

FUJIFILM Business Innovation Hong Kong Limited

# Sustainability Report 2021

NEVER STOP – Realisation of a Sustainable Society



## Cover Story



### NEVER STOP – Realisation of a Sustainable Society

The cover of this report features a lovely kid – Hayden Lee, son of our employee Natalie Yau, running in the beautiful nature. The picture symbolises our passion for delivering efficiency and productivity through cutting-edge technology to drive business innovation and create a sustainable society.

Upholding the “Never Stop” spirit of Fujifilm Group, we will never stop in our efforts to provide innovative and sustainable products, solutions and services that make the world a better place.

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## Chapter 1

# Top Commitment



**Yasuyuki Matsumoto**  
Managing Director  
FUJIFILM Business Innovation Hong Kong Limited

### Our Top Priority

On 1 April 2021, FUJIFILM Business Innovation Hong Kong Limited started a new chapter of story as we officially turned from Fuji Xerox (Hong Kong) Limited into this new name while adhering to our goal to help customers grow their businesses and resolve their business challenges. Sharing the vision of FUJIFILM Business Innovation Corp., the mission of “Driving Business Innovation” embodies our commitment to continuously innovate and explore new frontiers that help businesses grow. We achieve this by:

- Providing outstanding products, services and solutions
- Optimising customer’s business processes across work environments
- Implementing workflows that enable effective sharing of information and knowledge, thus allowing customer to further leverage on their organisational strengths

Locally, we have aligned our business strategy with the expectations and needs of customers and the communities. Through the collaboration with FUJIFILM Data Management Solutions Asia Limited since July 2019, we have been leading the transactional printing industry and promoting document digitisation. As sustainability is always a top priority and a strong business push for us, FUJIFILM Business Innovation Hong Kong has developed different initiatives and a robust governance structure to mitigate related risks in light of the tighter disclosure requirements under the local and global sustainability reporting standards.

### Looking Backward

The fiscal year (FY) 2020 was a transition period in preparing us to adopt the new FUJIFILM Business Innovation brand. During this period, we continued to help customers reduce their carbon footprint with various sustainability solutions, and to enable them to better utilise information and knowledge to showcase their creativity and focus on their core businesses. We also improved our internal processes and procedures for a smooth transformation.

It was an unprecedentedly challenging year due to the Coronavirus Disease 2019 (COVID-19) pandemic and ever-changing business environment, which have changed how businesses would create value and the expectation of customers. As a registered information technology (IT) service provider under the government-funded Distance Business Programme 2020, we have been striving to help companies cope with the impact in terms of the new work-from-home mode and consumer behaviour changes through our highly secured technologies and devices.

Advocating and achieving Goal 8 – Decent Work and Economic Growth under the United Nations (UN) Sustainable Development Goals (SDGs), we have provided niche solutions and services for business transformation. In October 2020, Fuji Xerox Co., Ltd. became the first company in Japan to receive the highest information security rating AAA for its high level of compliance with the United States security standards NIST SP 800-171, a guideline on security standards stipulated by the United States National Institute of Standards and Technology (NIST), as demonstrated by its ApeosPort series of digital colour multifunction devices/printers. In addition, Fuji Xerox (Hong Kong) was named the Best Business Innovation Partner under the e-brand awards for the 9<sup>th</sup> consecutive year.

## Moving Forward

COVID-19 and lockdowns have brought drastic changes to our lives, restricting the mobility of people and goods. However, the pandemic also gave businesses a unique opportunity to review their resilience, adaptability, and environmental, social and governance (ESG) practices. The macro-economic environment has undoubtedly changed, and a sustainable economic recovery will be on the post-pandemic agenda.

In recent years, we have been actively contributing towards Fujifilm Group's Sustainable Value Plan (SVP) 2030 and pursuing its carbon reduction target which have been revised upward in July 2020, from 30% to 45% compared to the FY2013 level by the end of FY2030. The target was certified by the Science Based Targets Initiative and was scientifically proven to be critical to limit the temperature increase to well below the 2°C level set in the Paris Agreement. Besides, the Fujifilm Group is an advocate of RE100, an international initiative led by The Climate Group in partnership with Carbon Disclosure Project (CDP) to bring together companies committed to source 100% renewable electricity for business operations. Though renewable energy supply is limited in Hong Kong, we have participated in programmes contributing to renewable energy to offset our carbon footprint and have been operating as a carbon neutral business since FY2014. For details, please refer to "Environmental" section in this report.

Being a Hong Kong-based business, we have witnessed several crises in the past decades. With the new company name and Fujifilm's strength and expertise, we will continue to support businesses with our resilience, reliability and innovative solutions.

## The Fujifilm Group's Commitment

### Our Purpose

#### Corporate Philosophy

**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.**

#### Vision

**Anchored by an open, fair and clear corporate culture and with leading-edge, proprietary technologies, Fujifilm is determined to remain a leading company by boldly taking up the challenge of developing new products and creating new value.**

### Corporate Slogan

## Value from Innovation

### How We Act

#### Charter for Corporate Behaviour

Based on the following six principles, the Fujifilm Group respects human rights and maintains compliance with as well as respects the spirit of all laws and international rules in its global business activities. Beyond this, we will take proactive action toward the realisation of a sustainable society through innovation, while taking into account the impact of our activities.

1. A Trusted Company
2. Social Responsibility
3. Respect for Human Rights
4. Global Environmental Conservation
5. Vibrant Workplaces
6. Management of Various Crises

#### Code of Conduct

In all aspects of our corporate activities, we emphasise compliance and endeavour to create new value. If compliance requirements conflict with business profits or the demands of third parties, we give priority to compliance. An open, fair, and clear corporate culture is the basis for all our activities.

- Respect for Human Rights
- Fair Corporate Activities
- Protection / Preservation of Corporate Assets and Information
- Measures Related to Environmental Issues

### How We Will Achieve Our Purpose

#### CSR Plan

### Sustainable Value Plan 2030

With fiscal 2030 as its long-term goal, this plan lays the foundations of the Fujifilm Group's business management strategies for sustainable growth. In this plan, we have set targets in the four priority areas of the environment, health, daily life and work style, as well as in supply chain and governance, the basis of our business activities. These targets serve as guideposts toward our goal of contributing to the realisation of a sustainable society through the dual standpoints of resolving social issues through our business activities and considering society and the environment in our business processes.

#### Medium-Term Management Plan

### VISION 2023

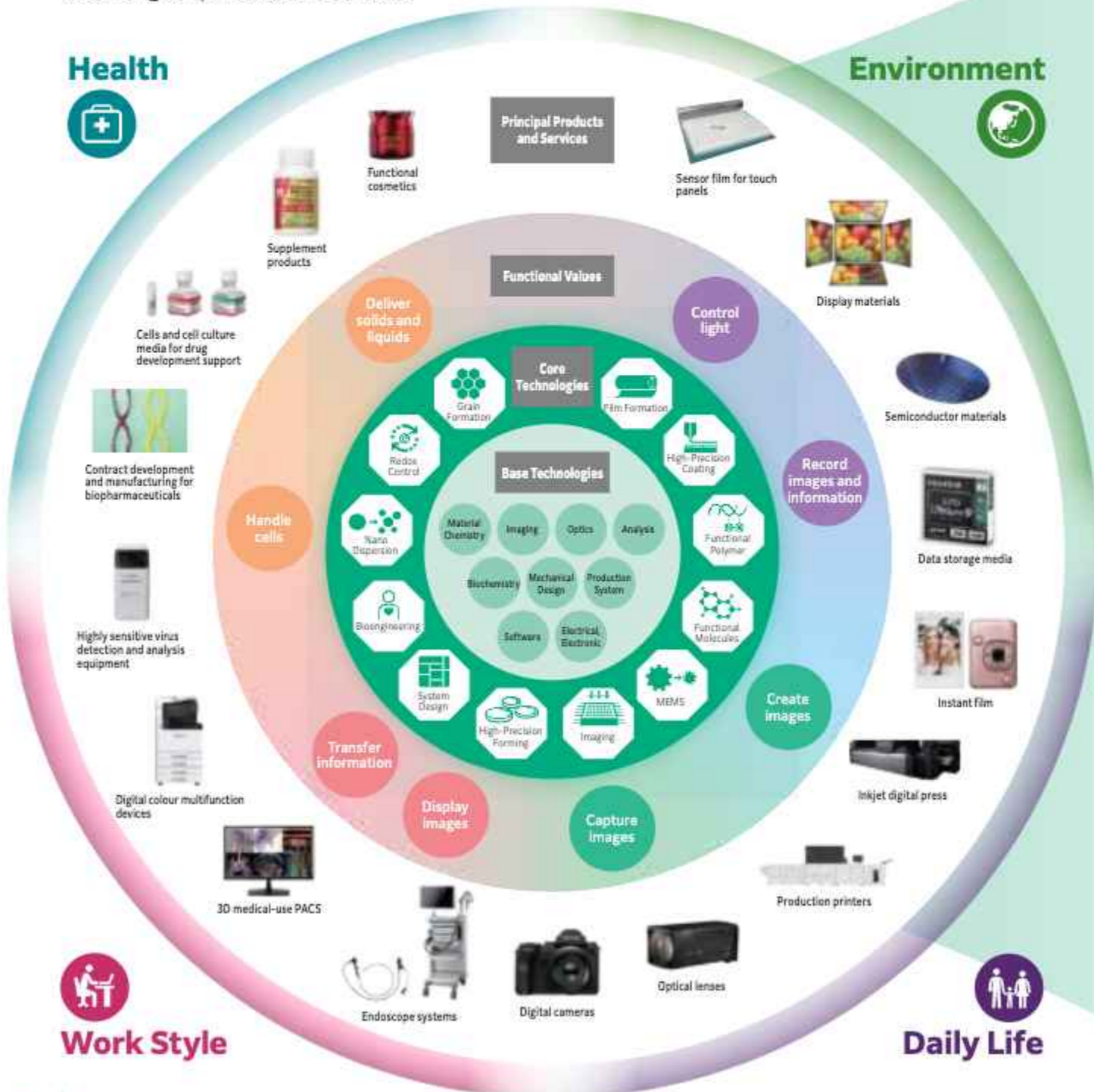
In April 2021, the Fujifilm Group formulated a specific action plan for achieving the goals set forth in the Sustainable Value Plan 2030.

# Technologies and Business Fields

The Fujifilm Group applies advanced proprietary technologies cultivated through the photographic film business to a wide range of business domains. We also combine these with outside technologies through open innovation as we continue to create new value that will bring about a positive impact in society.



## Proprietary Technologies of the Fujifilm Group

Since our founding, we have been accumulating the base technologies to support our business, including organic and inorganic materials chemistry, optical technologies and analytical technologies. Based on these technologies, we have honed our proprietary core technologies, which are central to continuously building up our competitive advantage. By combining these technologies, we provide a wide range of products and services.



## The Fujifilm Group's Business Segments

With the establishment of the medium-term management plan, "VISION 2023" launched in fiscal 2021, the business was restructured into four segments: Healthcare, Materials, Business Innovation and Imaging. We have created a solid business portfolio by generating synergy between these four segments sharing our core technologies.

