

## Achievements in CSR Priority Areas

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In this section, we introduce highlights of the CSR activities in 2010 that the Fujifilm Group has strived at in order to help achieve our management targets. We also summarize the CSR activities of overseas Group companies.

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## The Fujifilm Group's Medium-Term CSR Plan

### Promoting CSR through Increased Cooperation within the Fujifilm Group

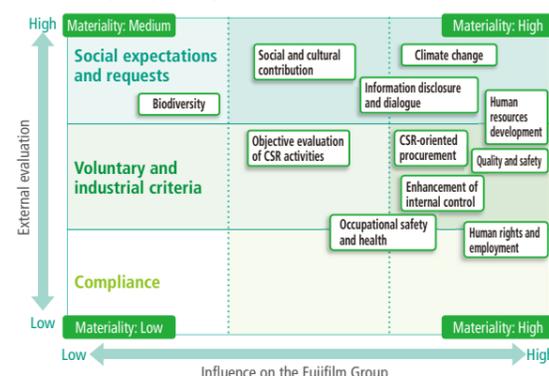
The Fujifilm Group examines issues involving CSR from the perspectives of both a corporation and stakeholders, and promotes CSR activities through specifying priority areas and deciding concrete measures.

#### A CSR system that supports the achievement of management goals for the Group as a whole

Led by the holding company FUJIFILM Holdings, the Fujifilm Group has strengthened the Group's strategic management and governance system for Group management and conducts business as a Group that makes clear social contributions. When shifting to a holding company system, we created a system for promoting CSR activities and specified various CSR policies such as our Green Policy (Environmental Policy) and Social Contribution Policy (see p. 46). These policies clarify the Group's CSR principles and values so that all employees can contribute to CSR activities. Building on the creation of the CSR system, we will tighten the link between CSR activities and our business, aiming toward achieving our management goals while fulfilling CSR and attaining sustainable growth together with society.

The Fujifilm Group's CSR issues are defined by (1) the significance of each issue to the Group and (2) the assessment of compliance with laws, regulations, social expectations and demands. These are reflected into planning by identifying priority issues as below.

#### Materiality of priority CSR issues



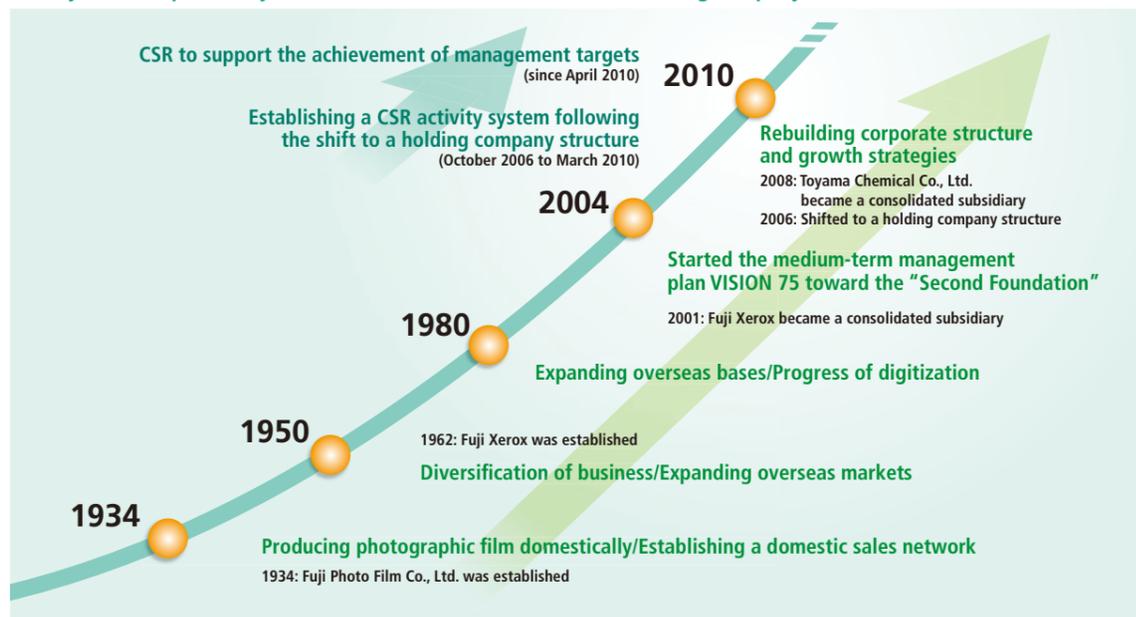
#### Overview of the medium-term CSR plan

Priority Issues	Progress Made (as of 2010)
1. Promotion of anti-global warming measures	- Promotion of cross-group projects linked with energy cost reduction (efforts for energy-saving technologies at each site, horizontal deployment, etc.) - Promotion of a green lifestyle in the workplace and home, using a CO <sub>2</sub> visualization tool under the awareness project entitled "ICE Project" (CO <sub>2</sub> emissions reduced by approximately 800 tons)
2. Promotion of Design for Environment (DfE)	- Improvement of awareness for an environmental consciousness by revising the Goal Setting Sheet for Design for Environment (DfE) - Survey the degree of awareness for Design for Environment (DfE)
Effective use of resources	- Cross-site efforts for producing valuable products from waste oil and reducing waste disposal (7 factories*) * Kanagawa factory (Odawara and Ashigara), Fujinomiya factory, Yoshida-minami factory, FUJIFILM Opto Materials, FUJIFILM Electronic Materials, and FUJIFILM Finechemicals Hiratsuka factory
Biodiversity conservation	- Confirmation of the effect on the eco-system by investigating land usage at our domestic and overseas sites - Expansion of Design for Environment (DfE) with additional evaluation items for biodiversity conservation - Awareness program for employees and their families implemented across the Fujifilm Group
3. Improvement in chemical substances management	- Provision and disclosure of information on a product's chemical substance - Promotion and participation in activities to communicate and create mechanisms for information on chemical substances that crosses industries
4. Promotion of social contribution activities linked with main business	- Begin reviewing plans for research and human resource development - Provision of educational materials for partially-sighted children using the printing business
5. Quality improvement in compliance and risk management for the entire Group	- Promotion of the Global Code of Conduct and risk management activities including information security - Enhancement of a compliance system for the laws and regulations of foreign countries - CSR procurement in cooperation with vendors, using the Self-Check Sheet

Promote CSR that support the achievement of management issues by strengthening cooperation between the Fujifilm Group business companies.

Achieve business growth and reduce environmental impact, and aim to further improve CSR brand value.

#### The Fujifilm Group's history and CSR activities after the shift to a holding company structure



#### Medium-term CSR plan for achieving sustainable development

At FUJIFILM Holdings, since 2010, we have been implementing our medium-term CSR plan of promotional policies and priorities in efforts to achieve the objectives set out in our Management Plan. The medium-term CSR plan aims at achieving both business growth and environmental impact reduction as well as increasing the brand value of our Group companies through promoting CSR. The plan is based on increased cooperation between the Group companies, and we are committed to the three promotion policies and five priorities established. Our CSR activities aimed at contributing to the achievement of our management targets have been steadily making progress. In 2010, we addressed our priority issues with actions linked to our business, for example, by promoting anti-global warming measures and the environmental advantages of our products, through efforts to develop energy-saving technologies at each site and subsequent horizontal deployment of the results.

#### VOICE



Develop a target based on overall CSR plans

Mr. Hiroshi Ishida  
Executive Director  
Caux Round Table – Japan

Efforts to achieve CSR management by developing and steadily implementing a medium-term CSR plan last year are commendable. For that reason alone, clearly outlining directions and activities in the three-year medium-term CSR plan roadmap will further increase transparency.

The Fujifilm Group will play a part that will transform social structures by being one step ahead of the curve. My hope is that Fujifilm will continue to create new values by focusing on long-term perspectives and be a company that engages the stakeholders.

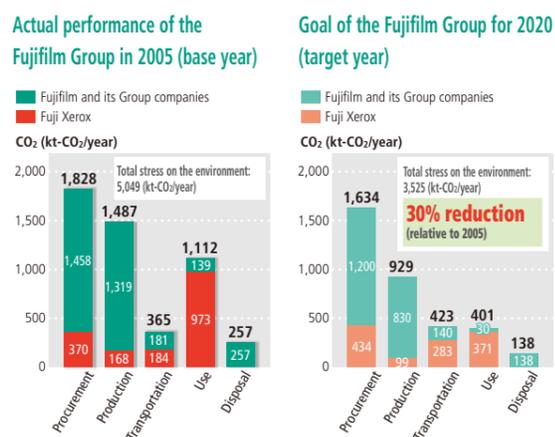
## Climate Change Measures

# High environmental quality contributing to customer satisfaction and reduced stress on the environment

**We aim to satisfy each of our customers and attain sustainable development in our companies and society by achieving high environmental quality in our products, services, and business activities.**

### The Fujifilm Group's long-term goal for anti-global warming measures

In April 2010, the Fujifilm Group set its long-term goal to reduce CO<sub>2</sub> emissions by 30% by 2020 (relative to the 2005 level) for the entire life cycle of its products. Efforts to reduce CO<sub>2</sub> emissions from corporate activities are not limited to business operations, but are extended to the entire life cycle of the products and services (from the procurement of raw materials to the production, transportation, use, and disposal of the products). We will reduce CO<sub>2</sub> emissions to less than 3.525 million tons per year by 2020 from 5.049 million tons per year in 2005 (the base year).



