking account that human rights issues concerning foreign workers are surfacing in Japan, the Fujifilm Group started a survey on the status of foreign workers directly employed by our operating companies in fiscal 2019. As of the end of FY2021, we have 225 employees from 18 countries and regions and have received no reports of issues related to the labor environment and practices. We will continue to investigate their working conditions.

For occupational health and safety efforts, see *4.3 Health, Safety and Wellness of Employees* in this report. We also confirm that no instances of child labor have been uncovered in our workforce in fiscal 2021.

(3) Violations of the rights of clinical trial participants

We have set up the Bioethics Review Committee to monitor clinical trials to protect the interests of participants. No violations of Global Healthcare Code of Conduct were reported in fiscal 2021.

3. Dialogue on human rights with external stakeholders

(1) Adopting opinions of external experts pertaining to life sciences (Bioethics Review Committee)

We have set up Fujifilm Bioethics Review Committee to oversee our research and business activities related to life sciences. The committee members include external experts, allowing the committee to conduct comprehensive studies into protecting personal information and the viability of action in terms of ethics and science. The findings of such reviews are fed back to our research & development and other related activities appropriately. The targets for review are genetic analysis with the use of human-derived tissue, immunological research, clinical research and the handling of personal genetic data and related operations. In clinical trials, for example, our clinical trial plans are reviewed by the external experts to ensure that they do not affect the interests of the clinical trial participants.

In fiscal 2021, we concluded 34 bioethics reviews in total including simplified reviews. The Committee's regulations, list of members, related research documents published, and minutes of the committee meetings are available on our website.

(2) Dialogue with community

As a member of the community, the Fujifilm Group proactively discloses the Group's environmental protection activities and holds events in the form of environmental communication meetings and similar activities to collect feedbacks from the local community. We plan to upgrade the environmental activities conducted by our factories and carry out active and continuous information communication and disclosure to the public at large.

4.6 Corporate Citizenship

4.6.1 Basic Approach

The Fujifilm Group is committed to contributing to the sustainable development of society, working together with local communities as a good corporate citizen and responding sincerely to the demands and expectations of those communities. In 2008 we formulated the Fujifilm Group Social Contribution Policy. Based on the Policy, we are conducting activities focusing on the fields of education and research, culture, arts and sports, health and environment. We value cooperation and collaboration with local communities, institutions, NPO/NGOs, and others and contribution by employees' voluntary activities.

Fujifilm Group Social Contribution Policy

The Fujifilm Group will work together with local communities as a good corporate citizen and contribute to society by responding sincerely to needs and expectations of those communities. The Group has established following action plans to implement this policy.

1. Focus of activities

The Fujifilm Group will primarily focus on the fields of education and research; culture, arts and sports; health; and environment.

2. The Fujifilm Group will place value on following points when we conduct social contribution activities:

1. The Group will collaborate and work together with stakeholders. We place importance on mutual communication and partnerships with local communities, institutions, NPO/NGOs, and others.
2. The Group values the importance of employees to participate in volunteer activities that would enhance local community harmonization, as well as to enhance social improvements. The Group will fully support such employee volunteer activities.
3. As a means of social contribution, the Group will utilize its business strengths, such as products, services, technologies and know-how.