 <h3>Healthcare</h3> <p>Providing a wide range of businesses in the fields of prevention, diagnosis and treatment as a total healthcare company</p> <p>Medical-use picture archiving and communication system (PACS)</p> <p>Global market share <b>No.1*1</b></p>  <p>Medical-use Picture Archiving and Communications Systems (PACS) SYNAPSE</p>	<h4>Medical Systems</h4> <p>Various diagnostic equipment such as X-ray imaging, endoscopes and ultrasound, and medical IT systems for centralised management of diagnostic images and other data</p> <h4>Life Sciences</h4> <p>Total solutions in the fields of cells, culture media and reagents for drug development support</p> <h4>Consumer Healthcare</h4> <p>Functional cosmetics such as the ASTALIFT brand and supplement products</p>	<h4>Bio CDMO</h4> <p>Process development and manufacturing services for high-quality biopharmaceuticals in growing demand and gene therapy drugs</p> <h4>Pharmaceuticals</h4> <p>Process development and manufacturing services for next-generation nucleic acid drugs and mRNA vaccines</p>
 <h3>Materials</h3> <p>Various highly functional materials and graphic communication solutions</p> <p>Protective film for polarisers</p> <p>Global market share <b>No.1*1</b></p> <p>Colour photoresists for image sensors</p> <p>Global market share <b>No.1*1</b></p>	 <p>FUJITAC protective film for polarisers</p> <h4>Electronic Materials</h4> <p>Various materials (photoresists, CMP slurries, etc.) used to manufacture semiconductors</p> <h4>Other Materials</h4> <p>Fine chemicals (high functional chemicals, reagents for research use, etc.), industrial products such as sensor film for touch panels and recording media</p>	<h4>Display Materials</h4> <p>Materials such as TAC film for LCD panels, organic EL and other products</p> <h4>Graphic Communication</h4> <p>Graphic communication solutions (commercial printing, offset printing, etc.) and inkjet solutions such as industrial printheads</p>
 <h3>Business Innovation</h3> <p>Products and solution services that bring about new changes in work styles, improving productivity and inspiring creativity</p> <p>Multifunction devices</p> <p>Market share in sales volume in the Asia-Pacific region <b>No.1*2</b></p>	 <p>Apeos C7070</p> <h4>Office Solutions</h4> <p>Multifunction devices, printers, consumables and document solutions</p> <h4>Business Solutions</h4> <p>Solution-oriented document services tailored to various industries and operations, including system integration, cloud services, management of multifunction devices and business process outsourcing</p>	
 <h3>Imaging</h3> <p>Various products and services related to photographs and videos from shooting to printing</p> <p>Instant photo system</p> <p>Cumulative worldwide sales volume <b>Over 50 million units</b></p>	 <p>Instax mini 11</p> <h4>Consumer Imaging</h4> <p>Instax, colour films, colour paper for photo printing, developing and printing systems, photo printing services and more</p> <h4>Professional Imaging</h4> <p>Ultra-high image quality GFX Series cameras, compact, lightweight and high image quality X Series cameras, TV and cine lenses, security lenses, machine vision lenses, projectors and more</p>	

\*1 According to a survey by Fujifilm  
\*2 According to a survey by FUJIFILM Business Innovation

## SVP 2030 and Priority Issues

Under the CSR plan "Sustainable Value Plan 2030 (SVP 2030)," which outlines our long-term vision targeting fiscal 2030, we will use leading-edge, proprietary technologies to provide top-quality products and services. By doing this, we will work to resolve social issues through our business activities and contribute to the realisation of a sustainable society.

Fiscal 2017: Formulation of SVP 2030



<b>SVP 2030</b> Long-term goals targeting fiscal 2030	<b>VISION 2023</b> An action plan for achieving the goals in SVP 2030
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### SVP 2030 Priority Areas and Priority Issues (Materiality)

Targets are set in four priority areas and in the basis of our business activities via a two-pronged approach: considering society and the environment in our business processes and resolving social issues through our business activities.



Priority Areas	Priority Issues	Resolving social issues through business activities	Considering society and the environment in our business processes	Business Segments	Goals in the SDGs
		Contribution (Opportunities)	Impact (Risks)		
<b>Environment</b>	1. Address climate change 2. Promote recycling of resources 3. Address energy issues toward a decarbonised society 4. Ensure product and chemical safety	●●●●	●●●●	▶ Healthcare ▶ Materials ▶ Business Innovation ▶ Imaging	SDG 13, 12, 11, 14
<b>Health</b>	1. Fulfill unmet medical needs 2. Improve accessibility to medical services 3. Contribute to identifying diseases at an early stage 4. Contribute to health promotion and beauty 5. Promote management of a healthy workplace	●●●●	●●●● ● (Employees)	▶ Healthcare	SDG 3, 12
<b>Daily Life</b>	1. Contribute to creating a safe and secure society 2. Contribute to enriching humanity and relationships between people	●●	●●	▶ Materials ▶ Imaging	SDG 11, 12, 13
<b>Work Style</b>	1. Create environments that lead to a motivated workplace (provision of solution services) 2. Develop and utilise diverse human resources	●	●● (Employees) ●● (Employees)	▶ Business Innovation	SDG 8, 5, 12
<b>Basis of Business Activities</b>					
• Supply Chain	Strengthen CSR foundations across the entire supply chain including factors of the environment, ethics, and human rights				SDG 12
• Governance	Improve and maintain governance structures by further disseminating an open, fair and clear corporate culture				

#### Process for Identifying Materiality



\* For details of each step, see Section 1.2.4 in the FUJIFILM Holdings Corporation's Sustainability Report 2021, Management Performance.

# Reporting Scope and Approach



## Objectives

At FUJIFILM Business Innovation Hong Kong, recognising our role and responsibilities at the forefront of sustainability, we have incorporated the fundamental sustainability values in our management strategy while addressing the sustainability issues that are important to our stakeholders including customers, employees, suppliers and transaction partners, future generations, non-governmental organisations (NGOs) and local communities. We also ensure the accuracy and quality of our qualitative and quantitative sustainability data by using our Intelligent Environmental, Social and Governance (IESG) 2.0 management tool.

This report is prepared in response to the requirements for information disclosure of our business development plans and latest goals and initiatives. This is our 12<sup>th</sup> annual sustainability report that follows the Japanese financial year closing on 31 March. As such, some projects and plans mentioned may be still in progress, have been completed or be scheduled to roll out in the next fiscal year.

## Reporting Scope and Period

This report provides information on significant economic, environmental and social impacts incurred in our operations between 1 April 2020 and 31 March 2021 (i.e. FY2020) in the following locations operated by FUJIFILM Business Innovation Hong Kong:

- Hong Kong and Macau offices
- Logistics and Warehouse
- Document Technology Centre

Due to the different data collection systems implemented in individual offices, some performance data related to the Macau office has not been included.

## Reporting Principles

This Sustainability Report has been prepared in accordance with:

- The internationally recognised Global Reporting Initiative (GRI) standards issued in 2016 and partially updated in 2018
- ISO 26000:2010 Guidance on Social Responsibility
- UN SDGs
- ESG Reporting Guide issued by the Stock Exchange of Hong Kong Limited (SEHK)

## External Assurance

FUJIFILM Business Innovation Hong Kong appointed Hong Kong Quality Assurance Agency (HKQAA) to conduct an independent verification of this report according to the GRI standards, ISO 26000:2010 Guidance on Social Responsibility and SEHK ESG Reporting Guide. For details of the verification statement, please refer to the "Verification" section.

## Sustainability Management

The Fujifilm Group has developed an approach to Corporate Social Responsibility (CSR) that contributes towards the sustainable development of the society by putting its Corporate Philosophy into practice through sincere and fair business activities. As such, FUJIFILM Holdings Corporation developed the SVP 2030 as a long-term plan with the same target year as the Paris Agreement and the UN SDGs.

As an overseas subsidiary of the Group, FUJIFILM Business Innovation Hong Kong makes appropriate non-financial information disclosures as requested by our stakeholders, creates value for them and shares our business performance. Although we are not a listed company in Hong Kong and are not obligated to disclose our ESG data, we believe that sustainability disclosure is a valuable means of stakeholder engagement. We will continue to integrate sustainability into our business and comply with international and local requirements through active disclosure. Please visit our corporate website [holdings.fujifilm.com](http://holdings.fujifilm.com) and local website [fujifilm.com/fbhk](http://fujifilm.com/fbhk) for more publications and historical data on our sustainability performance.

## Material Aspects and Stakeholder Engagement

With reference to Fujifilm's SDGs-aligned SVP 2030, FUJIFILM Business Innovation Hong Kong undertakes a new materiality assessment in this reporting year to identify pertinent issues and evaluate their relevance to our business and stakeholders in accordance with the GRI standards and Accountability's AA1000 Standards.

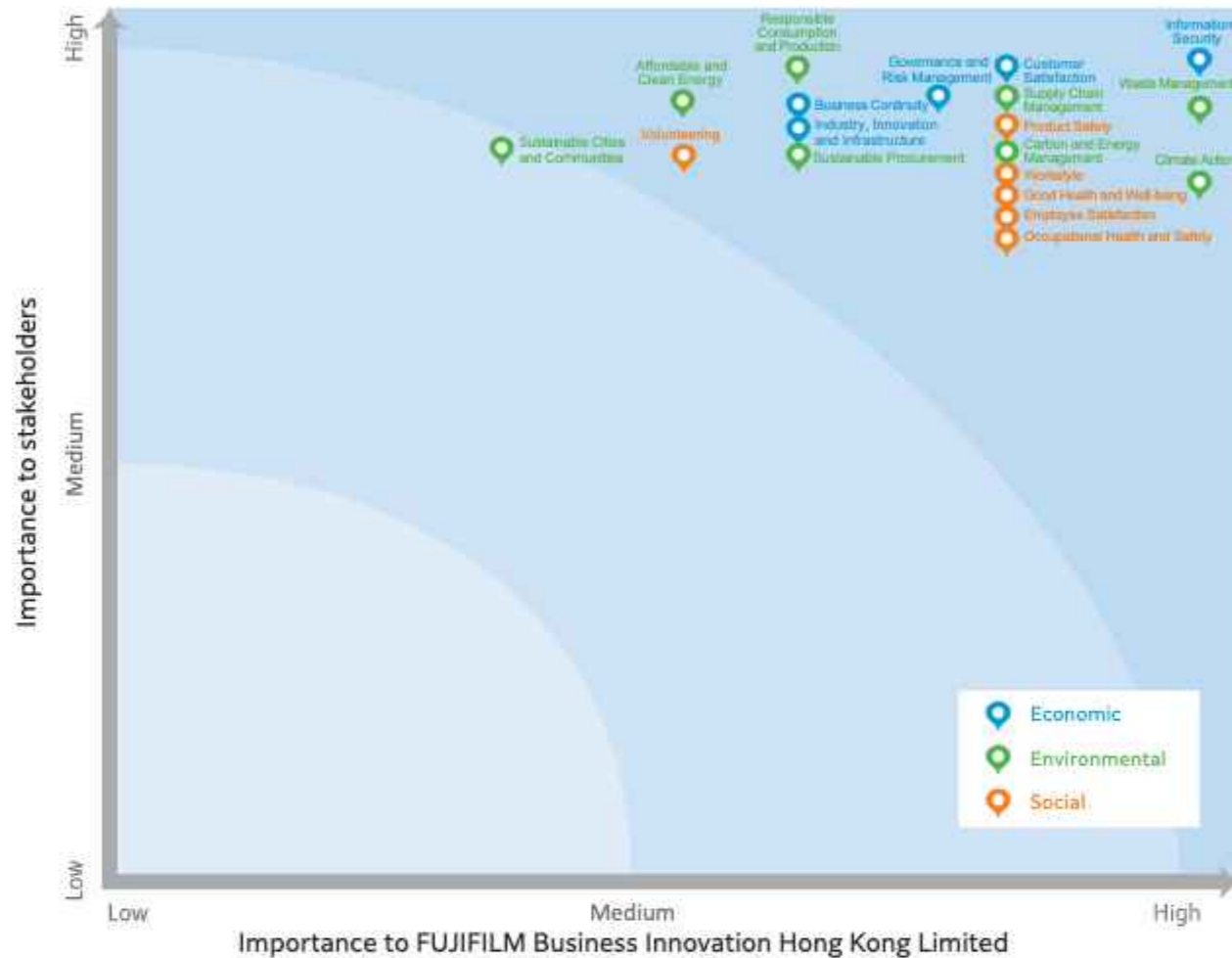
Since our first local Sustainability Report published in 2010, we have been defining the material aspects by reviewing the feedback from our Annual CSR Survey, with reference to international and Japanese standards and guidelines, including but not limited to the 10 Principles of the UN Global Compact, GRI, UN SDGs and J-SOX.

We have also invited our stakeholders to provide feedback on our performance in the environmental, social and economic areas, and share their views on our business and the sustainability challenges they have ever faced. We are pleased to learn that our leadership in ESG disclosures has been highly recognised by both our internal and external stakeholders. About three-fourths of the responding employees and most of our external stakeholders thought that our performance and the degree of transparency in ESG disclosures were "Good" or "Excellent".

The feedback was collected and turned into a materiality matrix that reflected the priority of a material issue named by various stakeholders. Issues in the "High-High" area of the Materiality Matrix Diagram were identified as material matters, and other topics indicated might be further discussed.

• Materiality Matrix

Material matters identified in the "High-High" area of this Materiality Matrix Diagram will be discussed in the following sections.



Key changes from last materiality analysis:

- Based on the review of the definition of Carbon and Energy Management, which refers to the consumption of electricity and fuels, and the approach and initiatives to manage operational energy consumption and greenhouse gas emissions, we combined "Carbon Management" with "Energy Management" in this report.
- Based on the review of the definitions of Occupational Health and Safety, which refers to providing a safe work environment and protecting employees from occupational health and safety hazards, and Good Health and Well-being, which refers to ensuring healthy lives and promoting well-being for all ages, we separated "Occupational Health and Safety" and "Good Health and Well-being" in this report.
- Based on the review of the definition of Workstyle, which refers to the efforts to improve employees' job-related knowledge and skills, develop and utilise diverse human resources, we replaced "Manpower Development" with "Workstyle" in this report.
- Based on the review of previous materiality analysis and adhering to the Fujifilm SVP 2030, we removed "Zero Hunger", "No Poverty", "Life on Land", "Life below Water", "Clean Water and Sanitation", "Quality Education", "Partnerships for the Goals", "Environmental Education", "Decent Work and Economic Growth", "Gender Equality", "Peace, Justice and Strong Institutions" and "Reduced Inequalities" from the Stakeholder Engagement Survey and this report.