### CO<sub>2</sub> emissions in 2010 (for the entire life cycle of products and services)

The quantity of output produced in 2010 was larger than that in 2005 (the base year) due to corporate efforts and the recovering economy. As a result, we were not able to avoid an increase in CO<sub>2</sub> emissions from the procurement of raw materials and the transportation of the products, but we were able to reduce CO<sub>2</sub> emissions from the production of the products by promoting energy-saving measures and other factors. Also, despite increased product sales, we were successful in reducing CO<sub>2</sub> emissions from the use of our products as we developed hybrid machines with low power consumption.

For details on CO<sub>2</sub> emissions in 2010 and core measures for reducing CO<sub>2</sub> emissions, please see p.62.

### Anti-global warming activities that employees introduce at home

Since 2008, Fujifilm has engaged in the ICE\* project. The project is for the employees of Fujifilm and its Group companies and their family members, and aims to reduce CO<sub>2</sub> emissions both in the workplace and at home. The project encourages their participation in the Million People's Candle Night in which each participant suggests a concrete way to reduce CO<sub>2</sub> emissions and raises awareness. We expect individual participants in the project to become interested in issues for protecting the global environment such as global warming and increase their environmental awareness by receiving information on environmental issues daily through the project activities.

In the workplace, the project promoted CO<sub>2</sub> emission reductions in a wider range of activities and raised environmental awareness by extending, in 2010, the coverage of the program for safe eco-driving (see p. 18) to include not only company vehicles, but also the cars that employees use for commuting. For employees' homes, a campaign, the ICE Challenge, was held for employees and their family members for the 3-month period between July and September. The campaign encouraged employees and their family members to become strongly interested in the global environment and to make their individual lifestyles environmentally friendly. In 2010, the amount of CO<sub>2</sub> emissions reduced reached around 800 tons. In 2011, in response to the country's critical situation regarding the electricity supply, the activities focused on energy conservation efforts to curb households' total electricity consumption and peak electricity demand during the summer.

At Fujifilm, we believe that activities such as these carried out by each and every employee will contribute to building a sustainable society.

\* ICE: Ideas for a Cool Earth

### Significantly reducing CO<sub>2</sub> emissions with IH fusing technology

Fuji Xerox has developed its original IH (induction heating) fusing technology which dramatically decreases the time for office copiers and multifunction devices to start up or to resume from the energy-saving mode. The company replaced halogen lamps—the traditional heat source for fixing the toner onto paper—to IH. Also, a thin copper film, which can heat up easily, is used as heat generator. As a result, the start-up time of the fusing device was reduced from approximately 40 to 3 seconds, fastest in the world. The EA-Eco toner, which fixes onto paper at about 20 degrees Celsius lower, also contributes to the drastic reduction in start-up time. This rapid heating not only increases convenience, but also saves a significant amount of energy as it no longer requires preheating in the standby or energy-saving mode.

Besides the IH fusing technology, various other technologies unique to Fuji Xerox are used to reduce energy consumption, as seen in the adoption of high-luminosity white LED for the light source for image scanning. As a culmination of these technologies, 11 models of 8 product lines were released in 2010.

The reduction in power consumption realized by the printers and multifunction devices sold by Fuji Xerox in 2010 is 1.06 million tons CO<sub>2</sub> equivalent.\* Thus, we will continue to strive in our research and development efforts to reduce CO<sub>2</sub> emissions in the use phase of the product life cycle.



ApeosPort-IV C5570/C4470

\* The comparison is based on the amount of electricity consumed for 5 years and is made against the products of the same class sold in 2000.

Please visit the following website for details on IH fusing technology.  
 URL [http://www.fujixerox.com/eng/company/technology/ih\\_fuser/](http://www.fujixerox.com/eng/company/technology/ih_fuser/)

### Visualizing the CO<sub>2</sub> emissions of each user

As mentioned above, Fuji Xerox has been implementing measures to reduce CO<sub>2</sub> emissions throughout the product life cycle. We also place emphasis on the development of applications that contribute to CO<sub>2</sub> emission reductions at customers' offices. As a result, we have developed and released SE-BizObject Environmental Burden Monitoring System, which visualizes the amount of CO<sub>2</sub> emitted by printing with office printers or multifunction devices and by consuming electricity for lighting or other purposes through power outlets.

The system uses the Fuji Xerox ApeosWare Management Suite and enables users to see the amount of printing done as well as the amount of CO<sub>2</sub> emitted by themselves

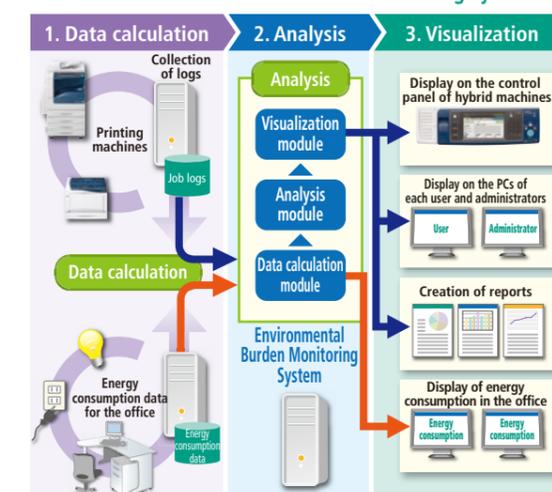
on the control panel of the device or a computer screen. Also, using information on electricity use from the power distribution board, the system can visualize the power consumption of other companies' products, lighting equipment, computers, and the office as a whole.

The system's capability to visualize CO<sub>2</sub> emissions raises environmental awareness and promotes reductions in printing costs and energy consumption.



Screen showing a personal eco level

### Structure of the Environmental Burden Monitoring System



### VOICE



**Responding to social needs and expanding the boundaries**

**Mr. Takejiro Sueyoshi**  
 Special Advisor  
 United Nations Environment Program Finance Initiative in the Asia Pacific region

In order to tackle global-scale issues such as global warming head-on, individual companies need to extend the boundaries of their perspective from themselves and their Group companies to the whole region or society in which they operate. This is because an optimal situation for an entire company is only partially optimal from the standpoint of society or the world.

If that is the case, the environmental friendliness of products or services is realized only after they correctly reflect social needs. As people's values changed significantly in Japan, especially after the earthquake disaster, the companies that will grow in the future are ones that quickly extend such boundaries and listen to the true voices of society.

## Promotion of Design for Environment (DfE)

# Analyzing and Evaluating Environmental Burden throughout the Entire Product Cycle

To protect the global environment, we must not only reduce the environmental burden caused by our product production processes, but also analyze and assess this environmental burden throughout the entire product cycle, from planning to disposal.

### The basic concepts of Design for Environment

When designing new products and upgrading existing ones, the Fujifilm Group strives to reduce environmental burden by following its "Basic Rules for Design for Environment (DfE)." Environmental goals that take into consideration the product's total life cycle are set at the early stages of product development, from the perspectives of the 3R (reduce, reuse, and recycle) concept, chemical substances contained, resources used, energy consumption, safety, compliance and other factors. When development is completed the degree of achievement of those goals is examined. Products that do not meet standards of environmental quality are not commercialized. In line with the "LCA Operational Procedures," we also conduct life cycle assessments of the environmental impact of our products, from the procurement, production, and distribution stages, through to the use, disposal, and recycling stages, and analyze their impact quantitatively and objectively.

### Measures to conserve biodiversity by reexamining the evaluation items for Design for Environment

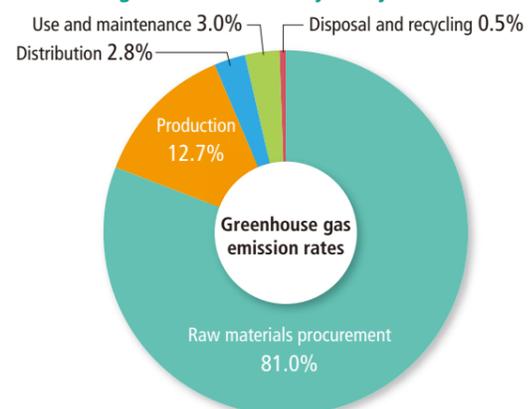
In order to raise awareness of the importance of setting environmental quality objectives and clarify the effectiveness of environmentally friendly activities, in 2010, we reexamined our evaluation items and revised the forms used during DfE. The revised content was proactively communicated to all employees by professionals from every department tasked to promote DfE. We will continue to use the revised forms to further reduce environmental impact in the future.