Established in April 2008, Revised in April 2019

4.6.2 Major Examples of Social Contribution through Business Activities

	Priority Activities in Each Field (Relation to Business)	SDGs	Impact on Business (Effects on Business and KPIs)	Typical Activities (Concrete Activities and KPIs)
Environment	The Fujifilm Group has always paid attention and protected the environment as clean water and fresh air are essential for our businesses. Environmental issues have a great impact on all our businesses, so we continue social contributions related to environment.	  	We control the environmental impact on our business and society by setting KPIs for CO ₂ and waste emissions, and water management.	<ul style="list-style-type: none"> • Voluntary tree planting in China and Vietnam (Number of participants) • Ground Water Conservation activities in Minami Aso Village (Number of participants)
Education and research	Our Group is promoting a range of businesses, and so needs a diversity of human resources. We work with partners and NPOs to foster diversity in the coming generations in the regions where we operate. This will enable us to establish relationships with local communities through the development of human resources and to increase recognition of our Group.	 	These activities will allow us to enhance our relationship with the regions where we operate and establish the Fujifilm brand. We set the continuity of our business and sales in the region as our KPIs.	<ul style="list-style-type: none"> • Offering large-font textbooks to students with low vision (Volume of our production) • Charitable Trust Fujifilm Green Fund working with NPOs Kikigaki Koushien by high school students (Number of participants) • Offering learning materials in emerging countries (Number of children were provided learning materials) • Sponsoring All Japan High School Soccer Tournament (to be continued)
Culture, arts and sports	Since our foundation, we have operated a business of photographic films and photosensitive materials to “contribute to society by offering more informative images.” We also focus on Creating Shared Value (CSV) utilizing multifunction devices and latest technologies under the banner of “Valuable communication beyond the times.”	   	We expect to create further printing demand in photographic products and in the graphic system business. Our approach should also create new demand for our Business Innovation (former Document) business. The results will be seen in our sales and profits.	<ul style="list-style-type: none"> • Holding The Heart to Heart Communication—“PHOTO IS” Photo Exhibition, and other events in FUJIFILM Square (Number of participants) • Reproduction and digitalization of historical documents (Number of documents restored) • Supporting Special Olympics Nippon • Sponsoring SUPER CUP 2021 soccer competition
Health	We aim to create a healthier society and further develop our healthcare business simultaneously. This will be achieved by promoting disease prevention, diagnosis, and treatment in emerging and other countries. In this way, we can drive forward our healthcare business, which offers medical products such as mammography systems, diagnostic imaging systems, and medicines. As a part of our social contribution, we are raising health awareness, including disease prevention, diagnosis, and treatment in emerging countries which encourages people to take health checks and visit doctors. This should enhance the healthcare market. This movement should also increase our reputation in this field and help stable expansion of business development.	  	We anticipate sustainable growth of the healthcare business. Such business encompasses medical systems, contract development manufacturing of biomedicines, and life sciences. The results will be seen in our sales and profits.	<ul style="list-style-type: none"> • Improving medical accessibility in all 196 countries and regions in the world in which we operate by introducing AI-based medical products and services by 2030. • Offering medical training • Supporting the Pink Ribbon campaign etc.

4.6.3 Social Contribution Activities Continued by the Fujifilm Group

Environment	<ul style="list-style-type: none"> ● Voluntary tree planting activity in China and Vietnam (Fujifilm) ● Ground water conservation activities in Minami-Aso village (FUJIFILM Kyushu) ● Charitable Trust Fujifilm Green Fund (Fujifilm) ● Training sessions for nature guides (HASU-Club, FUJIFILM Business Innovation)
	<ul style="list-style-type: none"> ●● Kankyo-Nikki, “Midori-no-Komichi” (Fujifilm) ●● “Watashi-no-Shizenkansatsuro Competition” (Fujifilm Green Fund, etc.)
Education and research	<ul style="list-style-type: none"> ● Support to make large-font textbooks to students with low vision (FUJIFILM Business Innovation) ● Offering learning materials in emerging countries (FUJIFILM Business Innovation) ● Photo class for young people (Fujifilm) ● Kikigaki-Koshien (Fujifilm)
Culture, arts and sports	<ul style="list-style-type: none"> ● The Heart to Heart Communication—“PHOTO IS” Photo Exhibition (Fujifilm) ● Fujifilm Square ● Album Café (Fujifilm) ● Reproducing historical documents (FUJIFILM Business Innovation) ● Creating digital archives of cultural assets (Fujifilm) ● Supporting Photo rescue activities (Fujifilm) ● Special Olympics Nippon (FUJIFILM Business Innovation) ● SUPER CUP 2021 (FUJIFILM Business Innovation)
Health	<ul style="list-style-type: none"> ● Improving medical accessibility in all 196 countries and regions in the world in which we operate by introducing AI-based medical products and services by 2030. ● Offering medical training ● Pink Ribbon Campaign (Fujifilm)