• Our Response to Stakeholders' Needs

Stakeholders	Concerns	Engagement Platforms
Customers	<ul style="list-style-type: none"> <li>• Quality of Products and Services</li> <li>• User-friendly Design</li> <li>• Cost Effectiveness of Services</li> <li>• Responsiveness of Services</li> <li>• Information Security</li> </ul>	<ul style="list-style-type: none"> <li>• Customer Satisfaction Survey</li> <li>• ISO/IEC 27001 Information Security Management System Audits</li> <li>• Website</li> <li>• Press Releases</li> <li>• Social Media Platforms</li> </ul>
Employees	<ul style="list-style-type: none"> <li>• Safe and Fair Working Environment</li> <li>• Benefits and Welfare</li> <li>• Career Development</li> <li>• Employee Satisfaction</li> </ul>	<ul style="list-style-type: none"> <li>• Employee Relation Activities</li> <li>• Newsletters</li> <li>• Managing Director's Monthly Message through Intranet Portal*</li> <li>• Occupational Health and Safety Assessment</li> </ul>
Suppliers and Transaction Partners	<ul style="list-style-type: none"> <li>• Economic Stability</li> <li>• CSR Performance Management</li> <li>• Business Ethics</li> <li>• Fair Trade</li> </ul>	<ul style="list-style-type: none"> <li>• Code of Conduct</li> <li>• Irregular Meetings</li> <li>• Letters</li> </ul>
Future Generations, NGOs and Local Communities	<ul style="list-style-type: none"> <li>• Low Carbon Office</li> <li>• Eco Product Lifecycle</li> <li>• Sustainable Procurement</li> <li>• Mentoring</li> </ul>	<ul style="list-style-type: none"> <li>• Various Audits (ISO 14001 Environmental Management System, ISO 50001 Energy Management System, FSC™ Chain of Custody, 5S, etc.)</li> <li>• Volunteering</li> <li>• CSR and Fundraising Events</li> <li>• Academic Projects</li> <li>• Placement</li> </ul>

Remarks: \* Physical communication meetings and gatherings were cancelled to avoid crowd gathering during COVID-19 pandemic.

Management Approach

Echoing Fujifilm Group's management philosophy, we attach high importance to creating value for the defined stakeholder groups through our sustainability management practices and processes.



Engagement with Customers

Under the new normal, we believe that innovation is the key to business growth, meeting the needs of customers and coping with the ever-changing environment. In light of the remote working mode during the pandemic, we have been supporting our customers to build up online infrastructure to maintain business and service continuity. Through interactive communication with customers, we have also fostered long-term customer relationships built on trust and mutual growth. The feature enhancements of the IESG 2.0 management tool demonstrates our innovative efforts to be more responsive to our customers' needs in data management, target tracking, risk management and sustainability reporting.



### Engagement with Employees

Employees are our key stakeholders in driving our business growth. We endeavour to provide an innovative environment for employees to pursue personal growth and cope with challenges. A wide array of engagement initiatives has been implemented to enhance job satisfaction, strengthen bonding, promote workplace diversity and provide learning and development opportunities.



### Engagement with Suppliers and Transaction Partners

FUJIFILM Business Innovation Hong Kong attaches high importance to the partnerships with our suppliers and transaction partners along the supply chain with a strong sustainability foundation. To ensure that our suppliers share the same vision, we actively and frequently communicate with them on our sustainability philosophy and management approach and pursue continuous improvement together. Working closely with our suppliers and transaction partners, we have developed an all-rounded sustainable procurement strategy for our value chain.



### Engagement with Future Generations, NGOs and Local Communities

We promote the sustainable development of our community by assessing and managing the social impact of our operations and by supporting local community initiatives that bring effective and lasting benefits to the public. Frequent dialogues with NGOs and charitable groups are conducted to address social and environmental issues, and proactive collaboration with academic institutions offers students further opportunities to integrate information and communications technology (ICT) software into their daily lives.

## Company Profile



FUJIFILM Business Innovation Hong Kong Limited (previously Fuji Xerox (Hong Kong) Limited) is your trusted Business Innovation Partner. Pioneering numerous technologies since our establishment in 1964, we have created an environment that encourages creativity through effective use of information and knowledge. With over 900 employees\* in Hong Kong, our scope of business covers sale of multifunction printers (MFP), production printers and IT solutions, as well as business outsourcing services. To enhance our customers' productivity, competitiveness and resolve their business challenges, we offer solutions and services empowered by our artificial intelligent (AI) and Internet of Things (IoT) technologies, based on our value proposition.

\* Figure excludes certain external contractors performing logistic management tasks in our Logistics and Warehouse division.



### Business Innovation Suites

FUJIFILM Business Innovation Hong Kong endeavours to create value through our business innovation suites that address specific issues, and to support value creation by our customers and stakeholders.

**Workplace**  
Reinvent the Workstyle

**Advance Workstyle Solutions to build the future of your business environment**

- Full Portfolio of MFP and Print Solution**
  - Gateway to enhance customer speed and accessibility
- Managed Services**
  - Managed Print Services and Managed IT Support Services
- Business Automation Cloud**
  - Cloud-enabled Print Management and Digitalisation Solution
- IT Infrastructure & Security Solution**
  - Security Assessment & Remote Workstyle IT Solution

**Process**  
Redesign the Operation

**End-to-end Process Automation Solutions to address your business challenges**

- Business Process Automation Solutions**
  - Process Re-design, Robotic Process Automation and Business Process Management
- Document Capturing and Management Solutions**
  - Document life-cycle solution from capture, workflow, signature to archive
- Outsourcing Services**
  - Transaction Print Services and Imaging & Document Management Services

**Communication**  
Reimagine the Engagement

**Customer Communication Solutions to exceed your customer expectation**

- Full Range of Graphic Communication Solutions**
  - Production solutions from pre-press, print and finishing to workflow
- Omni-channel Communication Solutions**
  - Customer Communication Management Solution for Financial Services Industry, Healthcare, Logistics, etc.
- Managed Services**
  - Communication & Marketing Services and Digital Communication Services

### Striving for Excellence

We strive to excel in every aspect. We were honoured to receive over 20 recognitions in FY2020 from leading local and regional organisations. These recognitions underlined our commitment to upholding the highest standard in every process, product, solution or service.



^ Since the company name changed on 1 April 2021, some recognitions and awards remain to be presented under the name of Fuji Xerox (Hong Kong) Limited.

This is in line with the "NEVER STOP" campaign with the goal of raising awareness of Fujifilm's commitment to achieving sustained corporate growth and to "never stop" building on our innovations and expertise as well as pursuing sustainability. Such determination has seen us garnering the Gold Sectoral Award at the Hong Kong Awards for Environmental Excellence in 2011, Hong Kong Sustainability Award from Hong Kong Management Association (HKMA) in 2017 and hundreds of accolades in economic, environmental and social aspects. For details, please refer to the "Awards" section in our company website [fujifilm.com/fbhk](http://fujifilm.com/fbhk).

# Corporate Governance

Maintaining a robust governance structure for an open, fair and clear corporate culture



Guided by the Fujifilm Group's corporate philosophy and vision, we strive to foster an open, fair and clear corporate culture and drive sustainable growth with integrity supported by good corporate governance.

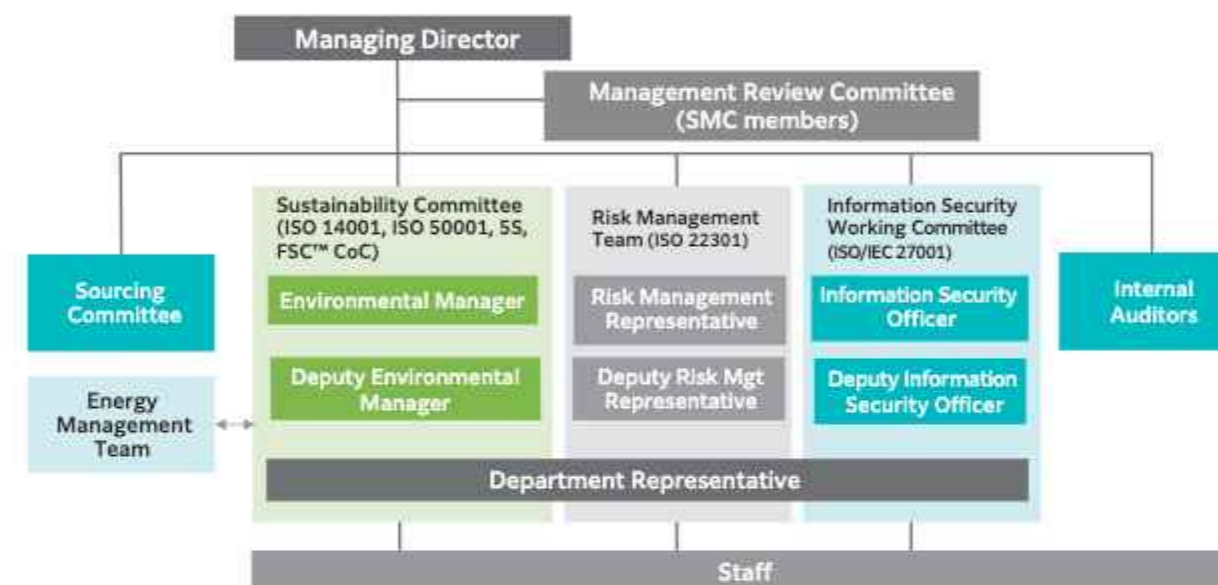
## Governance and Organisation

The management team is responsible for shaping FUJIFILM Business Innovation Hong Kong's corporate governance practices. As such, continuous efforts and progress have been made by the Senior Management Committee (SMC) which consists of the Managing Director and five department heads, comprising four males and two females from different disciplines that help maintain a diverse range of voices. The members meet monthly to discuss and review FUJIFILM Business Innovation Hong Kong's operation and develop future business plan.



SMC kick-started the new era of FUJIFILM Business Innovation on 1 April 2021.

To further strengthen our governance structure and facilitate the development of guidelines, policies and procedures, the Management Review Committee was established in accordance with the ISO 14001 Environmental Management System, ISO 50001 Energy Management System, ISO 22301 Business Continuity Management System, ISO/IEC 27001 Information Security Management System, 5S and FSC™ Chain of Custody (CoC). The committee reviews the overall effectiveness of our systems regularly to support continuous performance improvement. Meanwhile, collaborations and committees at operational level have been formed to ensure the implementation of various management systems.



The governance structure of FUJIFILM Business Innovation Hong Kong

Aiming to prevent any misconduct or major violations of the law through an open, fair and clear corporate culture, we require all colleagues to read and understand the Fujifilm Group Charter for Corporate Behaviour and Code of Conduct when they join the company and receive anti-corruption and related compliance training regularly. Besides, a whistle-blowing policy and mechanism for reporting fraud and misconduct have been in place for years.

## Climate Change Strategy and TCFD Disclosure

We aligned our disclosure practices with global trend and compliance requirements, such as the recommendations of Task Force on Climate-related Financial Disclosures (TCFD). According to the framework, "Governance", "Strategy", "Risk Management" and "Metrics and Targets" have been applied to all business units of FUJIFILM Business Innovation Hong Kong. The following table illustrates our approach to each of the areas.