Early in February 2010, we incorporated items and commenced implementation of measures related to biodiversity conservation, an issue that is garnering attention worldwide, into the "Basic Rules for DfE," thus ensuring consideration for the issue from the product design stage. The Fujifilm Group conducts activities on an ongoing basis to promote awareness and understanding of biodiversity conservation among all employees.

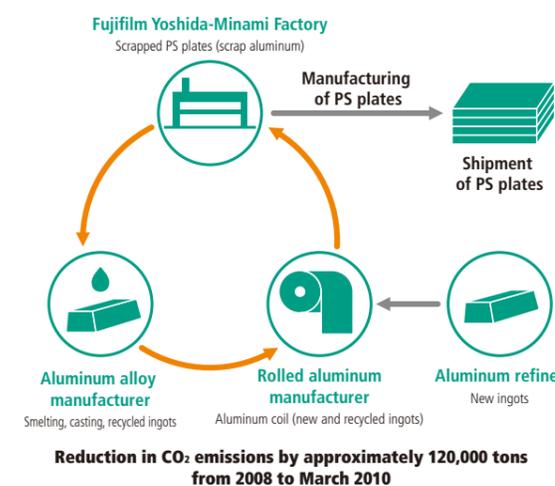
### Reducing CO<sub>2</sub> emissions by recycling scrap aluminum

To reduce environmental burden, Fujifilm started recycling the raw material of PS and CTP plates, namely aluminum, used in planographic printing, which are main products in the company's graphic systems business. The process for refining aluminum consumes a large amount of electricity and thus emits large amounts of CO<sub>2</sub>. Therefore, Fujifilm established a closed-loop recycling system for aluminum that results during the production process and which does not go into products, such as aluminum in samples and scrap aluminum. In the production of PS plates, the use of ingots from recycled aluminum is expected to reduce CO<sub>2</sub> emissions by 63%. The aluminum recycling system became fully operational in 2008 with cooperation from manufacturers of aluminum alloy and rolled aluminum. In 2010, the proportion of recycled aluminum used in PS plates reached approximately 10%. The closed-loop recycling reduced CO<sub>2</sub> by about 120,000 tons from 2008 through 2010. This is equivalent to two times the amount of CO<sub>2</sub> emissions from the Yoshida-Minami Factory where PS plates are produced.

### Greenhouse gas emission rates by life cycle



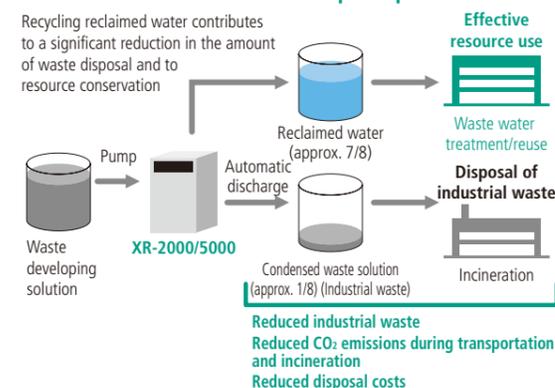
### Closed-loop recycling of scrap aluminum



### Introducing a system that reduces environmental burden generated by the printing process

In its development of the environmentally friendly thermal CTP system, ECONEX, Fujifilm reexamined the designs with the aim of reducing environmental burden, and based this reexamination on the concept of DfE that encompasses the entire product life cycle. With regard to the ECONEX XP Series thermal plates, raw material obtained from closed-loop recycling (in the form of ingots) is used at the raw material stage. At the use stage, the amount of developing solution required for refill has been reduced by up to 40% due to our rapid-dispersion development technology. At the disposal stage, the use of our XR-2000/5000 machines, which were developed to reduce the amount of waste developing solution produced, makes it possible to condense waste developing solution, which used to be incinerated, to one-eighth of its original volume and to make the remaining seven-eighths into reclaimed water which can be put to effective use. Our XR-2000/5000 machines are highly rated as machines that contribute to reducing the amounts of final industrial waste disposal of the newspaper printing and commercial

### Scheme of the waste solution disposal process



printing industry. These machines also received the Technological Development Incentive Award from the Japan Newspaper Publishers and Editors Association. Moreover, the introduction of an LED laser into the thermal platesetters, Luxel PLATESETTER T-9900G, not only decreases CO<sub>2</sub> emissions at the use stage, but also increases the life of the platesetters. Throughout the life cycle of the product from raw materials to disposal, the ECONEX XP Series contributes to reducing the environmental burden of the printing industry.

### Environmentally friendly compact LED printers, launched under a new marketing strategy

In November 2010, under a new marketing strategy, Fuji Xerox launched nine models of the new DocuPrint series —A4 single function/multifunction printers— including the DocuPrint CM205 b. The new series has realized class-leading levels of reduction in size/weight, and has introduced new-generation environmentally friendly features.

It boasts Fuji Xerox's renowned high-quality imaging while achieving lower cost by aiming for reduced size and weight to the limit. The number of initiatives to realize the size reduction include: 1. employed a high-resolution LED printhead that allows elimination of the optical mechanism of a laser printer such as a polygon mirror; 2. did not incorporate a main body frame while ensuring sufficient rigidity; and 3. utilized common parts so the number of parts can be reduced to an absolute minimum. Furthermore, all parts, including a photoreceptor, adopted long-life design, eliminating the need for parts replacement and space for servicing and maintenance. Equipped with the above features, this new printer series has secured a cost advantage in a competitive growth market.

Since this market requires the same level of quick response as in the IT home electronics market, manufacturing lead-time has been drastically reduced, as well as the timely and highly efficient SCM framework was established not to miss out on sales opportunities. Overall environmental impact has been reduced throughout the value chain not only by the product features such as increased energy efficiency and longer lifespan, but also by the compact size and lightweight body that contribute to lower environmental impact during distribution. Additionally, production time was reduced compared to earlier models by 44% for color printers and by 53% for black-and-white printers.



DocuPrint CM205 b, a new A4 color multifunction printer

## Biodiversity Conservation

# Minimizing the Negative Impacts on Biodiversity that Supports Our Life and Daily Activities

To realize a sustainable society, we must avoid or minimize negative impacts on biodiversity, which supports our life and daily activities, in the areas of food, pharmaceutical products, energy, and disaster reduction.

### Biodiversity guidelines aimed at passing on the gifts of nature to future generations

Since its establishment, the Fujifilm Group has been acutely aware that all of its business has benefited from nature while at the same time impacting on it, and so has engaged in various environmental protection activities based on the belief that environmental consciousness and environmental protection are at the core of our corporate activities. As part of our efforts, in June 2009, we clarified our guidelines for cross-group efforts toward biodiversity conservation and created "The Fujifilm Group Basic Concepts and Action Guidelines for Biodiversity Conservation" (hereafter "Guidelines for Biodiversity"). Both within and outside the company, we are engaging in initiatives for preservation and maintenance of the ecosystem, which we humans enjoy today, for future generations.

### Evaluation of the impacts of chemical substances on the ecosystem from a broad, long-term perspective

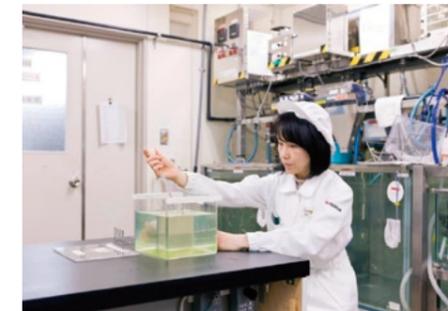
To participate in international efforts for producing and using chemical products while minimizing their risks toward people's health and the environment, the Fujifilm Group conducts its business with action guidelines that advocate risk reduction through improved management of chemical substances and the chemical content of products. The Safety Evaluation Center plays an important role in this regard.

To conserve biodiversity, it is necessary to understand the effects of chemical substances on the ecosystem. The Center received a certificate of GLP\* compliance from the former Ministry of International Trade and Industry in 1986 and started tests to assess the ways in which chemical substances decomposed in the ecosystem

or accumulated in organisms (carp). It has now accumulated a large amount of data from such tests. The Center also received a certificate of GLP compliance from the Ministry of the Environment in 2005, at which time it began testing the effects of chemicals on aquatic organisms (algae, daphnia, and fish) in the ecosystem and is currently studying various impacts on the ecosystem. Furthermore, in order to conduct assessments from a long-term perspective, we are considering introducing chronic toxicity tests that determine the propagation of aquatic organisms.

We will continue to contribute to the protection of the ecosystem and biodiversity by assessing the effects of the production and use of chemical substances on the aquatic environment and other parts of the ecosystem from a broad, long-term perspective.

\* Certificate of GLP (Good Laboratory Practice): Standards established regarding the organization, facilities and equipment, procedures, etc. that a testing facility should have in order to ensure the reliability of test results.



A test using daphnia



We conduct a wide range of tests using aquatic organisms such as algae and fish. (The photo is of a fish tank.)

### Biodiversity-conscious land management at production sites

While Fuji Xerox was previously aware of the importance of biodiversity, its relevant activities were limited to requesting its paper suppliers to follow its rules on paper procurement, complying with laws and regulations, and preventing destructive impacts of deforestation on the ecosystem, and the voluntary participation of employees in activities to protect mountains near villages.