4.6.4 Results of Social Contribution (FY2021)

1. The amount of expense on social contribution

The Amount of Expense of FY2021 by Category in the Fujifilm Group

(Unit: million yen)

Type of Contribution	Amount
Education for future generations	120
Harmony with the local community	96
Promote culture and the arts in society (in Japan)	423
Consideration for the international community and international cultures	152
Cooperation with NGOs and NPOs	32
Total	823

* See Chapter 5. Sustainability Accounting

Monetary value of 2021 Fujifilm Group Social Contribution Activities

(Unit: million yen)

	Cash	Goods	Volunteering Cost*	Operation Cost/ Other Expenses, Etc.
Types of Social Contribution (converted into money)	434	14	5	363

* Volunteering cost = Hours spent on volunteer activities × salary

2. Community investment cases

● Fujifilm Green Fund

In commemoration of FUJIFILM's 50th anniversary, Fujifilm contributed a billion yen and started this Fund as Japan's first charitable trust to protect nature in 1983. Through this fund, we offer financial support for nature protection activities and research bodies, and host nature protection awareness raising programs for primary and junior high school pupils.

● HASU-Club (FUJIFILM Business Innovation)

This is a volunteer support organization established in 1991 and operated by employees' own initiative. The organization is funded through the payroll giving by the employees who opted to donate a fraction (less than 100 yen) of their salary and bonus, plus an amount that the individual wishes to add monthly. The fund is then reserved in four charity areas; "social welfare," "culture and education," "natural environment," "international aid," chosen by employees to support their volunteer activities and related NPOs.

4.6.5 Efforts to Assess the Impact on Society and the Environment

1. Contribution effect for customers through environmental activities in business (CO₂ and water)

The contribution effect for customers is the sum of customers' expenses brought by when a new product with lower environmental burden has replaced a conventional product. The total effect on customers in fiscal 2021 increased by ¥5.1 billion (approx. 18%) over the preceding fiscal year ¥32.9 billion.

(Unit: million yen)

Product	Amount		
	FY2019	FY2020	FY2021
1. High-density magnetic memory materials	8,252	9,148	13,242
2. Processless CTP plate that does not require developer*	3,382	2,516	5,660
3. Film for LCDs: WV films	2,398	2,476	1,964
4. Digital color multifunction device and printers	14,033	13,635	12,027
Total	28,064	27,774	32,893

2. Social impact assessment of social contribution

In 2018, FUJIFILM Business Innovation worked to “visualize” its social contribution activities in order to understand their social significance, results, and effects and make them improve. We will continue to carry out impact assessments regularly to clarify and improve our activities.

[Implementation method]

To evaluate the social impact from our major social contribution activities, including the project to offer learning materials in emerging countries and reproduction and utilization of historical documents, we created a logic model and made trial assessments. We did not find any negative impact on a local community from the result of trial assessments.

(1) Considering a logic model utilizing the Social Impact Assessment Tool Set created by GSG.*¹

