FUJIFILM
Value from Innovation

Sustainability Report 2015

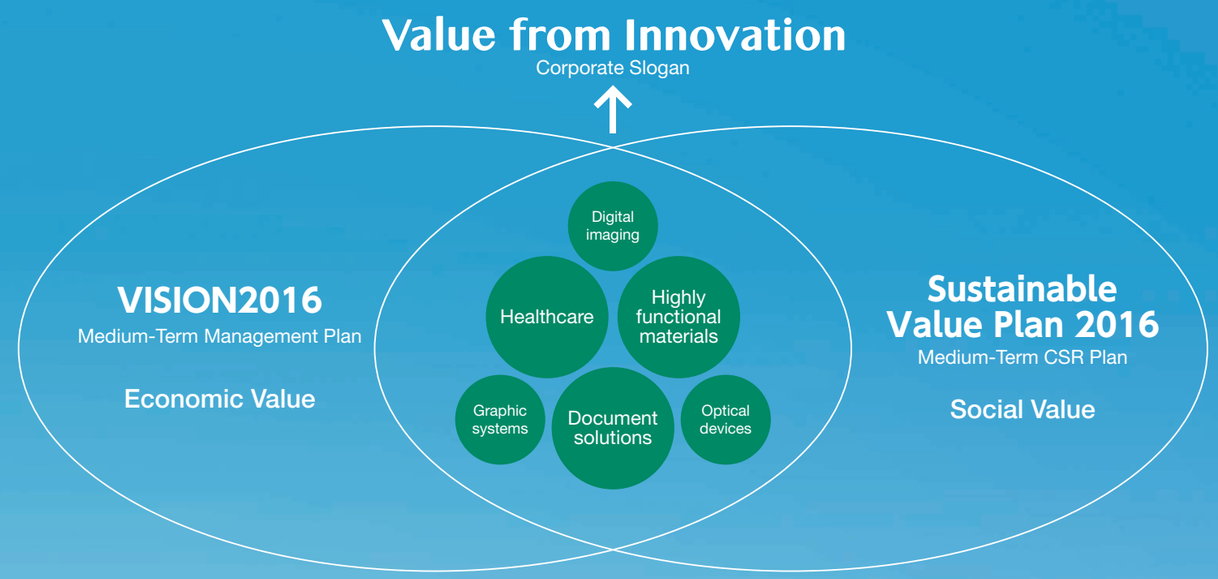
FUJIFILM Holdings Corporation

Value from Innovation

At Fujifilm, we are continuously innovating — creating new technologies, products and services that inspire and excite people everywhere.

Our goal is to empower the potential and expand the horizons of tomorrow's businesses and lifestyles.

We take an open and flexible attitude to innovation, combining our own original technology with human resources, expertise and technology from around the world. Through this powerful synergy, we rapidly and nimbly develop new solutions that address the true needs of our global customers.



To celebrate the 80th anniversary, the Fujifilm Group unveiled its new corporate slogan, "Value from Innovation," which seeks to continue creating new technologies, products and services that inspire and excite people everywhere, and empower the potential and expand the horizons of tomorrow's business and lifestyle. We established VISION 2016, our Medium-Term Management Plan and Sustainable Value Plan 2016, our Medium-Term CSR Plan based on this slogan. We believe that resolving the various social issues in society through its business activities present opportunities for our business growth and at the same time will contribute to society. By creating "new value," we continue to contribute to the sustainable development of society.

CONTENTS

Top Commitment 4

The Fujifilm Group's Business 6
Fujifilm Group's Corporate Social Responsibility (CSR) 8
Corporate Philosophy/Vision/ Charter for Corporate Behavior 9
Corporate Governance 10
CSR Management 11
<Stakeholders Communication> Topics 13

FUJIFILM Sustainable Value Plan 2016 14

Promotion policy 1
16
Contribute to solving social issues concerning the environment, people's health, daily life, and working style through our products and services.

[Health] 17
[Daily Life] 21
[Environment] 24
[Working Style] 26

Promotion policy 2
28
Solve environmental issues within business processes actively.

[Priority issue 1] Promote Global Warming Countermeasures 30
[Priority issue 2] Promote Resource Recycling 34
[Priority issue 3] Ensure Product and Chemical Safety 36
<Promotion policy 2> Topics 37

Promotion policy 3
38
Enhance the CSR framework supporting the corporate activities across the value chain.