As the role of companies in conserving biodiversity became clear through, for example, the introduction of the Ministry of Environment's Guidelines for Private Sector Engagement in Biodiversity, we recognized the

need for our active participation in this area. Judging that we needed to reexamine our efforts in this area, before fiscal 2010 we commissioned experts to make an assessment of our business from the standpoint of biodiversity conservation. The assessment revealed that we did not completely understand the land usage at our large-scale sites for production or product development. In response, we investigated the land usage at our domestic and overseas production/product development sites and checked for risks to biodiversity in fiscal 2010. Fortunately, the assessment found no operation-related risks that would disturb the ecosystem.

At the same time, it was suggested that we should contribute to the restoration of regional biodiversity by utilizing the land at our operation sites and use the assessment results to educate our employees. We are now creating guidelines for land usage so that each site can actively promote the conservation of biodiversity. Also, to avoid risks and contribute to the restoration of biodiversity from the standpoint of the entire supply chain, we are clarifying the actions to be taken toward biodiversity conservation and will aim constantly to improve them within the existing environmental management system.



Scenes from an assessment at the Suzuka site

### Fujifilm Group Guidelines for Biodiversity Basic concepts and action guidelines for biodiversity conservation

#### Basic Concepts

In order to create a sustainable society, we have a responsibility to sincerely address serious problems currently facing us to eliminate negative legacies being passed on to future generations.

Among these serious problems, including climate change issues such as global warming is biodiversity loss that is occurring at a critical speed due to destruction of ecosystems and extinction of various living species.

Biodiversity provides us with food, medicine, and energy while reducing the risk of disasters. It is the very foundation of our culture and art, supporting our life and daily activities.

As the Fujifilm Group's business activities are closely related to biodiversity, it is our responsibility to avoid or minimize negative impacts on it, by addressing its preservation and sustainable usage. In doing so, it is essential to take into consideration that we exist in a state of global interdependence and keep an international perspective when taking necessary actions.

#### Action Guidelines

- 1 To avoid destruction of biodiversity  
Biodiversity is the "web of life." In business activities, the Fujifilm Group avoids or minimizes negative impacts on this web of life, and gives due consideration not to have anything to do with destruction of the web.
- 2 To preserve biodiversity  
In business activities, the Fujifilm Group strives to keep the natural environment healthy and diverse, considering environmental preservation that reflects the natural and social conditions of each local community.
- 3 To make best use of biodiversity  
The Fujifilm Group adopts sustainable methods to use biological resources for business activities, based on a long-term point of view, in order to maintain biodiversity for future generations.
- 4 To act globally  
The Fujifilm Group strives to recognize impacts on biodiversity to reduce environmental burdens in domestic and overseas value chain frameworks when performing business activities.
- 5 To meet social requirements  
The Fujifilm Group complies with international laws and regulations regarding biodiversity, and values collaboration and harmony with public bodies, NPO/NGOs, and other companies.
- 6 To share information  
The Fujifilm Group proactively discloses information on its activities relating to biodiversity. The Fujifilm Group also makes efforts to raise employees' awareness of biodiversity issues to improve the quality and effectiveness of the Group's activities for such issues.

### VOICE



#### Seeing things in a broader perspective

Ms. Yumiko Tsuruda  
"The Nature Conservation" Chief Editor  
The Nature Conservation Society of Japan

Pure water is one of the most important natural resource for the Fujifilm Group. Biodiversity supports the environment in which pure water is found. In terms of environmental impacts of chemical substances, assessing the impact on aquatic organisms and maintaining a viable habitat will lead to supporting the foundation of those regions natural ecosystems.

Fujifilm will revive the regions' beautiful natural environment by breaking away from the perspective of Biodiversity as simply risk management. I hope that Fujifilm will communicate and provide this new value as part of the region's allure.

## Management of Chemical Substances

# Ensuring Sound Management of Chemical Substances for Environmental Protection and Safety

Considering environmental impacts and the safety of our customers and employees, we pay scrupulous attention to the management of chemical substances over the entire product life cycle, including the stages of production, use, and disposal.

### Basic concepts of chemical substances management

In order to protect the environment and ensure safety, the Fujifilm Group rigorously manages chemical substances, declaring in its Green Policy (see p.66) that it ensures management of chemical substances that is one step ahead and the chemical contents of its products, and strives to reduce risks. We not only properly manage the chemical substances used at the production stage to prevent them from being carelessly released into the environment, but also reduce risks by assessing the safety of our employees at the production stage, the safety of our customers at the use stage, and environmental impacts at the disposal stage.

Taking advantage of the knowledge and experience that we have accumulated as a chemical company, we also actively contribute to society through various industry-wide efforts toward sound chemical management.

### Assessing the safety of chemical substances, materials, and products at the Safety Evaluation Center

At its Safety Evaluation Center, an internationally recognized, GLP\*-compliant facility, Fujifilm comprehensively evaluates the safety of various chemical substances, materials, and products that are developed or used. Established in 1975, the Center ensures the safety of products throughout their life cycle by conducting tests on a wide range of safety issues involving the global environment or people's health, at every phase from initial development to the preparation of products for market. These tests are also conducted for chemical substances used by Fujifilm and Group companies. The Center also conducts tests commissioned by external organizations such as government agencies and contributes to society by properly functioning as a GLP facility.

In recent years, as business expands into the areas of high performance materials and health care, we have improved the technologies used in safety evaluations, which involve environmental impact testing, toxicity screening, toxicity mechanism analysis, and forecasting based on quantitative structure-activity relationships for toxicity. We are taking full advantage of improvements in such technologies in the development of safe products.

\* Good Laboratory Practice (GLP): Standards established regarding the organization, facilities and equipment, procedures, etc. that a testing facility should have in order to ensure the reliability of test results. For tests related to the Act on the Evaluation of Chemical Substances and Regulation of Their Manufacture, the Safety Evaluation Center is certified for GLP compliance by the Ministry of Economy, Trade, and Industry, the Ministry of Health, Labour, and Welfare, and the Ministry of the Environment.

### Representative tests conducted at the Safety Evaluation Center

Purpose	Evaluation items
Development of safe chemical substances	Toxicity screening (cytotoxicity test, gene expression analysis, etc.); analysis of toxicity mechanisms of chemical substances based on toxicokinetics analysis; quantitative structure-activity relationships for toxicity (QSAR)
Occupational safety	Ames test; chromosome aberration test; acute toxicity test (oral, dermal); skin irritation test; skin sensitization test; explosiveness test
Product safety	Acute toxicity test (oral); skin irritation test; eye irritation test; skin sensitization test; Ames test
Compliance with laws and regulations	Bio degradation test; bio concentration test; partition coefficient test; Ames test; chromosome aberration test; repeated dose toxicity test, ecotoxicity test (algal growth inhibition test, Daphnia acute immobilization test, fish acute toxicity test)

### Disclosure and provision of information on chemical substances, participation in developing the framework

Fujifilm began offering JAMP MSDSplus and JAMP AIS, a common data format recommended by JAMP (Joint Article Management Promotion-consortium), a cross-industry organization, since 2008.

JAMP was established in 2006 to communicate information on chemical substances in products throughout the supply chain. Fujifilm has been a member since the consortium's foundation and has been actively participating in the development and dissemination of the framework for smooth communication on a global scale.



Webpage that presents the product safety data sheet



Product safety data sheet

In 2010, we started providing JAMP MSDSplus through JAMP-IT, an information system established for the purpose of communicating information on chemical substances smoothly between companies.

We also expanded information on chemical substances disclosed in our website by revising MSDS (Material Safety Data Sheets) of all our chemical products which conform to GHS (Globally Harmonized System of Classification and Labeling of Chemicals).

We will continue our efforts to ensure the highest level of safety for chemical substances by participating in development of the framework to communicate information throughout the supply chain while expanding and improving the chemical substances information we offer and disclose.

### Strict chemical substances management based on unified management standards

At Fuji Xerox, we strictly manage the use and storage of chemical substances, taking into account both the work environment and the natural environment. In 2008, we

#### Safety classification

Classification category	Main criteria	Type of management
C0	- Class 1 designated chemical substances, substances whose production is prohibited, designated toxic substances, substances whose use is prohibited in the production process under internal standards, etc.	Use prohibited
C1	- Substances subject to voluntary reduction - Class 1 monitored chemical substances, hexavalent chromium, dichloromethane, formaldehyde, etc.	Use canceled, or reduced use or emissions
C2	- Group 1 designated chemical substances, IARC group I, internal group 1 mutagenic substances, greenhouse gases, etc.	Sealed, or limited management
C3	- Acute toxicity, internal group 2 mutagenic substances, internal-rank sensitizing substances, etc. - Substances subject to environmental safety laws and regulations (category 1 substances)	Management based on risk assessment
C4	- Substances subject to environmental safety laws and regulations (category 2 substances)	General management
S	Substances (endocrine disruptors, etc.) with potential risks in the absence of established laws, regulations, and methods for evaluating the degree of hazards	Use of substitutes; reduced use, emission, or exposure

revised our "Rules for Management of Chemical Substances" and unified the safety categorization of chemical substances so that we were able to manage them seamlessly with Fujifilm. The "Rules for Management of Chemical Substances" contain provisions on risk assessment for chemical substances, on the evaluation of environmental risks and safety risks, and on accident response and risk management. Moreover, chemical substances are managed in a uniform manner by Fuji Xerox and other Group companies, both in Japan and overseas.