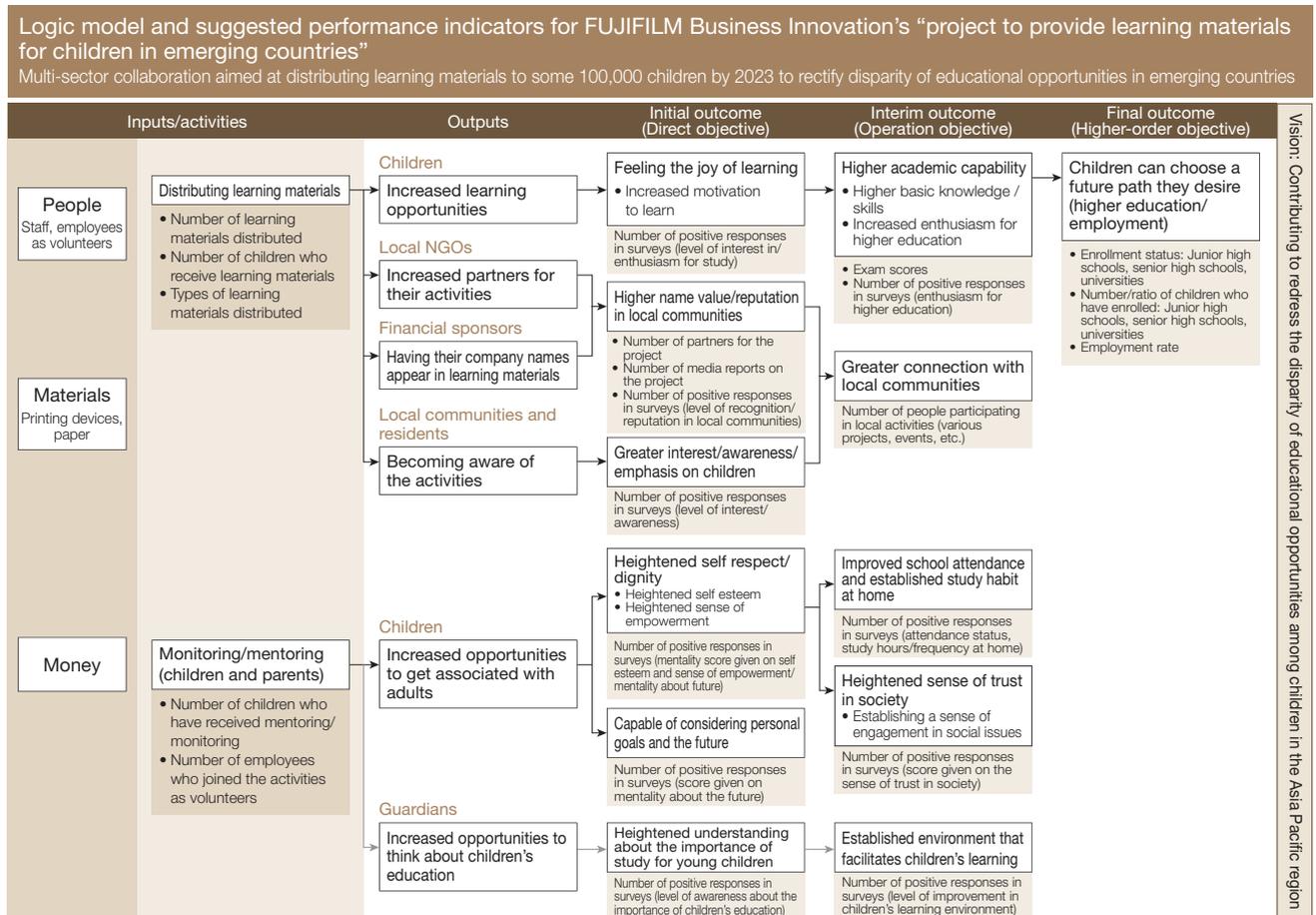
(2) Creating a logic model based on a program evaluation approach and a review by Meiji University.

To enhance the reliability of our own assessments, we asked the Institute for Program Evaluation of Meiji University to review our assessment results in FY2017.