Key Areas	Our Approach
<b>Governance</b>	<p>Members of the Risk Management Committee deliberate on the risks and opportunities presented by climate change and report to the SMC. Their climate-related responsibilities include:</p> <ul style="list-style-type: none"> <li>• Developing climate-related strategy</li> <li>• Considering climate-related issues when developing business strategy and risk management policies</li> <li>• Approval of climate-related disclosures</li> </ul> <p>The General Manager, Corporate Quality and Sustainability is responsible for overseeing our sustainability and climate-related governance and leading the coordination of our CSR initiatives. Plans and communications related to climate-related issues are reported regularly to the SMC and our regional headquarters.</p>
<b>Strategy</b>	<p>Risks and opportunities brought by climate change are identified over the short-term (0 to 5 years), medium-term (5 to 10 years), and long-term (10 years and beyond).</p> <p><b>Physical Risks:</b></p> <p>Our operations could be directly impacted by frequent short-term business disruptions caused by severe weather or natural disasters, such as flooding and typhoon in locations where we operate. These events could impair our ability to provide effective support services to our customers, to control the operating costs, and to meet the revenue and market share targets.</p> <p>As our products, spare parts and consumables are supplied by overseas manufacturing plants, our supply chain may be impacted by severe weather events and other unexpected events, such as COVID-19.</p> <p><b>Transitional Risks:</b></p> <p>It is expected that climate related regulations and standards, either mandatory or voluntary, addressing energy use and greenhouse gas (GHG) emissions reduction will be tightened in the short-term. If we fail to comply with regulations on product energy efficiency, it will lead to an increase in operating cost.</p> <p>We enjoy unique competitive advantages with our document management expertise, innovative technologies and service excellence. However, such advantages could be affected by climate-related customer behavioural changes, such as printing less and going paperless. The awareness of environmental protection and climate change has been on the rise globally, creating a higher demand for low or zero carbon products. Consumers and other stakeholders also expect businesses to minimise their carbon footprint and to help their partners reduce adverse environmental impact throughout the product lifecycle. If we fail to recognise this expectation, our reputation could be undermined, leading to deteriorated brand value and eventually loss of sales and market share.</p> <p><b>Opportunities:</b></p> <p>In light of the tighter regulations and standards on energy efficiency and pollution management, the heightened consumer awareness created an opportunity for Fujifilm Group to launch the "Green Value Products", a certification programme to certify its group-wide products and services, ensuring that they meet the stringent criteria on environmental consciousness. As a benchmark in the industry, this programme allows us to showcase our sustainable offerings that adhere to the rigorous standards from manufacturing to end-of-life disposal and our leadership as an industry pioneer. It also helps us attract more environmentally conscious customers and sequentially increase our revenue.</p>

Key Areas	Our Approach
	<p>One of the most important components of our business strategy is to create value for our customers and other stakeholders by enhancing the sustainability benefits of our services through innovation. We offer more sustainable and energy-saving digital printing and document management solutions to improve our customers' environmental performance and mitigate climate change. For example, our Next Generation Managed Print Services optimises the number of multifunction printers and expands the user-to-device ratio.</p> <p>The more efficient and effective processes in our business operations have helped us achieve the emissions reduction targets within our company and supply chain and consequently reduce the electricity costs.</p> <p>One of our long-term strategies is to create shared value for our customers and other stakeholders through our printers and services. As such, we capture the strategic growth opportunities through innovations that simplify, automate and optimise business processes using cloud and AI technology.</p> <p><b>Climate Scenario Planning:</b></p> <p>Led by the Fujifilm Group, this scenario analysis assesses the potential long-term business implications of direct and indirect transition and physical climate-related risks and opportunities. As an active response to anticipated risks and opportunities, it has been integrated into our business strategy and enterprise risk management processes to ensure our business resilience. The analysis also covers our key locations and operations in Hong Kong, focusing on a range of potential climate-related and long-term physical risks and transition risks.</p> <p>Since Hong Kong and Macau are more vulnerable to flooding after typhoon and heavy rain that may disrupt our service delivery and support, the analysis assesses our asset-level risk exposure to flooding and extreme weather. Resilience measures, such as a contingency supply chain plan managed under the ISO 22301 Business Continuity Management System, are implemented.</p>
<b>Risk Management</b>	<p>Our risk management framework with long-term targets covers various climate-related risks, supporting Fujifilm Group's SVP 2030.</p> <p>In accordance with the ISO 14001 Environmental Management System, we have been assessing the impact of our business activities from two perspectives: "compliance with laws and regulations" and "impact on the environment". We were the first company in Hong Kong to receive the newly launched ISO 14001:2015 Environmental Management System certification in 2015. We also obtained the latest ISO 50001:2018 Energy Management System certification in 2019. Guided by the ISO 20400 Sustainable Procurement - Guidance published in 2017, we also manage our supply chain and actively integrate sustainability into the procurement process. The adoption of these management systems has enabled us to manage our day-to-day climate-related risks.</p>
<b>Metrics and Targets</b>	<p>Committed to the Science Based Targets Initiative, the Fujifilm Group aims to reduce its carbon dioxide (CO<sub>2</sub>) emissions by 45% across the entire product lifecycle by FY2030. Besides, adhering to the RE100 initiative, the Fujifilm Group also strives to convert 100% of its purchased electric power to renewable energy by FY2050.</p> <p>According to the SVP 2030, FUJIFILM Business Innovation Hong Kong has been adopting and advocating various sustainability initiatives to address environmental issues, such as implementing the daily "earth hour" during lunch break, zoning lighting devices and adopting iESG, our self-developed ESG data management tool. In FY2020, we reduced our CO<sub>2</sub> emissions by 13.7% annually and maintained our commitment to be a carbon neutral operation by purchasing 715 tonnes of carbon offsets and supporting renewable energy projects in Southeast Asia.</p>

# Economic

## Enhancing Value for Customers through Innovative Offerings



Pursuing the mission of "Driving Business Innovation", FUJIFILM Business Innovation Hong Kong is committed to continuously innovate and extend new frontiers that help businesses grow.

### Empowering Organisations through Innovation

#### Offering the Freedom to Drive Business Growth

At FUJIFILM Business Innovation Hong Kong, we aim to accelerate business growth by equipping our customers with the freedom to work smarter and more secure, anytime and anywhere. Therefore, we launched six innovative products, namely the ApeosPort C7070 / 5570 / C2560 / 3560 series and ApeosPort-VII 5021 / C4421 series, in June 2020.

The new products offer 360° data security to combat significant threats during the information management lifecycle, covering document creation, access rights for document sharing both internally and externally, and potential backup plans for all scanned documents to ensure business continuity. With the real-time predictive device management, potential faults can be anticipated and avoided, thus improving the overall printer effectiveness and reducing unexpected downtime. The redesigned User Interface (UI) encompasses advanced features, including an easy-to-use address book and one-touch applications. Users can also customise the workflow with familiar gestures of tapping, swiping and selecting, as well as other features. Supporting the concept of borderless workspaces, users can use the smartphone as a portable UI panel and set the job parameters remotely. They can start the job just by holding the smartphone near the Near Field Communication touch area, significantly reducing the wait time.



▲ ApeosPort C7070 A3 colour multifunction printer



▲ ApeosPort 5570 A3 monochrome multifunction printer



▲ ApeosPort C2560 A3 colour multifunction printer



▲ ApeosPort 3560 A3 monochrome multifunction printer



▲ ApeosPort-VII 5021 A4 monochrome multifunction printer



▲ ApeosPort-VII C4421 A4 colour multifunction printer

### Building an Efficient Printing Environment for Small and Medium-sized Enterprises

In December 2020, we launched DocuPrint M385z, a monochrome printer that offers compact and practical office printing solution ideal for small and medium-sized enterprises (SMEs). Designed as an all-in-one printer for printing, copying, faxing and scanning, the printer is capable of printing 50 pages per minute. Users can control access rights and usage of the machine with the Secure Print feature or manage costs by setting page limits.



◀ DocuPrint M385z mono A4 multifunction printer

### Enhancing Printing Business Productivity with Cutting-edge Technology

In November 2020, we launched two new production printer models: Versant® 3100i Press and Versant® 180i Press at the "Unveiling the New Building Blocks of Opportunity" event.

The newly developed Air Suction Feeder as an add-on feature helps ensure stable paper feeding. Air is blown inside the tray through the side blower to separate the stacked paper sheets, which are then secured with the suction of the shuttle head using our exclusive technology. Any excessive sheets are separated using an air knife so that the paper can be transported sheet by sheet. The feeder can accommodate thick paper up to 400 g/m<sup>2</sup> and long paper up to 330 x 1200 mm (simplex), meaning that challenging paper types can now be processed in a seamless way.

Expanding its long paper printing capabilities, Versant® 3100i Press can print long paper at a speed of 23 pages per minute, improved by 2.5 times compared to its predecessor. As for A4 paper printing, the printer can print 100 pages per minute with 2400 dots per inch (dpi) fine resolution. With its Full Width Array function, the image quality correction process before printing is automated for colour calibration and front and back registration adjustment.

As for Versant® 180i Press, it can print 19 pages of long paper per minute, doubling the speed as compared to its predecessor. For A4 paper printing, the printer can print 80 pages per minute with 2400 dpi fine resolution and automatic image quality correction using the Simple Image Quality Adjustment technology.

With these two new products, users can produce a wider variety of high-quality printed materials, strengthen their on-demand printing capability via automated process checking and correction and boost the productivity of their printing operation.



▲ Mr. Yasuyuki Matsumoto (middle), Managing Director of FUJIFILM Business Innovation Hong Kong and his management team attended the product launch event.



▲ With the new feeder, Versant® newly launched products can handle a wide range of paper types, including thick and long paper, enable stable transportation of paper and improve productivity.



▲ Visitors were impressed with the outstanding printing quality of Versant® newly launched products.



▲ Versant® 3100i Press



▲ Versant® 180i Press

### Facilitating Remote Working with Enhanced Document Collaboration

In April 2020, Cryptobox, a one-stop document management, sharing, backup and encryption solution, was launched to help customers achieve electronic documents management in a remote work environment. Equipped with the enhanced protection offered by automatic multiple backups, Cryptobox ensures file security and prevents business disruptions. Documents can be uploaded with a simple click via computers, mobile phones or our multifunction printers. The innovative Smart button enables automatic document storage and naming in defined locations. It also generates auto notifications for uploading and editing of documents. With this solution, customers can create a simple and user-friendly document collaboration platform in one week's time, accessing and monitoring shared files anytime and anywhere.



▲ Cryptobox: One-stop Document Collaboration Platform

### Award Recognition – IT PRO Corporate Choice 2020

As the pandemic has transformed the work styles across the world, we launched a series of business innovation solutions supporting the work-from-home mode, business continuity planning and cost saving successfully in Hong Kong and hence received the honour of IT PRO Corporate Choice 2020.

An example of these solutions is the Business Innovation Cloud that consists of print-related solution (Electronic Document Management Solutions), AI document classification and capturing solution (Capture and Flow Service), workflow automation solution (Robotic Process Automation, Business Process Management and e-Signature), as well as document repository solution (Enterprise Content Management and Document Management Box). These innovative solutions enable effective and flexible remote communication and collaboration, allowing employees to adjust their working hours or locations as needed.



▲ The Business Innovation Solution was awarded with IT PRO Corporate Choice 2020.

### Addressing Challenges through Customer Engagement Events

#### Offering Business Insights through Informative Webinars

Since COVID-19 has significantly limited our physical interactions with customers, we have hosted a series of webinars to share the latest business insights into digital transformation.

- **Restructuring · New Business Model Featuring Mobile, Digital Work Platform Online Seminar (August 2020)**

To show SMEs how they could utilise quick, easy and economical methods to automatically digitalise documents and create a cloud-based file access platform that would help them turn the pandemic crisis into business opportunities.

- **“Future of Digital Customer Communication” Webinar (October 2020)**

We discussed the importance of customer centricity with regard to digital platforms, and how organisations were bridging physical experiences and digital platforms with a unified approach to customer communications. We also shared some best practices in outbound digital communications.

- **“Driving ‘What’s Next’ in Your Workplace” Webinar (October 2020)**

Together with speakers from Tech Research Asia, we explored what organisations could do to optimise workplace technologies that would flourish in the new flexible and digital work environment, so as to achieve greater automation and workflow efficiency and to drive returns with opportunities presented by emerging technologies.

- **“Boost Your Business Endpoint Efficiency & Security for 2021” Webinar (November 2020)**

During the webinar, we introduced file management solutions suitable for the participants, such as scanning, data recognition and encrypted filing. Insights were shared with participants to plan their budget and equipment needs for 2021, enabling employees to “work from anywhere” in an efficient and secure way.

### Helping Sustainability Shine at Enterprises

Sustainability efforts should go beyond reporting and community philanthropic contributions, so businesses should streamline their reporting processes and enhance their internal sustainability communications. Chow Tai Fook Jewellery Group, the world leading jewellery group founded 90 years ago, engaged our project team to formulate a long-term sustainability strategy, including a set of goals to be achieved in 10 years. As such, we offered the self-developed iESG 2.0 management tool to help the client strengthen its data governance and key performance management in accordance with the SEHK ESG Reporting Guide. Working closely together, the project team developed a sustainability strategy that reflects the vision, mission and core values of Chow Tai Fook and the UN SDGs. To achieve these goals, four priority areas were identified, including: 1) responsible sourcing, 2) craftsmanship, innovation and technology, 3) resource efficiency and carbon reduction and 4) people focused. Besides, insights from stakeholder engagement initiatives, materiality assessment and data performance were also included in its Sustainability Report 2019.

Using our iESG solution, Chow Tai Fook’s sustainability committee visualised data trends and analysis to help them make informed decisions and understand their progress. The expertise of the project team has also given the company a strong push towards its sustainability goals.



▲ As a world leading jewellery group, Chow Tai Fook faces different challenges in pursuing sustainable operations.