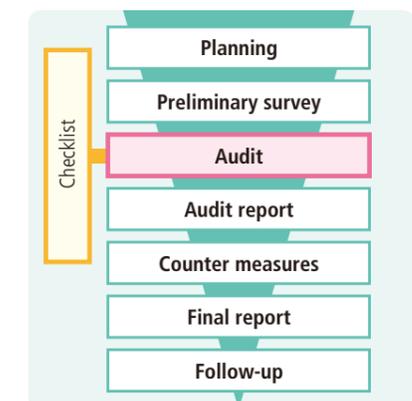
### Evaluating chemical substances management to strengthen the chemical substances management system

Fuji Xerox audits chemical substances management at its domestic and overseas sites for production or product development every 3 years. In 2010, 6 domestic production sites were audited; in 2011, 6 overseas production sites are scheduled for audit.

Commissioned by the Corporate Audit Department, personnel from the Environmental Management Department as well as from each operation site conduct an inspection of chemical substances management. This joint audit system is intended to provide opportunities for mutually identifying aspects that are preferable or are to be improved.

Based on the Rules for Management of Chemical Substances, the evaluation items include whether the chemical substances management system is administered and maintained properly, whether risks are assessed and reduced, and whether pipes are set above the ground and are double-layered. The audit results are reported to the managers of the inspected site as well as the President and other relevant Board Members and are utilized to enhance safety from a systemic standpoint.

#### Chemical substances management process



(From the chemical substances management audit bylaws)

## Social Contribution Activities: Contributing through Our Main Business

### Social Contribution that Responds Sincerely to the Demands and Expectations of Society

We contribute to society through our business operations, cooperate with local communities as a responsible corporate citizen, cultivate the minds of children who will lead the next generation, and promote the sustainable development of society.

#### Basic principles of social contribution activities

The Fujifilm Group contributes to society through its business operations, actively gets involved in local communities, and pursues activities that contribute to the sustainable development of society.

#### Fujifilm Group Social Contribution Policy

The Fujifilm Group will work together with local communities as a good corporate citizen and contribute to society by responding sincerely to the demands and expectations of those communities. The Group has established the following action plan for implementing this policy.

##### 1. Main activities

The Fujifilm Group will primarily focus on the fields of: research and education; culture, the arts and sports; health; and environmental conservation.

##### 2. Importance of these activities

- ① Undertake these activities through cooperation and collaboration  
In implementing these activities, the Fujifilm Group places importance on communication and partnerships with NPO/NGOs, local communities and others.
- ② Active support for volunteer activities  
The Fujifilm Group values living in harmony with local communities and contributing to society through the voluntary participation of employees and fully supports these activities.

#### Cooperating with local residents for ground water protection

Clean water is essential to the production of various types of film and, ever since its establishment, Fujifilm has operated based on the belief that environmental consciousness and environmental protection are at the very core of corporate activities. As water and air are nonsubstitutable and limited resources, we continue actively to use water-saving equipment and take other water-saving actions at each operational site.

As one of these efforts, Fujifilm Kyushu has actively become involved in a tree-planting operation (*Hikari no Mori*) which has contributed to groundwater protection. In 2010, Fujifilm Kyushu started collaborating with local farmers in Minamiaso in activities to further protect groundwater. The amount of water seeping into the ground is increased by the farmers keeping water in their paddy fields throughout the year. This not only leads to groundwater recharge business but also leads

to contribution in terms of preserving the landscape.

We will continue to promote various efforts to protect water, a resource which is essential to Fujifilm's business operations, and to contribute to the local community.



Fujifilm Kyushu employees, their families, and farmers participated in the Paddy Field Help Team, which is part of the groundwater recharge business.

#### Supporting the production and stable supply of large-print textbooks

Visually impaired students in elementary schools and junior high schools in Japan are provided with large-print textbooks produced by volunteer groups and other entities. Fuji Xerox collaborates with volunteer groups to make large-print textbooks steadily available to students. This activity started with making color copying machine at some of our offices in Kanagawa Prefecture available free of charge in 1989. It was subsequently expanded to a company-wide activity as it is a social contribution activity that takes advantage of our main business and is feasible for many offices to run. In 2010, 40 sites of 21 companies (Fuji Xerox and domestic affiliates) participated in the activity. Outside Japan, a sales company in China has started supporting production of large-print textbooks in Beijing. We will continue to offer our support to building a more efficient environment, from production to distribution, with the goal of providing large-print textbooks to all visually impaired children and students.



Volunteers at work

#### TOPICS

### Efforts towards the early detection, diagnosis, and treatment of cancer

#### Encouraging employees to receive cancer screening

Despite having a cancer rate that is among the highest in the world, the screening rate for cancer in Japan is low among OECD member countries. At Fujifilm, led by our Medical Business Division, we have created the Project Team for Promoting Cancer Screening to improve the cancer screening rate among our employees. We also actively engage in activities relevant to cancer screening. In 2010, we expanded the effort to cover Fujifilm and other Group companies, started an intranet project for our employees called "Go Receive Cancer Screening!" held various awareness programs, such as seminars for employees on cancer, and promotional programs, and engaged in a variety of other activities designed to improve the cancer screening rate. Our efforts toward the early detection, diagnosis, and treatment of cancer also include preparing in-house medical services that utilize a bus equipped with cancer screening tools. With regard to breast cancer in particular, since the mammography machine is one of Fujifilm's main products, we subsidize screening for women's cancer (breast cancer, cervical cancer) as part of our Cancer Awareness Program which has been running since 2003.

As a company offering advanced medical instruments and systems, not only the rate of screening, but also the accuracy of screening is important to us. For gastric cancer, we recommend endoscopic screening rather than X-ray screening for early detection, and the company covers the cost difference. For breast cancer, using double reading and other methods, we will keep seeking to improve screening accuracy.

We aim to achieve screening rates of 90% for pulmonary, gastric, bowel, and breast cancer and 50% for cervical cancer by the end of 2011. We will continue to expand our activities to other Group companies to enhance all of our employees' quality of life.



Cancer seminar

#### Promoting the Pink Ribbon Movement in Japan and overseas

Fujifilm promotes increased public awareness of breast cancer through the Pink Ribbon movement.

At the Fujifilm Senior Championship golf tournament held by the Professional Golfers' Association of Japan and sponsored by the Fujifilm Group, all players and staff members wore a Pink Ribbon badge during the tournament to raise cancer awareness. At the tournament site, we set up trucks equipped with screening tools for breast and gastric cancer with help from a local health care provider and provided a cancer screening service to those who wanted it. Besides such events, we continually raise awareness of cancer by distributing the "Breast Cancer Handbook" and Pink Ribbon promotional items both in and outside the company. We also actively promote the Pink Ribbon movement overseas.

As part of our activities outside Japan, we have started fund-raising activities for the National Breast Cancer Foundation in the United States, launched a Spanish website for breast cancer awareness, and sold pink digital camera sets for charity. In China, we have actively promoted the Pink Ribbon movement by holding seminars on breast cancer. As these examples show, our efforts extend well beyond our national borders.



Mammography screening truck



Educational booklet "Cancer Screening Recommendation"

## Social Contribution Activities: Contributing as a Corporate Citizen

### Thirteenth Annual Volunteer Work Program for afforestation in China

The Fujifilm Labor Union actively engages in social contribution activities of its own. A representative example is the volunteer work for afforestation in China undertaken each year by the Green Volunteers since 1998. In 2010, ten participants from the labor union planted or pruned trees in the Horqin Desert in Inner Mongolia in China, collaborating with FUJIFILM (China) Investment and the NPO Green Network. In response to opinions expressed at a stakeholder dialogue held in 2009, the volunteer work in 2010 was held during the summer vacation period so that employees could easily participate. The labor union is also involved in various other activities including protection of mountains and Operation Green Aid which works to realize clean local communities.



### Relocation of Fuji Xerox Art Space

Fuji Xerox Art Space was relocated from the Tokyo Midtown headquarters to the Yokohama Minato-mirai office in May 2010. It exhibits to the public Fuji Xerox Print Collection as common property of society. The number of visitors following its relocation was 2,546 for 2010. We will continue to provide a place for local residents and others to enjoy world-class artwork, to promote understanding of art and culture, and contribute to society through art.