*¹ GSG: <http://impactinvestment.jp/about/> (in Japanese only)

3. Discussion example: Suggested social impact assessment logic model and indices

(1) Project to provide learning materials for children in emerging countries

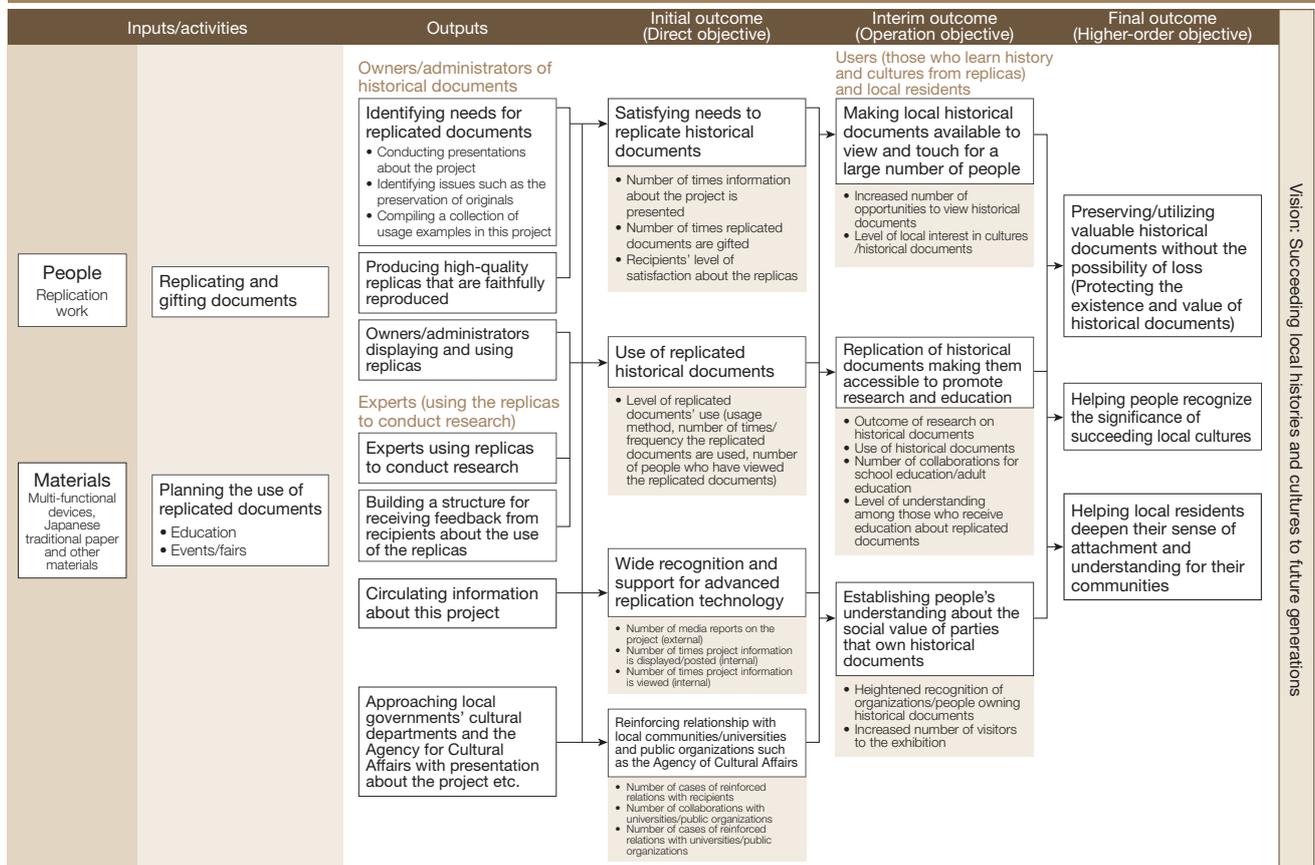


* This shows a logic model and suggested performance indicators for social impact measurement as of June 2018.

(2) Project to replicate and utilize historical documents

Logic model and suggested performance indicators for FUJIFILM Business Innovation's project to replicate and utilize historical documents

Time-transcending communication through the replication and use of historical documents to succeed local history and cultures to future generations



Vision: Succeeding local histories and cultures to future generations

* This shows a logic model and suggested performance indicators for social impact measurement as of June 2018.