▲ iESG was adopted to strengthen ESG data governance and key performance management throughout Chow Tai Fook’s 10-year journey.

## Optimising Business Innovation through Strategic Partnerships

### Unlocking Document Management's Potential with Cloud-based AI Platform

We strive to help SMEs to improve their business performance with our affordable, smart AI capturing solutions. Therefore, we announced a unique strategic partnership with Microsoft Hong Kong in June 2020 to present the Capture and Flow Service, a cloud-based capturing platform for business documents.

Sixty years of document management experience means that we know exactly how to support our customers in their daily operations. Bringing together document management, powerful AI and precise Optical Character Recognition (OCR) supported by Microsoft's Azure cloud infrastructure, Capture and Flow Service leverages machine learning to turbo-charge platform, eliminating human errors while facilitating the generation of business insights. Our partnership with Microsoft Hong Kong has lowered the threshold for users to access advanced AI processing capabilities and enjoy the power of premier software as a service (SaaS) platform Microsoft Azure. The pay-as-you-go charging model also allows users to save more, enjoying cost-effective premium services comparable to those of million-dollar projects.



◀ Ms. Serena Cheung, Director for One Commercial Partner and Small, Medium & Corporate Customers of Microsoft Hong Kong and Mr. Alan Chan, Marketing Director of FUJIFILM Business Innovation Hong Kong signed to confirm the start of the partnership.

### Growing the SME Market with Combined Expertise

In February 2021, we announced a strategic partnership with HKBN Enterprise Solutions in Hong Kong, showing our commitment to leverage the power of combined expertise to assist SMEs in addressing complex challenges and capturing growth opportunities in the digital era. Combining our professional office printing equipment with HKBN's technical support expertise, this partnership offers one-stop printing solutions covering document management, printing systems and technical support. With our cost-effective office essentials and automation support and HKBN's full-service solutions that help streamline and digitise operations under the new normal, SMEs will be able to emerge from COVID-19 with more competitive edges and new opportunities.



◀ We joined hands with HKBN Enterprise Solutions for a strategic win-win-win partnership with the local SME community.

## Creating Values Built upon Customer Satisfaction

Customer satisfaction has always been the foundation of our operations. To ensure our products, solutions and services meet the ever-evolving needs of our customers, we have been adhering to our unique "3R+V" Customer First Strategy. Specifically, we expect our people to maintain a high level of "Reliability" and "Responsiveness" and work proactively to build "Relationships" and create "Value" for customers. From pre-sales consultation to project implementation, the whole business execution process guided by our Service Pledge is focused on helping customers accelerate their business growth and achieving excellent satisfaction level.

With our Service Pledge in mind, we saw the following achievements in FY2020:

- Service recovery in 4 hours\* reached an average level of 99.95%
- Availability of 7x24 i-Support Service reached 99.9%
- Exclusive Total Satisfaction Guarantee\*\* pledge achieved 100%

Our dedication to and focus on Total Quality Management have earned us various awards, including the two most prestigious titles in Hong Kong: HKMA Quality Award organised by the Hong Kong Management Association in 1991 and Hong Kong Productivity and Quality Grand Awards 2009<sup>^</sup> organised by the Trade and Industry Department. We are pleased to see that our commitment to quality management does not only turn our company into a productive and efficient organisation, but also ensures that we provide top-tier solutions and services to our customers.

Remarks:

\* Customer offices along Mass Transit Railway (MTR) city routes

\*\* Offer full confidence to our customers with our products

<sup>^</sup> Since the company name changed on 1 April 2021, some recognitions and awards remain to be presented under the name of Fuji Xerox (Hong Kong) Limited.

# Environmental

## Contributing to a Sustainable Society through Innovation and Business Engagement



FUJIFILM Business Innovation Hong Kong is committed to promoting the development of the society and local communities by creating new value for our stakeholders through our innovative products, solutions and services and minimising the impact of our business activities on the environment with various sustainability initiatives.

### Sharing Inspiration through Collaborating with Stakeholders

As an avid supporter of ESG development in Hong Kong, we work closely with industry professionals to promote ESG management while sharing our innovative initiatives with customers and other stakeholders via informative webinars.

At the online seminar "Climate Change Impacts & Decarbonising the Workspace" organised by CLP Smart Energy Connect on 14 October 2020, we were invited to share our carbon emissions reduction initiatives, which cover promoting circular economy and enhancing resource utilisation. We also elaborated our digital transformation strategies for energy efficiency and carbon management supported by smart office solutions. During the fruitful panel discussion, participants were inspired by the speakers' insights into workspace decarbonisation.



Ms. Katherine Lau, General Manager of Corporate Quality & Sustainability from FUJIFILM Business Innovation Hong Kong and Mr. Alan Hung, Head of Strategy, Smart Energy Connect from CLP Innovation Enterprises Limited, had a fruitful discussion during the webinar.

Besides, we were pleased to be invited to speak at another online seminar "Apply for Hong Kong Green Organisation, Showcase Environmental Performance" organised by HKQAA on 19 November 2020, where we shared our carbon neutral operations and experience of obtaining the various certificates under the Hong Kong Green Organisation Certification. These recognitions underline our commitment to upholding the highest standards in every process, product, solution and service.



Ms. Katherine Lau, General Manager of Corporate Quality & Sustainability from FUJIFILM Business Innovation Hong Kong and Mr. KT Ting, Director of Strategic Services Development from Hong Kong Quality Assurance Agency

In FY2020, FUJIFILM Business Innovation Hong Kong continued to support the academia and students. For the second year, we served as the corporate advisor of final-year projects of the Environmental Management and Technology programme of The Hong Kong University of Science and Technology (HKUST). This collaboration allowed students to strengthen their academic knowledge and gain valuable hands-on experience in corporate sustainability. Our representative, who acted as the company coordinator, met the capstone project group monthly to keep track of their progress. At the final stage, the students presented their findings on the ESG information of Hong Kong listed companies as well as the opportunities to improve our locally developed ESG smart data management tool, iESG. The inspiring ideas proposed by the group provided a solid foundation for module development of iESG.



HKUST capstone project team members, professors and our representatives



### The Way to SVP 2030

Adhering to Fujifilm Group's SVP 2030, FUJIFILM Business Innovation Hong Kong has been actively seeking ways to improve our environmental performance through benchmarking against sustainability pioneers and international standards.

In addition to the management systems mentioned in "Corporate Governance" section, we enhance energy efficiency and reduce carbon emissions in our business operations through various initiatives. Energy review is conducted annually with the aid of energy tracking solution to evaluate energy data and identify areas for energy efficiency enhancement. Besides, with our print management solution ApeosWare My Document Portal (AMDP) PRO, we have successfully lowered the paper usage as well as our carbon emissions.



We became a carbon neutral operation in FY2014 by investing in carbon offset projects that would promote renewable energy. Under the Visible Green Initiatives, we purchase no less than 80 kg of carbon offsets for every compliment received. In FY2020, we were delighted to receive 3,290 compliments from customers and therefore purchased 715 tons of carbon credit to offset our footprint. These compliments not only motivated us to achieve service excellence, but also helped protect the environment.

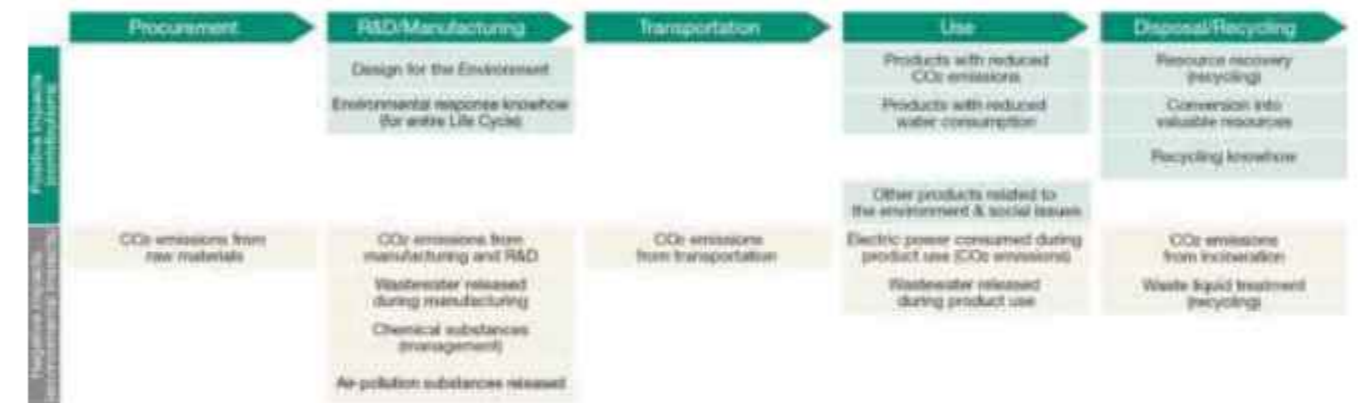


▲ Our Visible Green Initiatives in FY2020



To build a sustainable society, FUJIFILM Holdings Corporation launched the "Green Value Products" certification programme in compliance with ISO 14021 Environmental Labels and Declarations in July 2018 to certify its products and services that meet specific criteria for environmental consciousness. The environmental value of each product is evaluated through an environmentally conscious design assessment. Based on the total score, the selected products are further reviewed and approved by the Group Certification Council and finally certified as Fujifilm Group "Green Value Products". FUJIFILM Business Innovation's products, such as the latest Apeos C8180 / C7580 / C6580 and ApeosPort Print C5570, were certified as environmentally conscious products that can effectively reduce the environmental impact.

We will continue to tackle the environmental challenges in our business processes along the value chain and to fully leverage our strong business model to create value for our customers and other stakeholders. We endeavour to reduce CO<sub>2</sub> emissions across the entire lifecycle of products as well as the society by encouraging wider use of our low emissions products, solutions and services.



▲ Impact on Business Processes along the Value Chain

### Managing Green Supply Chains

FUJIFILM Business Innovation Hong Kong attaches great importance to sustainability in our procurement process and supplier engagement. We actively engage suppliers who share our sustainable procurement concept and encourage them to actively minimise their environmental impact. We also have stringent measures to manage the environmental performance throughout the product lifecycle, covering the initial procurement, manufacturing process, customer usage and end-of-life disposal.

### Contributing to "Zero" Environmental Impact

Waste Electrical and Electronic Equipment (WEEE) is one of the major environmental challenges worldwide. Committed to achieving the goal of "Zero Landfill", FUJIFILM Business Innovation Hong Kong introduced the end-of-life resource recovery programme well before the implementation of the Producer Responsibility Scheme on Waste Electrical and Electronic Equipment in August 2018. In addition to proactively collecting used multifunction printers and consumables and under stricter recycling regulations worldwide, we have partnered with a local recycler instead of sending to the regional eco-manufacturing in Thailand since December 2018 to recycle used materials and reduce carbon emissions from the transboundary movement of WEEE.

## Building up Corporate Strengths with Diverse Work Styles



The sustainable growth of FUJIFILM Business Innovation Hong Kong relies on its devoted workforce committed to value creation and social contribution.

### Employee Engagement

We were delighted to obtain the Good Employer Charter 2020 and Family-friendly Good Employer 2020 certificates issued by the Workplace Consultation Promotion Division of Labour Department for the second consecutive years. These certificates recognised our commitment to good human resources management practices and a family-friendly culture in a harmonious workplace.



Besides, we were honoured to receive the Philanthropy Prize of InnoESG Prize 2020 presented by UNESCO Hong Kong Association Global Peace Centre, Lions Club of Hong Kong IFC, Rotary Action Group for Peace and SocietyNext Foundation in recognition of our contribution towards a more sustainable society.

The physical and mental well-being of our employees is one of our top priorities. In FY2020, we signed the Mental Health Workplace Charter jointly initiated by the Department of Health, the Labour Department and the Occupational Safety and Health Council as part of the government's long-term promotion and public education effort to create a mental health-friendly society. Meanwhile, we received the Mental Health Friendly Supreme Organisation certificate for promoting mental well-being at the workplace and creating a friendly work environment for staff with mental distress.



To further heighten our employees' awareness of mental health and to promote a positive attitude to life, we conducted virtual wellness talks and stress management workshops during the year, highlighting the importance of stress management and sharing tips and exercises that help reduce stress and anxiety.

In view of the COVID-19 pandemic, ensuring the health and safety of our employees became one of our prime responsibilities. We adopted the work-from-home arrangement for employees during the surge of confirmed cases in Hong Kong. When the office reopened, we also implemented flexible office hours and lunch time to minimise the risks. Besides, we maintained other hygiene measures, such as temperature monitoring at the building entrance, regular and frequent office cleaning and alcohol hand rub providing in the entrances and all meeting rooms.