Ben Shahn "Notebooks of Malte Laurids Brigge" exhibition

### Improving townscapes through greater communication with local residents

Employees of the Toyama Chemical Toyama office plant tulip bulbs and sow seeds of cosmos and other flowers in the flowerbeds next to the office's nearest tram station, Toyama Light Rail's Shimo-okui Station. Since 2006, this has been done throughout the year in cooperation with members of the Toyama City Association for Trees and Plants, school teachers, and students. The activity has led to greater communication with local residents. The flowers can be enjoyed by local residents and tram passengers.

The contributions this activity made to the revitalization of areas along the tram line were recognized with the award of a certificate of appreciation from Toyama Light Rail at its fifth-year anniversary in April 2011.



Toyama Light Rail and flowerbeds

## Social Contribution Activities: Cultivating the Minds of the Next Generation

### The mystery of light explained to junior high and high school students

As a cooperative participant, Fujifilm exhibited at the Kanagawa Science Fair for Junior High and High School Students held in July 2010. The event was jointly held by Kanagawa Prefecture and a local science/engineering-oriented university to encourage the students to stimulate their interest in and deepen their understanding of science and engineering fields. Under the title "Visual Wonders: Let's Explore the Mysteries of Light," Fujifilm explained phenomena associated with everyday items, such as an LCD and 3D photos, while performing some experiments.



### Supporting the Fifth Minami-aso Ehon No Kuni Anniversary Festival

Fujifilm Kyushu supported the fifth anniversary festival of Minami-aso Ehon No Kuni (Minami-aso Land of Illustrated Books) with which it entered into a "peace treaty" in 2006 as its first partner. Cherishing an illustration-book-like world and childlike sensitivity, Minami-aso Ehon No Kuni aims to create culture and communities where children can safely live in the future. We set up a Photo Illustration Book Booth and helped 90 people from 25 families create original illustration books with photographs instead of drawings. We will continue to support making opportunities for communication in families and communities which surround children.



### Cultivating the minds of the next generation with the Kids' ISO Program

The Kids' ISO Program run by NPO ArTech (the International Art and Technology Cooperation Organization) provides environmental education to children. Children have instincts

about their surroundings and the program aims to stimulate their awareness of various issues and teach them approaches to solving problems based on the Plan-Do-Check-Act (PDCA) cycle.

Fuji Xerox agrees with the purpose of the program, offers lessons at elementary schools in Minami-ashigara City in Kanagawa Prefecture in cooperation with local government and companies, and trains volunteers. In 2010, at elementary schools in three areas in Japan, 460 students participated in the Kids' ISO Program.

### Contributing to society through American football

The American football club team of Fuji Xerox, J-STARS, which moved up to the X League Division 1 in 2010, actively engages in social contribution activities through sports. In 2010, the team participated in the Special Olympics\* and track and field practice sessions for Japan, Hyogo, and Kobe program (Branch). They also participated in Fureai Natsu Matsuri 2010 (Summer Festival for Rapport 2010) where children have the opportunity to engage with a diverse range of people in society.

\* Special Olympics: an international sports organization which, throughout the year, provides sports training to people with intellectual disabilities and holds athletic competitions where they can show the results of their training.



### VOICE



#### Supporting cultural activities around the world

Ms. Naoko Yoshino  
Executive Director  
NPO Kyozon no Mori Network

Working together since 2004, I feel that the Fujifilm Group has made efforts in implementing various social contribution initiatives through business activities that support their main line of business, which is culture. I hope that these medium- and long-term plans will be addressed through these activities and more advanced communication be taken with stakeholders. Our activities are expanding from Japan into parts of Asia as well. What exactly is the quality of life that can correspond to the various cultures in Asia? We can contemplate this question together and link it to the expansion of social contribution activities.

## Management System

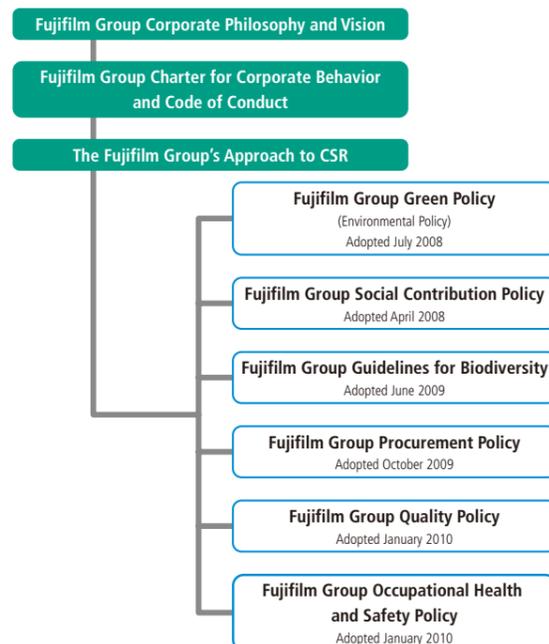
# Policies and Rigorous CSR Management Based on the PDCA Cycle

**Our goal is to contribute to the sustainable development of society by implementing our corporate philosophy and realizing our vision through sincere and fair business operations. To this end, we strive to improve product in all aspects of our business.**

### CSR Concept of the Fujifilm Group

The Fujifilm Group adopts a common corporate philosophy and a common vision, and states these concretely in the Group's "Charter for Corporate Behavior and Code of Conduct." We specify our approach to CSR (corporate social responsibility) in this way so that all employees can consider and implement CSR in their daily work. In order to concretize the belief that we should contribute to the sustainable development of society by implementing our corporate philosophy and realizing our vision through sincere and fair business operations, we set up, for each business, guidelines pertaining to the environment, contributions to society, biodiversity conservation, procurement, product quality, and occupational health and safety and we strive to follow them. We will continue to share the concept of CSR and our values within the Group and strengthen CSR governance.

### Fujifilm Group Policies and Value System

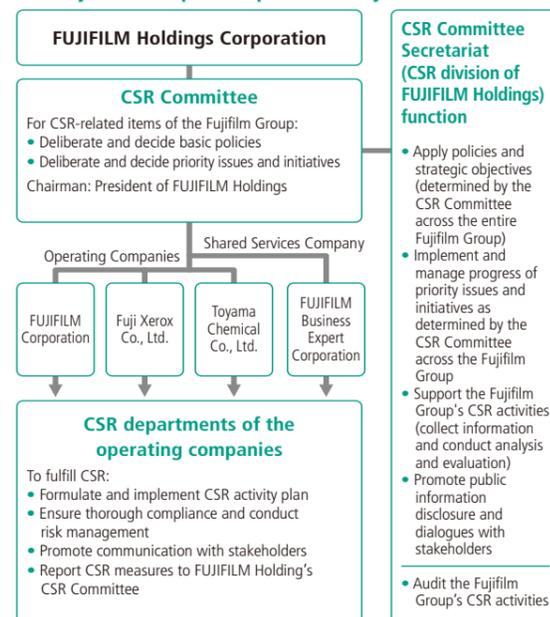


### The Fujifilm Group's CSR promotion system

For the smooth operation of the entire Group's CSR activities, the Fujifilm Group established the CSR Committee chaired by the President of FUJIFILM Holdings in 2006. The Committee takes decisions to promote the CSR activities of the entire Group.

The CSR Department of FUJIFILM Holdings, which is the Secretariat of the CSR Committee, is responsible for ensuring rigorous CSR management by the Fujifilm Group. The CSR Department prepares the ground for various activities, makes relevant decisions, communicates with stakeholders, supports the CSR activities of Group companies, and audits the CSR activities of the entire Group. The CSR department in each Group company prepares and implements plans for CSR activities, strengthens governance by ensuring rigorous compliance and management of risks, communicates with stakeholders, and reports on activities to the FUJIFILM Holdings CSR Committee. The Group as a whole engages in CSR activities, following the PDCA cycle.

### The Fujifilm Group's CSR promotion system



### Promoting rigorous compliance at Fujifilm and its Group companies as a whole

Fujifilm and its Group companies define compliance, which forms the basis of CSR, as taking actions that follow common sense and that are ethical as well as abide by the law. Together with domestic and overseas Group companies, we promote rigorous compliance.

As a concrete measure, we have held an information session on compliance every year since 2003. Management-level employees attend an information session organized by the CSR Promotion Department. On returning to their divisions, they hold a meeting with their subordinates on compliance. In this way, all employees become aware of the importance of compliance. In addition, seminars on compliance for management-level employees have been continually held since 2004. As of 2010, approximately 130 seminars had been held with 4,000 attendees in total.

The effectiveness of such educational measures is checked through an annual survey of employees' awareness. In addition, to raise the individual employees' awareness of compliance, we have them sign the declaration of compliance found in the Fujifilm Group's "Charter for Corporate Behavior and Code of Conduct," which each employee carries. Information on compliance, sexual harassment, and help lines is also distributed in the form of a wallet-sized card so that employees can consult with someone at any time.

### Fujifilm Group Compliance Statement

In all aspects of our corporate activities, we emphasize compliance and endeavor 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.