5 Sustainability Accounting (Labor Environment and Social Benefit Accounting, Environmental Accounting)

<Period of coverage> FY2021 (April 1, 2021 to March 31, 2022)

<Scope of sustainability accounting>

27 domestic companies in the Fujifilm Group
(FUJIFILM Holdings, FUJIFILM Corporation and 18 Fujifilm affiliates, FUJIFILM Business Innovation Corp. (33 branch offices) and 5 FUJIFILM Business Innovation affiliates)

· All the sales companies under FUJIFILM Business Innovation were consolidated in April 2021 and reorganized as FUJIFILM Business Innovation Japan. For this reason, the number of the companies decreased.

5.1.1 Labor Environment and Social Benefit Accounting

<Basic items>

●Objectives of labor environment and social benefit accounting

These accounts are prepared to get the picture of our activities in this area. The amounts spent for improving the working environment of our employees and social contributions are calculated with classification by each stakeholder.

●Accounting method

The expenditures (including investments) for the year have been added up to arrive at the figures shown. These figures do not include depreciation. Figures for employee development and social contributions may overlap with figures in the Environmental Account as well.

*Values presented are rounded and the sums of the items do not always make up the totals.

Breakdown of Labor Environment and Social Benefit Accounting

Unit: million yen

Stakeholder	Goal	Cost Totals	
		FY2020	FY2021
Employees	Occupational health and safety	675	712
	Promote physical and mental health (Health and Productivity)	2,218	2,133
	Human resource development	637	853
	Protect diversity	20	18
	Develop a workplace in which employees can work comfortably	808	578
Customers	Ensure appropriate customer response and safety	170	180
Future generations	Education for future generations	109	120
Communities (local society and government)	Harmony with the local community	126	96
	Promote culture and the arts in society (in Japan)	634	423
International community	Consideration for the international community and international cultures	2	152
NGOs and NPOs	Cooperation with NGOs and NPOs	77	32
Suppliers	Consideration for products	15	14
Total		5,491	5,313

* For "Occupational health and safety," "Promote physical and mental health (Health and Productivity)" was classified as a separate item. "Promote physical and mental health (Health and Productivity)" includes the expenses of the Fujifilm Group Health Insurance Association (insured and dependent of special-case retired insured persons system).

Volunteer Activities During Working Hours

	FY2020	FY2021
Hours spent on volunteer activities	2,480	3,338
Volunteering cost (million yen)	5	5

* Volunteer activities

Calculated based on the hours spent on volunteer activities, such as area clean-up during working hours, the salary equivalent to that of those hours, and cost of the activities.

Overview of FY2021

- Efforts are made for human resource development (employees) and consideration for the international community and international cultures
- Efforts are made to ensure occupational health and safety and human resource development including employee training. In the promotion of art and culture, expenditure includes Fujifilm Square as the base for preservation and communication concerning photographic culture, as well as for photo contests.

5.1.2 Environmental Accounting

<Basic items>

●Objectives of environmental accounting

1. To provide accurate quantitative information on volumes and economic effects to interested parties inside and outside the Group
2. To provide numerical environment-related information useful for decision making by management and supervisors of the facilities

●Accounting method

Based on the “Environmental Accounting Guidelines (2018 edition)” published by the Ministry of the Environment in Japan.

1. Depreciation is calculated in principle according to the straight-line method over a three-year period.
2. When costs include expenditures for both environmental and non-environmental purposes, the portion relating to non-environmental purposes has been excluded.
3. Economic impact within the Group: The difference in value terms from the previous year in pollution load levy and usage of energy, raw materials, water, and other resources is accounted for, as well as the real impact of recovery, recycling, and other measures in value terms for the year in question.
4. Economic impact outside the Group: The difference in value terms from the previous fiscal year has been shown for SOx, VOCs, and CO₂. For recycling, the anticipated benefit in value terms has been shown for the year in question.

* Values presented are rounded and the sums of the items do not always make up the totals.