In the first quarter of FY2020, we conducted four Do It Yourself (DIY) Fabric Mask Workshops, where participants learnt to make personally designed fabric masks for themselves and their family members and gained a better idea of personal hygiene and occupational health.



▲ Participants were happy with their hand-made fabric masks.

Though we faced various business and public health challenges in FY2020, we always kept the importance of maintaining a positive work environment for our employees in mind. In addition to our regular festival gifts, such as rice dumplings at Dragon Boat Festival and mooncakes at Mid-Autumn Festival, we gave out the two-in-one cushion blankets to all employees to express our appreciation for their efforts and contribution. Besides, we offered a wide range of employee discount programmes throughout the year, covering cosmetics, food and beverage, photography and anti-pandemic products.

In order to minimise the risk of infection, most of our employee engagement programmes were conducted online, such as the one-week online Chinese New Year Bazaar that took place in January 2021 and offered a broad selection of seasonal snacks and festive food items at discounted prices.

## Learning & Development

### The New Normal for Learning

The pandemic has presented challenges as well as opportunities. Over the past year, we implemented flexible work arrangements, such as work-from-home and special shift rosters, which made our conventional training model infeasible. However, our Learning & Development (L&D) team actively explored alternative training tools to ensure balanced training opportunities for our employees. The L&D team collaborated closely with the Group's regional headquarters to experiment with different training tools. Thanks for the regional support, we established an on-demand learning mode by putting self-developed e-learning materials on the Learning Management System and introducing online assessment to ensure learning effectiveness. The assessment results were then used to analyse the overall learning outcome and plan the future training.



▲ The ICT Chef Workshop equipped the participants with the knowledge and skills of flying a drone.

### Keeping the Passion for Learning Alive

Social distancing should never keep people away from learning. To foster an active learning atmosphere, we introduced the "L&D Monthly Calendar" on company intranet and have been sharing the hottest topics and useful learning materials through pop-up windows.

Apart from the targeted training activities, we offered on-demand support for required skillsets to facilitate our digital transformation. For example, we promoted and provided training in data management and presentation tools, such as business intelligence dashboard. The L&D team supported the initial development of functional dashboards before passing them on to functional teams with necessary knowledge and skills.



▲ Pop-up Promotion of the "L&D Monthly Calendar"

### From Trainee to Professional

In 2019, we recruited nine young talents to join our "Business Analyst Trainee Programme". Throughout the one-year trainee period, they created great value for the business and developed their skills and competencies through a wide range of career exposure and comprehensive learning experiences, including the participation in three group projects and the acquisition of 37 professional ICT credentials.

Furthermore, they worked on various mission critical projects that gave them the opportunity to realise their potential and support business improvement with their innovative spirit. At the graduation ceremony, our top management were impressed by their presentation on business project achievements and personal growth. We will continue to support their career and competency development, grooming them to become professional leaders.



▲ Business Analyst Trainees obtained IT certification.



▲ Press interview by Ming Pao Jump that shared our plan to strengthen communications with customers and among teams, as well as our recruitment and training efforts during the pandemic.

### Community Engagement

As a wholly owned subsidiary of FUJIFILM Holdings Corporation, we have been working towards the SVP 2030 by alleviating our environmental impact and supporting social infrastructure that benefits people's lives. We were delighted to be recognised by the Federation of Hong Kong Industries under its "Industry Cares Recognition Scheme" for the fourth consecutive year. We also received the 3+ Year Award - Enterprise Group in 2020, which affirmed our effort in fulfilling our CSR.

In October 2020, we supported the "Caritas-Hong Kong Raffle Ticket Sale" again, raising funds for the organisation's community services, including education, medical and social work services. In January 2021, we supported the "Lucky Money Wishes 2021" programme organised by Children's Heart Foundation by engaging in the design of promotional materials and printing of red packets. In addition, donation boxes were installed in our offices to encourage our colleagues to donate red packets to children suffering from congenital heart diseases.



Poster for the "Lucky Money Wishes 2021" Programme

Despite the fact that many social contribution activities organised by NGOs were delayed and/or cancelled due to the pandemic, we continued to host our yearly Volunteer Network Gathering in May and June 2020 and took adequate preventive measures to protect the participants. Over 50 volunteers participated in the small-group workshops and knitted eco cup bags to be given out as gifts during visits. We hoped that through this fun and meaningful activity, our employees would adopt a greener lifestyle and bring their own bags.



▲ Volunteers enjoyed the Eco Cup Bags Workshop and created their own cup bags.

Besides, we highly value natural environment conservation in our sustainability journey.



▲ Promotion Banner for "Walk for Living Water 2020"

In April 2020, we supported the "Walk for Living Water 2020" organised by Amity Foundation, Hong Kong. Promoting the UN World Water Day, the walk aimed to help water-deprived communities in Southeast Asia and raise public awareness of water conservation. Due to the pandemic, the walk took place in an individual virtual walk challenge format where participants could join the walk at a safe place of their choice. Together with nearly 90 volunteers, we took more than 970,000 steps.

Due to the public health and safety concerns in this challenging environment, outdoor volunteer activities were not feasible. However, over 120 of our volunteers managed to serve for over 380 hours in FY2020. We highly appreciated their passionate support and kindness. Moving forward, we will continue to seize every opportunity to take care of our community and environment for a better and sustainable future.

## Chapter 9 CSR Indicators



As a non-listed private organisation, FUJIFILM Business Innovation Hong Kong endeavours to publish as much information as we can to enhance the transparency of our "Triple Bottom Line" performance. Some of the data below was reorganised and regrouped for easy understanding.

### Environmental

Item	Data Summary	FY2018	FY2019	FY2020
1	Nitrogen Oxides (NOx) Emissions (kg) <sup>*1,2</sup>	-	-	19.6
2	Sulphur Oxides (SOx) Emissions (kg) <sup>*1,2</sup>	-	-	0.4
3	Particulate Matter (PM) Emissions (kg) <sup>*1,2</sup>	-	-	1.4
4	Gasoline Consumption by Vehicle (Litres) <sup>*3</sup>	32,819	35,617	26,920
5	Energy Consumption Equivalent to Gasoline Consumption (GJ) <sup>*3,4</sup>	1,084	1,176	889
6	Electricity Consumption (kWh) <sup>*5</sup>	1,034,395	1,061,895	928,299
7	Energy Consumption Equivalent to Electricity Consumption (GJ) <sup>*4,5</sup>	3,724	3,823	3,342
8	A3 Paper Consumption (Sheets/No. of Staff) <sup>*6</sup>	118	96	98
9	A4 Paper Consumption (Sheets/No. of Staff) <sup>*6</sup>	1,362	1,275	1,064
10	Recycled Paper/Environmental Paper Consumption (Sheets/No. of Staff) <sup>*6</sup>	1,492	1,388	1,173
11	Total Water Discharges (Tonnes) <sup>*7</sup>	2	2	2
12	Direct CO <sub>2</sub> Emissions (Tonnes CO <sub>2</sub> -e) <sup>*3</sup>	77.5	84.1	63.5
13	Indirect CO <sub>2</sub> Emissions (Tonnes CO <sub>2</sub> -e) <sup>*5</sup>	724.1	743.3	649.8
14	Other Indirect CO <sub>2</sub> Emissions (Tonnes CO <sub>2</sub> -e) <sup>*6,7,8</sup>	1.1	1.0	1.0
15	Total CO <sub>2</sub> Emissions (Tonnes CO <sub>2</sub> -e) <sup>*3,5,6,7,8,9</sup>	801.5	827.4	714.3
16	Paper Recycled (Tonnes) <sup>*10</sup>	29.57	29.73	29.91
17	Aluminium Recycled (Tonnes) <sup>*10</sup>	0.06	0.04	0.05
18	Plastic Recycled (Tonnes) <sup>*10</sup>	0.27	0.22	0.09
19	Waste to Landfill or Incineration (Tonnes) <sup>*10</sup>	45.37	45.01	44.78
20	Total Number of Spills	0	0	0
21	Total Volume of Spills (m <sup>3</sup> )	0	0	0
22	Chemical Waste Produced (Tonnes) <sup>*11</sup>	0.04	0.06	0.04
23	Waste Electrical and Electronic Equipment (WEEE) Recycled (Tonnes)	1,007	1,057	1,340
24	Environmental Convictions Per 100,000 Man-hours	0	0	0
25	Major Non-conformance in Integrated Management System Audits	0	0	0

Social

Item	Data Summary	FY2018	FY2019	FY2020
1	Number of Staff <sup>*1,2</sup>	1,031	1,015	931
2	Male : Female	666 : 365	659 : 356	597 : 334
3	Local : Non-local <sup>*13</sup>	1,023 : 8	1,010 : 5	925 : 6
4	Full Time : Part Time <sup>*1</sup>	-	-	913 : 18
5	Manager (Male : Female)	91 : 34	93 : 36	83 : 33
6	Non-Manager (Male : Female)	575 : 331	566 : 320	514 : 301
7	Hong Kong : Macau <sup>*1</sup>	-	-	855 : 76
8	Age Below 30 <sup>*1</sup>	-	-	132
9	Age 30-50 <sup>*1</sup>	-	-	577
10	Age Above 50 <sup>*1</sup>	-	-	222
11	Voluntary Staff Turnover	23.8%	15.8%	15.0%
12	Staff Turnover Rate - Female <sup>*1</sup>	-	-	21.6%
13	Staff Turnover Rate - Male <sup>*1</sup>	-	-	19.6%
14	Staff Turnover Rate - Age Below 30 <sup>*1</sup>	-	-	35.4%
15	Staff Turnover Rate - Age 30-50 <sup>*1</sup>	-	-	16.3%
16	Staff Turnover Rate - Age Above 50 <sup>*1</sup>	-	-	21.5%
17	Staff Turnover Rate - Hong Kong <sup>*1</sup>	-	-	19.8%
18	Staff Turnover Rate - Macau <sup>*1</sup>	-	-	24.7%
19	Retention Rates After Parental Leave	100%	100%	100%
20	Staff Injuries	10	5	7
21	Staff Fatalities Resulted from Work-related Injury	0	0	0
22	Accident Rate Per 1,000 Workers <sup>*14</sup>	9.70	4.93	7.52
23	Lost Days Due to Work Injury <sup>*1</sup>	-	-	88
24	Total Training Hours <sup>*15</sup>	29,739	25,334	20,680
25	Employee Trained - Male : Female (%) <sup>*1,16</sup>	-	-	64.2 : 35.8
26	Employee Trained - Manager : Non-Manager (%) <sup>*1,16</sup>	-	-	11.4 : 88.6
27	Average Training Hours - Female (per employee) <sup>*1,17</sup>	-	-	16.74
28	Average Training Hours - Male (per employee) <sup>*1,17</sup>	-	-	20.28
29	Average Training Hours - Manager (per employee) <sup>*1,17</sup>	-	-	27.35
30	Average Training Hours - Non-Manager (per employee) <sup>*1,17</sup>	-	-	17.93
31	Staff Training Cost Year-On-Year Growth <sup>*18</sup>	-67.79%	239.64%	5.96%
32	Convicted Cases of Corruption	0	0	0
33	Anti-corruption Learning Participation Rate <sup>*1,19</sup>	-	-	100%
34	Code of Conduct Learning Participation Rate <sup>*20</sup>	100%	100%	100%
35	Volunteering Hours <sup>*21</sup>	2,918	1,523	381.5
36	Number of Volunteer <sup>*21</sup>	807	313	120
37	Monetary Value of Significant Fines and Total Number of Non-Monetary Sanctions for Non-Compliance with Laws and Regulations (HK\$)	0	0	0
38	Human Rights Review	100%	100%	100%
39	Number of Grievances Related to Human Rights	0	0	0

Economic

Item	Data Summary	FY2018	FY2019	FY2020
1	Revenue/Selling General & Administrative Expense	4.73	3.84	4.13
2	Human Resources Productivity (Revenue/Total HR cost)	3.88	3.57	4.14
3	Environmental Expenditure Year-On-Year Growth <sup>*22</sup>	25%	15%	-10%

Remarks:


- \*1 New indicator adopted from FY2020 onwards.
- \*2 The calculation was based on "How to Prepare an ESG Report - Appendix 2: Reporting Guidance on Environmental KPIs" issued by SEHK.
- \*3 Per the report verifier's advice in August 2019, we have included the consumption data of Managing Director's private car into the calculation from FY2019 onwards.
- \*4 The conversion ratio refers to the GRI Sustainability Reporting Guidelines Version 3.0.
- \*5 Per the report verifier's advice in August 2019, we have included the consumption data of Macau office in the calculation from FY2019 onwards.
- \*6 Paper consumption was recorded within the scope of our document management system rather than internal orders. For item 10, the Recycled Paper/Environmental Paper Consumption included A3, A4 and A5 paper.
- \*7 Water consumption of our head office was excluded as it was included in the calculation of the building management fee. Water consumption of two of our Hong Kong offices included the volume consumed in the third and fourth quarters of FY2019 due to suspended meter reading service under COVID-19 pandemic.
- \*8 Per the report verifier's advice in August 2018, we included the amount of paper recycled in the data of Other Indirect CO<sub>2</sub> Emissions. Hence, the calculation included the total of (1) CO<sub>2</sub> emissions from disposal of paper waste (i.e. amount of paper consumed minus amount of paper recycled) and (2) CO<sub>2</sub> emissions from total water discharges (i.e. CO<sub>2</sub> emissions from electricity used for fresh water processing by Water Supplies Department plus CO<sub>2</sub> emissions from electricity used for sewage processing by Drainage Services Department).
- \*9 We have included Other Indirect (Scope 3) CO<sub>2</sub> Emissions in the calculation from FY2020 onwards. Hence, the total CO<sub>2</sub> emissions included Direct (Scope 1), Indirect (Scope 2) and Other Indirect (Scope 3) CO<sub>2</sub> Emissions but excluded CO<sub>2</sub> emissions from logistics management activities carried out by on-site contractors, refrigeration, air-conditioning and fire extinguishers. CO<sub>2</sub> is the main greenhouse gas (GHG) produced by FUJIFILM Business Innovation Hong Kong. The calculation was based on the "Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong (2010 Edition)" published by the Environmental Protection Department and the Electrical and Mechanical Services Department.
- \*10 Macau office data has been included from November 2013 onwards. The data was recorded directly by our colleagues or provided by the property management company and/or recycler.
- \*11 Chemical waste excluded amount generated by activities of off-site contractors.
- \*12 Included all permanent and contract staff.
- \*13 "Local" employees refer to those whose employment terms and conditions meet the labour requirements of the Hong Kong Special Administrative Region (HKSAR) and Macao Special Administrative Region.
- \*14 The calculation of accident rate per 1,000 workers was referenced to the definition of the Labour Department of HKSAR.
- \*15 The decrease in training hours was caused by the suspension of new recruitment of customer engineers and fewer newly hired salespersons in FY2020.
- \*16 The calculation was based on the total number of employee trained.
- \*17 The calculation was based on the total number of employee in the specified category trained.
- \*18 The increase in staff training cost in FY2020 was caused by the extension of training services to the Services Department.
- \*19 The calculation included active staff only.
- \*20 All new staff members joining FUJIFILM Business Innovation Hong Kong are required to complete the "Code of Conduct" training within three months of commencement of employment. For existing staff, regular reviews and/or training will be carried out according to the annual review of scope and content.
- \*21 The decrease in volunteering hours and number of volunteer in FY2020 was due to the COVID-19 pandemic throughout the year, which led to the delay, cancellation or reduction in scale of social contribution activities.
- \*22 The data included end-of-life management costs only.

Chapter 10  
**GRI Content Index**



This report has been prepared in accordance with the GRI standards: core option. The GRI disclosures are presented below with either linkage to the reported section(s) or direct answer.



**General Disclosures**

GRI 102: General Disclosures 2016	Cross-reference	SEHK ESG Guide Reference	Global Goal(s)	Page
<b>Organisational Profile</b>				
102-1	Name of the organisation	Company Profile		13
102-2	Activities, brands, products and services	Company Profile; There are no brands, products and services that are banned in any markets.		13 - 15
102-3	Location of headquarters	Company Profile		13
102-4	Location of operations	Reporting Scope and Approach - Reporting Scope and Period		8
102-5	Ownership and legal form	Corporate Governance - Governance and Organisation		16 - 17
102-6	Markets served	Company Profile		13 - 15
102-7	Scale of the organisation	Reporting Scope and Approach - Reporting Scope and Period; Company Profile		8, 13 - 15
102-8	Information on employees and other workers	CSR Indicators - Social; Our business activities are mainly performed by our employees with limited assistance from external vendors (e.g. solutions development, logistics arrangement, survey); There are no significant variations in the numbers reported in Disclosures 102-8-a, 102-8-b and 102-8-c.	KPI B1.1	38
102-9	Supply chain	Based on our Preferred Vendor List (as of February 2020), the percentage of local supplier accounted for over 80%, while the others were from countries/regions like Mainland China, Macau, Singapore and Europe. Environmental - Managing Green Supply Chain; All our suppliers (including multifunction printers, printers, paper, solutions, etc.) are engaged.	KPI B5.1  KPI B5.2	 31
102-10	Significant changes to the organisation and its supply chain	On 1 April 2021, we officially changed our company name from Fuji Xerox (Hong Kong) Limited to FUJIFILM Business Innovation Hong Kong Limited. Document Technology Centre, one of the offices, and a floor of the warehouse were closed in FY2020. There were no significant changes in the share capital structure, ownership or organisation's supply chain during the reporting period.		N/A
102-11	Precautionary principle or approach	Corporate Governance - Climate Change Strategy and TCFD Disclosure		17 - 19

102-12	External initiatives	No such initiatives are subscribed or endorsed by FUJIFILM Business Innovation Hong Kong.		N/A
102-13	Membership of associations	<ul style="list-style-type: none"> <li>- Business Environment Council</li> <li>- Green Council</li> <li>- Hong Kong General Chamber of Commerce</li> <li>- Hong Kong Management Association</li> <li>- Japanese Chamber of Commerce</li> <li>- Jiji Press Ltd Japan HK Branch</li> <li>- The Aberdeen Marina Club</li> <li>- The Chinese Manufacturers' Association of Hong Kong</li> <li>- The Clearwater Bay Golf &amp; Country Club</li> <li>- The Hong Kong Japanese Club</li> <li>- The Hong Kong Printers Association</li> </ul>		N/A
<b>Strategy</b>				
102-14	Statement from senior decision-maker	Top Commitment		1 - 2
<b>Ethics and Integrity</b>				
102-16	Values, principles, standards and norms of behaviour	About the Fujifilm Group - The Fujifilm Group's Commitment Corporate Governance - Governance and Organisation		3, 16 - 17
<b>Governance</b>				
102-18	Governance structure	Corporate Governance - Governance and Organisation		16 - 17
<b>Stakeholder Engagement</b>				
102-40	List of stakeholder groups	Our defined stakeholders include our customers, employees, future generations, NGOs and local communities, and suppliers and transaction partners.		N/A
102-41	Collective bargaining agreements	While none of our employees are covered by collective bargaining agreements, our "Managing Director's Mailbox" serves as a direct channel offering formal opportunities for two-way communications between senior management and regular employees.		N/A
102-42	Identifying and selecting stakeholder	The identification and selection of stakeholder is based on the CSR management of Fujifilm Group.		N/A
102-43	Approach to stakeholder engagement	Reporting Scope and Approach; All the identified stakeholder types have been included in the materiality assessment in compiling this report.		8 - 12
102-44	Key topics and concerns raised	Reporting Scope and Approach		8 - 12
<b>Reporting Practice</b>				
102-45	Entities included in the consolidated financial statements	Top Commitment; Reporting Scope and Approach		1 - 2, 8 - 12
102-46	Defining report content and topic boundaries	Reporting Scope and Approach - Reporting Scope and Period - Reporting Principles		8 - 9
102-47	List of material topics	Reporting Scope and Approach - Material Aspects and Stakeholder Engagement		9 - 11
102-48	Restatements of information	For the Environmental indicator - Item 11 Total Water Discharges (Tonnes) in CSR Indicators, consumption in one of our Hong Kong offices included the amount of water consumed during Dec 2019 - Mar 2020 due to the suspended meter reading service under COVID-19 pandemic. - Item 15 Total CO <sub>2</sub> Emissions (Tonnes CO <sub>2</sub> -e) in CSR Indicators, we have included Other Indirect (Scope 3) CO <sub>2</sub> Emissions in the calculation from FY2020 onwards. Hence, the Total CO <sub>2</sub> Emissions include Direct (Scope 1), Indirect (Scope 2) and Other Indirect (Scope 3) CO <sub>2</sub> Emissions.		N/A

102-49	Changes in reporting	Reporting Scope and Approach - Material Aspects and Stakeholder Engagement			9 - 11
102-50	Reporting period	Reporting Scope and Approach - Reporting Scope and Period			8
102-51	Date of most recent report	Reporting Scope and Approach - Objectives; The latest sustainability report was published in November 2020 covering the data period of FY2019.			8
102-52	Reporting cycle	Reporting Scope and Approach - Objectives; The sustainability report is prepared annually.			8
102-53	Contact point for questions regarding the report	Email: <a href="mailto:shm-fbhc-csr@fujifilm.com">shm-fbhc-csr@fujifilm.com</a>			N/A
102-54	Claims of reporting in accordance with the GRI Standards	GRI Content Index			40 - 46
102-55	GRI content index	GRI Content Index			40 - 46
102-56	External assurance	Reporting Scope and Approach - External Assurance; Verification			9, 47

Topic Specific Disclosures

Material Topics	Cross-reference	SEHK ESG Guide Reference	Global Goal(s)	Page
<b>Indirect Economic Impacts</b>				
GRI 103: Management Approach 2016 (103-1, 103-2, 103-3)	Reporting Scope and Approach; Economic			8 - 12, 20 - 27
GRI 203: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	Corporate Governance - Climate Change Strategy and TCFD Disclosure		17 - 19
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Reporting Scope and Approach; Social	KPI B8.1, KPI B8.2	8 - 12, 32 - 36
	203-2 Significant indirect economic impacts	By organising investment programmes, some partners became our customers, and our business relationship has been deepened through working together. Taking Caritas - Hong Kong as an example, we have worked with them for several programmes since 2009. In 2020, we supported the 2020 Caritas - Hong Kong Charity Raffle Ticket selling activity to raise funds for the NGO. Another example was supporting the Children's Heart Foundation's "Lucky Money Wishes 2021", where our colleagues donated red packets to support children suffering from congenital heart diseases. Whereas for workforce engagement, we seek to cultivate a number of community-minded characteristics in our employees, including inspiring their families and friends to give back to the community, fostering a charitable spirit and learning to respect different cultures. We noticed that the participated staff demonstrated greater employee satisfaction and a higher level of engagement with the company. In addition, as an organisation with a good CSR image, it is easier for our HR team to recruit new talents.		N/A

<b>Anti-corruption</b>								
GRI 103: Management Approach 2016 (103-1, 103-2, 103-3)	Reporting Scope and Approach; Social	B7, KPI B7.2		8 - 12, 32 - 36				
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	CSR Indicators - Social		38				
	205-3 Confirmed incidents of corruption and actions taken	CSR Indicators - Social	B7, KPI B7.1	38				
<b>Materials</b>								
GRI 103: Management Approach 2016 (103-1, 103-2, 103-3)	Reporting Scope and Approach; Environmental	A3, KPI A3.1		8 - 12, 28 - 31				
GRI 301: Materials 2016	301-2 Recycled input materials used	We provide FSC™ recycled 100% paper (i.e. Green Wrap™).		N/A				
<b>Energy</b>								
GRI 103: Management Approach 2016 (103-1, 103-2, 103-3)	Top Commitment; Reporting Scope and Approach; Environmental	A2, KPI A2.3		1 - 2, 8 - 12, 28 - 31				
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	CSR Indicators - Environmental		37				
								
								
<b>Emissions</b>								
GRI 103: Management Approach 2016 (103-1, 103-2, 103-3)	Top Commitment; Reporting Scope and Approach; Environmental	A1, KPI A1.5		1 - 2, 8 - 12, 28 - 31				
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG* emissions	CSR Indicators - Environmental	As CO <sub>2</sub> is the main Greenhouse Gas (GHG) emission in FUJIFILM Business Innovation Hong Kong, CH <sub>4</sub> , N <sub>2</sub> O, HFCs and PFCs are excluded in the calculation of GHG emissions.	KPI A1.1, KPI A1.2		37		
				305-2 Energy indirect (Scope 2) GHG* emissions	CSR Indicators - Environmental	KPI A1.1, KPI A1.2		37
								37
	305-3 Other indirect (Scope 3) GHG* emissions	CSR Indicators - Environmental	KPI A1.1, KPI A1.2		37			
	305-5 Reduction of GHG* emissions	Corporate Governance - Climate Change Strategy and TCFD Disclosure	CSR Indicators - Environmental	KPI A1.5		17 - 19, 37		
	305-7 Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	CSR Indicators - Environmental	NOx, SOx and PM are the significant air emissions in FUJIFILM Business Innovation Hong Kong.	KPI A1.1		37		
								