### Using an integrated management system to improve operational processes

As business becomes ever more globalized, it is necessary to identify constant risks and improve business processes in order to keep fulfilling our social responsibilities which form the basis of our corporate philosophy. Aiming to increase the quality of all our operations, Fujifilm and its Group companies have standardized business processes and utilized an IMS\* to continuously make improvements while using the PDCA cycle. With the IMS, we can improve the quality of operations, reduce negative impacts on the environment, and implement effective measures through removing inefficiency that would arise under multiple management systems, and evaluating our actions from the standpoint of stakeholders.

Since 2004, Fujifilm and Group companies have been joining the IMS step by step, and as of March 2011, almost all domestic organizations had already joined it. We intend to integrate standards further and to continue promote IMS-related activities focused on business performance.

\* Integrated Management System: A management system that unifies multiple management systems used to deal with product quality, the environment, occupational health and safety, information security, and other issues.

### CSR-compatible procurement to grow and make improvements with vendors

The Fujifilm Group created the Group Procurement Policy in October 2009 and evolved CSR-compatible procurement processes by adding social issue-related check points, such as corporate ethics, compliance, human rights, occupational health and safety, and social contribution activities, to the check points for corporate environmental assessment used in our green procurement procedures which were introduced in 2000.

In 2010, we asked 36 vendors to complete an online survey for self-checking CSR compatibility. It is our intention that by responding to the survey, vendors will deepen their understanding of our approach to CSR. Based on the survey results, we send an assessment report that points out each vendor's risks and issues to be improved, and request the vendors to improve certain aspects while maintaining others. In this way, we reduce CSR-related risks and raise the level of CSR management for the entire supply chain. To promote fair and open procurement for the entire supply chain, we will continue to reexamine the questions on the survey and increase the number of respondents.

### Basic procurement concepts

As a responsible member of the international community, the Fujifilm Group seeks to contribute to the development of society and the enhancement of quality of life of people throughout the world by providing top-quality products and services. In order to achieve these objectives, we perform procurement activities based on the following basic concepts.

The term "procurement" in this policy refers to not only procurement of parts and materials used in products, but also procurement of indirect materials and various other transactions including the purchase of services for maintaining and managing equipment.

Please visit the following website for details on the Procurement Policy.  
 URL <http://www.fujifilmholdings.com/en/sustainability/vision/procure.html>

### Human Resource Development at Fujifilm

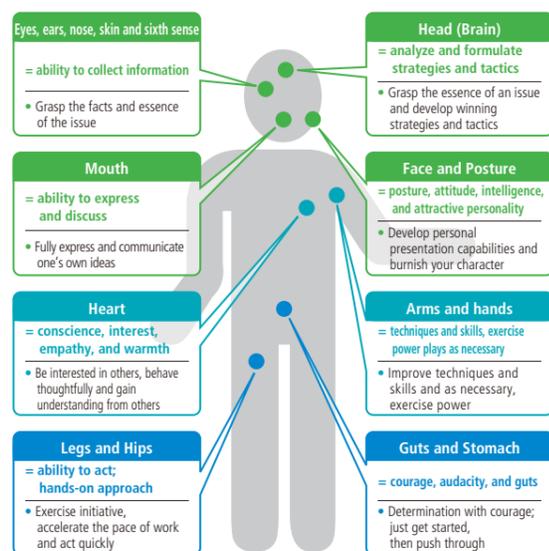
Fujifilm strives to develop human resources strategically in order to realize sustainable development of the company. The basic approach that we take in this effort is to create a virtuous circle: people grow through their work experiences; their growth brings them opportunities to work on more valuable projects; and experiences gained in such projects lead to further personal growth. To create such a virtuous circle, we class our employees according to seniority and qualification—young employees, mid-level employees, and management-level employees—and provide training to help them acquire the mental and business skills needed for their class of work. We also encourage our employees to develop their skills through work, by offering programs for different occupational types (engineering and administration) that are designed to strengthen their expertise.

In addition to such programs, in order to prepare our employees for further globalization of our business, we created in 2010 not only programs for an orientation seminar in which newly hired employees develop skills for debating in English and asserting their opinions, but also seminars for mid-level employees where they receive task formation and driving skills training. Through these seminars and programs, OJT\*, and employees' self-improvement, we seek to have an ideal workforce.

In addition, we actively employ people with different experiences, of different nationalities, and retirement-age workers and offer regular employee status to non-regular employees, which contribute to our diverse workforce. Employees with different backgrounds influence one another: this also leads to improving their mind and business skills.

\*On-the-job training

#### The ideal human resources at Fujifilm



### Developing globally oriented human resources at Fujifilm

At Fujifilm, we aim to train our employees to become strong individuals who can survive in today's global society, and various efforts have already begun to achieve this goal.

Fujifilm encourages all its employees to adapt to globalization and is planning to implement two measures to improve their skills in order to accelerate global expansion of our business. First, we plan to create and improve mechanisms for promoting self-improvement and seminar programs so that each employee can gain the skills, including language skills, needed for global business. We have also strengthened a self-improvement program in which all participants aim to score 600 points or more on the TOEIC English examination, and have begun expanding or creating new seminars intended for training the skills needed for global business or training candidates for overseas work. These seminars are available to all employees who want to attend.

Besides the seminars, we are creating mechanisms to increase the number of employees with experience in overseas business, by operating "short-term theme" dispatch programs that range in duration from 1 month to 1 year, such as the International Trainee Program and the Short-term Overseas Dispatch Program. We administer these programs based on a plan which takes into account each employee's personal training plan and each department's training policy. These overseas dispatch programs are considered to increase opportunities for global interactions among employees and strengthen the capability of the Fujifilm Group as a whole.

#### Global business skills training

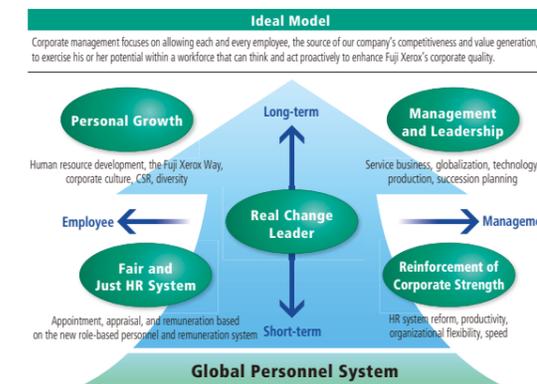
Name of seminar	Target	Content
Global communication skills training	All applicants	E-mail, report, presentation, negotiation, etc. in English
Lecture on global standards	All applicants	Approaches to global standards
Basic international business skills training	Candidates for overseas dispatch	Language skills, debating, business skills, business mindset, short-term training
International management training	Candidates for international management	Learning marketing, finance, strategy, organizational management, etc. in English
Overseas manager training	Candidates for overseas managers	Developing mindset and skills necessary for managing an overseas company (M&A, finance, liberal arts knowledge, etc.)

### System for human resource development at Fuji Xerox

Fuji Xerox implements various measures for human resource development to enable individual employees to acquire greater skills independently and autonomously, and build a career from which they can recognize their own growth. Each year, employees are given an opportunity to create a "career development sheet" and think about their own career path. By developing their own multiphase growth path, they become more aware of their goals and start to efficiently acquire the skills necessary for their work.

In 2010, we revised the system for human resource development which is also in effect in other Group companies, reexamined the systems for human resource development for different occupational types, and established a system for promoting human resource development.

#### Human resource development pursued by Fuji Xerox



### Developing globally oriented human resources at Fuji Xerox

As the Chinese market grows and our customers rapidly increase their overseas expansion, it becomes imperative that we develop the skills of our employees so they can conduct business globally. In 2010, Fuji Xerox strengthened its overseas business training program, which has been in place since 1974. We used to have only an 18-month course consisting of 6 months of language training and 1 year of work experience, but from 2011, a 30-month course for employees in sales will be introduced. This course will not only strengthen employees' cross-cultural skills, which are difficult to develop during a short-term program, but also develop the sales-related skills necessary for supporting our customers' global expansion. Also, in 2011, the number of employees sent abroad under the overseas business training program will be increased. We will continue to provide our employees with opportunities to gain overseas experience and increase the number of internationally minded personnel in the Group.

In 2011, we will also start inviting employees from Fuji Xerox (China) Limited and Fuji Xerox Korea Co., Ltd. to work with us. This initiative to work with overseas Group companies employees is intended not only to train international visiting employees, but also to improve the global business capabilities of the departments that accept them.

#### Priorities in developing globally oriented human resources

##### - Strengthening education for departments that particularly need to provide global responses

Developing a mindset necessary for conducting business (especially for (selected) core employees for global business); trial seminars for developing communication skills necessary for smooth business operation (presentation skills, business writing skills, etc.)