Environmental Accounting

Unit: million yen

Fiscal Year	Environmental Conservation Costs				Environmental Conservation Benefits					
	Capital Investment		Expenses		Economic Impact inside the Group			Economic Impact outside the Group		
	2020	2021	2020	2021	Fiscal Year	2020	2021	Fiscal Year	2020	2021
1. Costs incurred within the business site	1,761	1,954	6,732	6,906						
(1) Environmental damage prevention	458	522	1,454	1,639	Reduced pollution load levy	1	1	Reduction in SOx emissions*1	0	0
								Reduction in volume of SOx emissions	-4 t	3 t
								Reduction in volume of NOx emissions	18 t	5 t
								Reduction in VOC emissions*2	21	-30
								Reduction in volume of VOC	59 t	-87 t
(2) Global environmental preservation	1,268	1,396	2,262	2,484	Energy saving	4,850	2,176	Reduction in CO2 emissions*3	185	-150
								Reduction in volume of CO2 emissions	35 kilotons	-15 kilotons
(3) Resource recycling	36	36	3,016	2,783	Reduced raw materials and resources used	8,786	8,259	Reduced waste materials through reuse and recycling*4	7,155	8,180
					Reduced water resource consumption*5	248	130			
					Recovery and Recycling					
					Silver	1,888	3,911	Reduced volume*6	71.5 kilotons	81.8 kilotons
					Polymeric materials	265	223			
					Aluminum materials	206	633	Reuse of aluminum materials	177	328
					Others	125	198	Reduced volume of CO2 emissions	30 kilotons	40 kilotons
2. Upstream/downstream costs					Parts recovered from used equipment	5,077	7,202			
Recovery from the market	0	0	5,295	5,656						
3. Cost of management activities	38	70	10,607	10,935						
4. Research and development costs	491	493	9,012	9,584				Customer benefits*7	27,774	32,893
5. Costs for social programs	0	0	1	1						
6. Costs for handling environmental damage										
Pollution load levies	13	3	31	19						
Total	2,303	2,520	31,679	33,102		21,446	22,733		35,312	41,220

*1 SOx emissions reductions: ¥2.4/ton

Bidding price of SOx emissions credits offered by the United States Environmental Protection Agency in March 2022 (US\$0.02/ton).

*2 VOC emissions reductions: ¥350,000/ton

From the "Economics Evaluation Report on Countermeasures for Harmful Atmospheric Pollutants" issued by Japan Environmental Management Association for Industry, February 2004.

*3 CO2 emissions reductions: ¥9,809/ton

Trading price of EU emissions credit 2022 futures (€75.13/ton) at the end of March 2022.

*4 Landfill costs for the waste product (¥100/kg).

*5 Water resource consumption reduction: ¥200/ton for clean water supply, ¥200/ton for sewage water times the reductions amount.

*6 Volume of recycle and valuable resources in generated industrial waste

*7 For further details of customer benefits, please refer to 4.6.5 Efforts to Assess the Impact on Society and the Environment.

Overview of FY2021

●Environmental conservation costs

Total costs increased by 5% year-on-year. The facility investment was approx. 9% and expenditure was approx. 4% increased. Cost of R&D and resource recycling increased notably over last year.

[Facility investments] Increased by 9% year-on-year.

[Expenditure] Increased by 4% year-on-year.

●Environmental conservation benefits

This resulted in a year-on-year increase of 13% when internal and external economic effects were combined. Recovery from used equipment and customer benefits increased.

[Internal economic effect] Increased by 6% year-on-year.

[External economic effect] Increased by 17% year-on-year.

6 Independent Assurance Report

FUJIFILM Holdings Corporation commissioned SGS Japan Inc. to conduct an independent assurance of the environmental and social data contained in its Sustainability Report 2022.

For further details on the Independent Assurance Report, please refer to our website.

 <https://holdings.fujifilm.com/en/sustainability/evaluation>

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