<b>Effluents and Waste</b>								
GRI 103: Management Approach 2016 (103-1, 103-2, 103-3)	Reporting Scope and Approach; Environmental	A1, KPI A1.6		8 - 12, 28 - 31				
GRI 303: Water and Effluents 2018	303-4 Water discharge	CSR Indicators - Environmental	KPI A2.2		37			
GRI 306: Effluents and Waste 2016	306-2 Waste by type and disposal method	CSR Indicators - Environmental	KPI A1.3, KPI A1.4		37			
	306-3 Significant spills	CSR Indicators - Environmental	KPI A3.1		37			

Environmental Compliance						
GRI 103: Management Approach 2016 (103-1, 103-2, 103-3)		Reporting Scope and Approach; Corporate Governance; Environmental				8 - 12, 16 - 19, 28 - 31
GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	CSR Indicators - Environmental	A1		37
Supplier Environmental Assessment						
GRI 103: Management Approach 2016 (103-1, 103-2, 103-3)		Reporting Scope and Approach; Environmental		B5, KPI B5.2		8 - 12, 28 - 31
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	We included environmental criteria in all preferred vendors' assessments.	KPI B5.2		N/A
Employment						
GRI 103: Management Approach 2016 (103-1, 103-2, 103-3)		Social				32 - 36
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	CSR Indicators - Social	KPI B1.2		38
	401-3	Parental leave	CSR Indicators - Social			38
GRI 408: Child Labour 2016	408-1	Operations and suppliers at significant risk for incidents of child labour	Fujifilm Group Code of Conduct <a href="https://holdings.fujifilm.com/en/about/philosophy/law">https://holdings.fujifilm.com/en/about/philosophy/law</a>	KPI B4.1, KPI B4.2		N/A
GRI 409: Forced or Compulsory Labour 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour				N/A
Occupational Health and Safety						
GRI 103: Management Approach 2016 (103-1, 103-2, 103-3)		Reporting Scope and Approach; Corporate Governance; Social		B2, KPI B2.3		8 - 12, 16 - 19, 32 - 36
GRI 403: Occupational Health and Safety 2018	403-9	Work-related injuries	CSR Indicators - Social	KPI B2.1	 	38
Training and Education						
GRI 103: Management Approach 2016 (103-1, 103-2, 103-3)		Reporting Scope and Approach; Social				8 - 12, 32 - 36
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	CSR Indicators - Social	KPI B3.2		38
N/A	N/A	Percentage of employees trained	CSR Indicators - Social	KPI B3.1	 	38
Diversity and Equal Opportunity						
GRI 103: Management Approach 2016 (103-1, 103-2, 103-3)		Reporting Scope and Approach; Social				8 - 12, 32 - 36
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	CSR Indicators - Social	KPI B1.1		38

Human Rights Assessment						
GRI 103: Management Approach 2016 (103-1, 103-2, 103-3)		Reporting Scope and Approach; Corporate Governance				8 - 12, 16 - 19
GRI 412: Human Rights Assessment 2016	412-1	Operations that have been subject to human rights reviews or impact assessments	CSR Indicators - Social			38
	412-2	Employee training on human rights policies or procedures	CSR Indicators - Social			38
Marketing and Labelling						
GRI 103: Management Approach 2016 (103-1, 103-2, 103-3)		Reporting Scope and Approach; Environmental				8 - 12, 28 - 31
GRI 417: Marketing and Labelling 2016	417-2	Incidents of non-compliance concerning product and service information and labelling	There is no incident of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes.	B6		N/A
Customer Privacy						
GRI 103: Management Approach 2016 (103-1, 103-2, 103-3)		Reporting Scope and Approach; Corporate Governance		B6, KPI B6.5		8 - 12, 16 - 19
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	No substantiated complaints regarding breaches of customer privacy and losses of customer data were recorded in FY2020.	B6, KPI B6.2		N/A
Socio-economic Compliance						
GRI 103: Management Approach 2016 (103-1, 103-2, 103-3)		Reporting Scope and Approach; Corporate Governance				8 - 12, 16 - 19
GRI 419: Socio-economic Compliance 2016	419-1	Non-compliance with laws and regulations in the social and economic area	No fines and/or non-monetary sanctions for non-compliance with laws and regulations were recorded in FY2020.	B1, B2, B4, B6, B7		N/A
Customer Satisfaction						
GRI 103: Management Approach 2016 (103-1, 103-2, 103-3)		Reporting Scope and Approach; Economic				8 - 12, 20 - 27
N/A	N/A	Percentage of service recovery in 4 hours	Economic - Creating Values Built upon Customer Satisfaction			27
		Percentage of availability of 7x24 i-Support Service	Economic - Creating Values Built upon Customer Satisfaction			27
		Total Satisfaction Guarantee pledge	Economic - Creating Values Built upon Customer Satisfaction			27
Business Continuity						
GRI 103: Management Approach 2016 (103-1, 103-2, 103-3)		Reporting Scope and Approach; Corporate Governance				8 - 12, 16 - 19
Information Security						
GRI 103: Management Approach 2016 (103-1, 103-2, 103-3)		Reporting Scope and Approach; Corporate Governance				8 - 12, 16 - 19
N/A	N/A	Description of practices relating to observing and protecting intellectual property rights.	Fujifilm Group Code of Conduct <a href="https://holdings.fujifilm.com/en/about/philosophy/law">https://holdings.fujifilm.com/en/about/philosophy/law</a>	KPI B6.3		N/A



Volunteering					
GRI 103: Management Approach 2016 (103-1, 103-2, 103-3)		Reporting Scope and Approach; Social	B8	8 - 12, 32 - 36	
N/A	N/A	Focus areas of contribution	Reporting Scope and Approach; Social	KPI B8.1	8 - 12, 32 - 36
		Resources contributed	Reporting Scope and Approach; Social	KPI B8.2	32 - 36
		Number of volunteering hours contributed	CSR Indicators - Social		38

Remarks:  
\*The main Greenhouse Gas (GHG) emitted by FUJIFILM Business Innovation Hong Kong is carbon dioxide (CO<sub>2</sub>). In this context, "Greenhouse Gas" refers to CO<sub>2</sub>.



Scope and Objective

Hong Kong Quality Assurance Agency ("HKQAA") was commissioned by FUJIFILM Business Innovation Hong Kong Limited, formerly known as Fuji Xerox (Hong Kong) Limited (hereinafter referred to as "FUJIFILM Business Innovation Hong Kong") to undertake an independent verification for its Sustainability Report 2021 (hereinafter referred to as "the Report"). The scope of this verification covers the sustainability performance data and information of FUJIFILM Business Innovation Hong Kong's business for the period of 1 April 2020 to 31 March 2021, as defined in the Report. This is the 12<sup>th</sup> Report that FUJIFILM Business Innovation Hong Kong published to communicate its commitments, efforts and progress of performance towards sustainability.

The aim of this verification is to provide a reasonable assurance of the reliability of the contents. The Report has been prepared in accordance with the Core Option of the Global Reporting Initiative Sustainability Reporting Standards ("GRI Standards"), the Environmental, Social and Governance Reporting Guide ("ESG Guide") of The Stock Exchange of Hong Kong Limited, and also made reference to ISO 26000:2010 - Guidance on Social Responsibility ("ISO 26000:2010").

Level of Assurance and Methodology

The process applied in this verification was based on the International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board. Our evidence gathering process was designed to obtain a reasonable level of assurance as set out in the standard for the purpose of devising the verification conclusion. The extent of this verification process undertaken covered the criteria set in the GRI Standards: Core Option of GRI Standards, the ESG Guide and ISO 26000:2010.

The verification process included verifying the systems and processes implemented for collecting, collating and reporting the sustainability performance data; reviewing relevant documentation; interviewing responsible personnel with accountability for preparing the reporting contents and verifying selected representative samples of data and information. Raw data and supporting evidence of the selected samples were thoroughly examined during the verification process according to the sampling plan.

Independence

FUJIFILM Business Innovation Hong Kong is responsible for the collection and presentation of the information presented. HKQAA is not involved in calculating, compiling, or developing the Report. Our verification activities are independent from FUJIFILM Business Innovation Hong Kong.

Conclusion

Based on the verification results and in accordance with the verification procedures undertaken, HKQAA has obtained reasonable assurance and is of the opinion that:

- The Report has been prepared in accordance with the Core Option of the GRI Standards and the ESG Guide;
- The Report illustrates the sustainability performance of FUJIFILM Business Innovation Hong Kong, covering all material aspects, in a balanced, comparable, clear and timely manner; and
- The data and information disclosed in the Report are reliable and complete.

FUJIFILM Business Innovation Hong Kong has developed a stringent data management mechanism where all data and information undergo robust internal vetting, the basis of credible and transparent reporting is attained. Nothing has come to HKQAA's attention indicating that the selected sustainability performance information and data contained in the Report has not been prepared and presented fairly and honestly, in all material aspects, in accordance with the verification criteria. In conclusion, the Report provides clear information with regards to the sustainability performance of FUJIFILM Business Innovation Hong Kong in a factual, responsive, consistent, fair and truthful manner.

Signed on behalf of  
Hong Kong Quality Assurance Agency

KT Ting  
Director, Strategic Services Development  
31 August 2021

# Feedback

## FUJIFILM Business Innovation Hong Kong Limited – Sustainability Report 2021

Thank you for taking the time to read our Sustainability Report! As your feedback will play a crucial role in helping us to enhance our future performance, please take a few minutes to share your views with us via post, fax or email:

Post: 11/F, 12 Taikoo Wan Road, Taikoo Shing, Hong Kong  
 Fax: +852 2513 2020 Email: shm-fbhc-csr@fujifilm.com

### FUJIFILM Business Innovation Hong Kong's Sustainability performance interests me as:

- Fujifilm's Customer     Fujifilm's Employee     Education Sector  
 Government Department     Non-Governmental Organisations     General Public  
 Media     Other, please specify: \_\_\_\_\_

### How do you rate our Sustainability Report?

1. Overall view     Excellent     Good     Average     Poor

2. Report content

2.1 Informative     Excellent     Good     Average     Poor

2.2 Useful     Excellent     Good     Average     Poor

2.3 Easy to understand     Excellent     Good     Average     Poor

3. Sustainability performance     Excellent     Good     Average     Poor

### 4. Which chapter(s) did you find most useful?

- Top Commitment     About the Fujifilm Group     Reporting Scope and Approach     Company Profile  
 Corporate Governance     Economic     Environmental     Social  
 CSR Indicators     GRI Content Index     Other, please specify: \_\_\_\_\_

### 5. Which chapter(s) did you find least useful?

- Top Commitment     About the Fujifilm Group     Reporting Scope and Approach     Company Profile  
 Corporate Governance     Economic     Environmental     Social  
 CSR Indicators     GRI Content Index     Other, please specify: \_\_\_\_\_

### 6. Any other comments and/or recommendations you would like to share?

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

If you would like us to reply to your comments and/or require updates on future sustainability developments at FUJIFILM Business Innovation Hong Kong, please provide your contact below:

Name: \_\_\_\_\_  
 Company: \_\_\_\_\_  
 Telephone: \_\_\_\_\_ Email: \_\_\_\_\_

# Glossary

3R+V	Reliability, Responsiveness, Relationship and Value	IoT	Internet of Things
5S	Seiri, Seiton, Seiso, Seiketsu and Shitsuke	ISO	International Organization for Standardization
AI	Artificial Intelligence	IT	Information Technology
AMDP	ApeosWare My Document Portal	J-SOX	Japanese Sarbanes-Oxley
CDP	Carbon Disclosure Project	L&D	Learning & Development
CO <sub>2</sub>	Carbon Dioxide	MFP	Multifunction Printer
CoC	Chain of Custody	MTR	Mass Transit Railway
COVID-19	Coronavirus Disease 2019	NGOs	Non-governmental Organisations
CSR	Corporate Social Responsibility	NIST	National Institute of Standards and Technology
DIY	Do It Yourself	OCR	Optical Character Recognition
dpi	Dots per inch	PACS	Picture Archiving and Communication System
ESG	Environmental, Social and Governance	R&D	Research & Development
FSC™	Forest Stewardship Council™	SaaS	Software as a Service
FY	Fiscal Year	SDGs	Sustainable Development Goals
GHG	Greenhouse Gases	SEHK	The Stock Exchange of Hong Kong Limited
GRI	Global Reporting Initiative	SMC	Senior Management Committee
HKMA	Hong Kong Management Association	SMEs	Small and Medium Enterprises
HKQAA	Hong Kong Quality Assurance Agency	SVP	Sustainable Value Plan
HKSAR	Hong Kong Special Administrative Region	TCFD	Task Force on Climate-related Financial Disclosures
HKUST	The Hong Kong University of Science and Technology	UI	User Interface
ICT	Information and Communications Technology	UN	United Nations
IEC	International Electrotechnical Commission	WEEE	Waste Electrical and Electronic Equipment
IESG	Intelligent Environmental, Social and Governance		

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