##### - Improving global business capabilities of young employees as a whole

Creating educational programs incorporating global viewpoints for the Seminar for New Employees held by Fuji Xerox and domestic Group companies as a whole and for the third-year and fifth-year seminars for common training

##### - Strengthening the global business capabilities of leaders of the next generation

Offering a seminar to develop the mindset and skills needed for managing teams composed of members from various nationalities and cultures and with different experiences, which is offered to (selected) managers anticipated to become future executives

##### - Improving management and business skills at overseas Group companies

Creating a mechanism for training multinational or multi-regional leaders of the next generation and strengthening problem-solving as well as sales management capabilities at overseas Group companies responsible for sales; creating an evaluation framework based on a program for improving management and product quality (Japan Quality Program)

#### VOICE



**Aim in developing true globally oriented human resources**

**Mr. Toshiya Banno**  
Director of Strategy  
Booz & Company Inc.

Within the Fujifilm Group's management system, I would like to give my opinion on their human resource development. Given the current situation where the Fujifilm Group has more than 50% of their sales outside Japan, the importance of communication and exchange between employees in Japan and other parts of the world is higher than ever. In the age where international human resources have now become more globalized, there is an urgent need for Japanese companies to develop human resources on a much larger scale.

## CSR Activities Overseas

# Fulfilling Social Responsibility in Overseas Markets and Enhancing Quality of Life through Various Businesses Activities

**We will continue with our environmentally conscious business operations and social contribution activities in order to achieve sustainable development in cooperation with and through sincere communication with our stakeholders and others in various countries and regions across the world.**

### Streamlined Group message on the global website

Fujifilm is continually improving its website from a global perspective so that domestic and overseas stakeholders can understand about Fujifilm and Group companies fully and easily.

The websites of the Group companies in various countries used to be created and administered individually, but since 2006, we have promoted global website management and these websites have now been unified under the global website. This has led to the streamlining of the Fujifilm Group's message and has enabled us to disseminate the same information in 39 languages in 67 countries and regions. This marks an important step toward spreading the Fujifilm Group brand further. We will continue to improve not only access from the global website to websites for individual countries, but also the user interface so that users can quickly reach the information they want.



### Contributing to improving diagnostic quality in clinical practice across the world

At Fujifilm, we have developed medical X-ray film since the company's establishment in 1934. We have also made significant contributions to improving health care quality and efficiency in diagnostic imaging since 1981 when we announced the world's first system that digitized X-ray images. In recent years, the needs of clinics in emerging countries to digitize diagnostic X-ray images have increased. In response to such needs, we introduced FCR PRIMA.\* This reflects our commitment to excellent image quality, which is crucial for a diagnostic imaging system as it affects the life of the patient. Intended for use in clinics, this imaging system is small, inexpensive, and easy to operate. It was first released for BRICs and other emerging countries in May 2009, but it was also well received in Japan, the United States, and Europe. The number of systems currently installed is 8,000. Our target

is to sell a total of 40,000 small-sized systems during the 3-year period from 2012 through 2014.

\* A compact digital diagnostic X-ray imaging system; FCR stands for Fuji Computed Radiography.



Digital diagnostic imaging system for clinics

### Toward improving health care quality in Middle Eastern and African markets

Fujifilm had a booth at Arab Health (the largest general health care trade show in the Middle East and Africa) which was held in Dubai from January 24 to 27, 2011. We exhibited a wide range of our medical system-related products and services to more than 65,000 visitors and tried to expand our distribution network to potential customers in emerging countries with growing markets, such as India and Middle Eastern and African countries. Also, the day before the opening of Arab Health, we invited our distribution agents operating in the Middle Eastern and African regions to an agent meeting. Employees from local companies as well as employees visiting from the Tokyo headquarters participated in the meeting and emphasized the importance of raising the level of awareness to respond to changing customer needs while showing the company's seriousness toward emerging country markets. The meeting created a lot of team spirit among these members of the Fujifilm Group.



Scenes from the exhibition

### Harnessing natural resources to reduce emissions and save company resources FUJIFILM North America Corporation, Hawaii Branch

The FUJIFILM North America Corporation office and distribution facility in Oahu, Hawaii recently completed the installation of a 1,455 module photo voltaic solar panel system. The solar installation will produce 483,391 kWh annually, which is equivalent to reducing CO<sub>2</sub> emissions by 1.11 million lbs per year or powering 66 households per year. It's also one of the top ten solar panel installations on the island of Oahu. The FUJIFILM North America Corporation Hawaii facility was chosen for the first installation due to the abundance of sunshine in the state, and to the fact that Hawaii has the highest electricity rates in the United States, as 90% of Hawaii's energy comes from imported petroleum.

The custom-designed system will provide virtually all the electricity needed to power the facility and will substantially reduce electricity costs. The facility will also take advantage of the utilities net energy metering program, where Fujifilm will put excess electricity generated back into the grid, resulting in retail credit. Most electricity meters accurately record electricity flow in both directions, allowing a no-cost method of effectively managing overflow electricity production.

Globally, Fujifilm has a greenhouse gas target set at 30% reduction in CO<sub>2</sub> emissions by FY2020, as compared to 2005. This project will reduce the greenhouse gas footprint of FUJIFILM North America Corporation by 1.85 %, and serves as a good example of activities being undertaken in North America to meet the global and local targets for CO<sub>2</sub> reduction.

"This project began in response to a corporate mission of energy conservation and greenhouse gas reduction, but it also will help us realize significantly reduced energy costs, and make the facility virtually energy independent," said Ray Hosoda, president and CEO, FUJIFILM North America Corporation. "With the urgency and concern about saving the environment and resources, this project is especially important to Fujifilm as we do our part in helping to preserve the lush, beautiful surroundings in which we work and live."



Inauguration ceremony with elected officials from the state of Hawaii (center: FNAC George Otsuka)

### CSR Champion Program at distribution companies in Asia

At Fuji Xerox, we are strengthening the environmental and CSR activities of distribution companies in 12 countries and regions in Asia. As part of this effort, each distribution company certifies employees who understand marketing and are well informed on environmental issues as "CSR champions." CSR champions not only share brief information on the CSR activities of Fuji Xerox, but also exchange information among themselves. This raises the quality of CSR activities in each company and allows us to introduce our customers to the activities of all our companies and to build stronger customer trust. We will continue to share information on our progress in CSR activities with our CSR champions mainly through video conferences and through twice-yearly face-to-face meetings.



A workshop held in Singapore

### Promoting awareness of global warming in Australia

In Australia, sustainability-related government regulations have been strengthened year on year and, in the market, customers have been increasingly emphasizing sustainability as a buying motive. Fuji Xerox Australia has not only improved its CSR education in its sales department, but has also started 2 communication campaigns targeting customers, entitled "The Paper Facts" and "Relevant, Responsible and Effective." The former provides information on the life cycle of paper, which is useful in selecting different types of paper; the latter distributes pamphlets containing guidance for keeping environmental burden low in producing a large quantity of printed output. Results and data obtained from these activities will be utilized by the CSR Division for solutions provided and campaigns will be conducted on a worldwide basis.



### Promoting an internship program for securing skilled workers and providing employment opportunities in China

Fuji Xerox has offered a year-long visiting fellowship program (VFP) for graduate students, lecturers, and associate professors from major universities in China since 1998, accepting around 10 people each year. Altogether, there have been 112 fellowship recipients in computer science, mechanical engineering, and electrical engineering (19 of whom have been subsequently employed). The program started with the following objectives:

- Industry-academia collaboration with universities in China
- Promotion of mutual understanding through cross-cultural communication
- Internationalization within Fuji Xerox
- Support for the fellowship recipients' research and development work at a leading company

However, the following aspect has since become significant.

- Securing of skilled engineers

The fellowship recipients receive training in Japanese for 6 months and attend seminars on Japanese life, culture, and problem-solving methods: the program is designed to have them deepen their understanding of Japan. The program also provides an opportunity for Fuji Xerox employees to learn about cross-cultural mutual understanding through cross-cultural communications with the fellowship recipients in research and development work. We would like to explore ways to hire many capable fellowship recipients and to expand the program to include universities in other countries in the future.



A cultural tour to Enoshima as part of training

### Promoting mental health care at Fuji Xerox of Shenzhen

The mental health of workers has become a significant social issue in China with its rapid global-scale economic growth. To improve the workplace environment for workers in such a social environment, since 2006, Fuji Xerox of Shenzhen has run an employee support program with help from NPOs and other organizations to eliminate cases of employees suffering from too much pressure or stress. Since newly hired employees who live in a dormitory for the first time in their life away from their family are especially prone to loneliness or pressure, we provide educational programs and mental health seminars to support them. Through these programs, we provide support for resolving their concerns by listening to their thoughts. As a result, communications with employees have improved. We plan to support each employee's wish for career development by offering, for example, a path to factory manager or procurement manager.

These efforts were introduced in a television program by CNBC (a U.S. news broadcaster) on CSR entitled "Responsible Business" in January 2011.



Seminar for staff in Shenzhen

#### VOICE



#### Strengthening product development outreach for BRICs

Mr. Hiro Motoki  
Deputy Chief Executive  
E-Square Inc.

It is easy to see that each business site of the Fujifilm Group is providing various activities based on the need of that particular region. While effective utilization of human resources is required for each region, I felt that careful attention and consideration were made for the employees and stakeholders that suited local circumstances.

It is my hope that Fujifilm, as a global company, will lead other Japanese companies in solving social issues, especially in the medical field, and strengthen product development outline for BRICs.