[Priority issue 1] Raise Compliance Awareness and Ensure Risk Management 40
[Priority issue 2] Develop and Utilize Diverse Human Resources 45
[Priority issue 3] Enhance Value Chain Management from the Viewpoint of CSR 48
<Promotion policy 3> Topics 51

Other CSR Activities 53
Social Contribution Activities 53
Products and Services which Reflect Our Customers' Views 56

Data and Information 59
Compliance and Risk Management 60
Personnel and Labor (FUJIFILM Corporation) 61
Personnel and Labor (Fuji Xerox) 62
Environmental Aspects 63
Domestic and International Appraisals 67
Sustainability Accounting (Labor Environment and Social Benefit Accounting, Environmental Accounting) 68

Independent Assurance Report 70
Third-Party Opinion 71
Fujifilm Group Organization and Business Overview 72
Editorial Policy 73

Top Commitment

We Will Seize the Opportunity to Provide Value that is Truly Valuable

Achieving certain growth from a global viewpoint based on local onsite capabilities

In fiscal 2014, the Japanese economy was improved despite the increase in the consumption tax. This improvement was supported by measures implemented by the government and the Bank of Japan. Against this backdrop, efforts by companies to significantly expand their revenues were successful. For fiscal 2015, we must maintain this trend by making use of the expertise of the public and private sectors.

Outside of Japan, the U.S. economy has been stable while the EU is facing uncertainties, and the growth of emerging economies has slowed down. China in particular, which has been leading global economic growth, is showing a decrease in its economic growth rate and we must pay attention to the effects of this movement.

Due to the rapid advancement of information technologies, the Japanese economy and the global economy are now influencing each other more rapidly and have unquestionably become inseparably connected.

The Fujifilm Group operates across the world and has bases in 40 countries, with overseas sales accounting for about 60% of the total. Consequently, we need to monitor both the Japanese economy and the global economy, keep check on the influence they have on each other, and incorporate the findings in our business management rapidly.

In contrast to economic globalization and standardization, people's lifestyles and values are becoming more diversified. The key to understanding diversified market needs and creating new businesses and new value is the astute abilities of onsite employees working locally in each region. To ensure the steady growth of business amid dramatic changes in the economy and society, we need to think globally and make use of the abilities of individual employees working locally in each region.

Accomplishing VISION 2016

The Fujifilm Group celebrated the 80th anniversary of its founding last year and made a fresh start under its new corporate slogan, "Value from Innovation" to contribute to the development of a sustainable society by creating new value that will meet real customer needs and by resolving social issues. In VISION 2016, our new Medium-Term Management Plan, we set the following business targets: sales of 2.630 trillion yen, an operating income of 220 billion yen, net income of 120 billion yen, and ROE of 7%.

To achieve these targets, we have positioned "Healthcare," "Highly Functional Materials," and "Document Solutions" as our core businesses to drive growth in the Group, and have been proactive in promoting sales, creating new products, and investing in these businesses. We are working to boost profitability in all our businesses, and in fiscal 2014, the first year of our Plan, we achieved consolidated sales of 2.492 trillion yen (a year on year increased 2.2%), an operating income of 172.4 billion yen (an increased of 22.4%), and a net income of 118.6 billion yen (an increased of 46.4%), thus making a favorable start to the plan.

We are expanding our "G-up" activities to increase the capabilities of individual employees working onsite, and making the entire Group more competitive.

The business environment is constantly changing, but we will make concerted efforts across the Group to achieve VISION 2016, capitalizing on the abilities of our onsite employees.

Fostering CSR activities to make a bigger contribution to solving social issues

Last year, prior to the start of VISION 2016, we launched our Sustainable Value Plan 2016 (SVP 2016), our Medium-Term CSR Plan. In SVP 2016, we made a commitment to implementing new CSR activities in addition to giving consideration to the environment and society in our business processes, including creating value for society and contributing to resolving social issues. We are involved in a range of activities and working to create new businesses based on this Plan.

For global warming, which is a major priority for the international community, we are proactively reducing CO_2 emissions by promoting sales of anti-global warming, highly durable photovoltaic backsheets, generating our own electricity on our business sites, and implementing energy-saving measures in our offices and factories.

In the healthcare field, we are strongly committed to the regenerative medicine business to meet unmet medical needs. In fiscal 2014, FUJIFILM Corporation released materials necessary for cell cultivation for regenerative medicine onto the market as a reagent for research use. We also made Japan Tissue Engineering Co., Ltd., the only Japanese company to have obtained government approval for regenerative medicine products, and announced our intention to acquire Cellular Dynamics International, Inc., a world leader in iPS cell technology. By combining these companies' technologies with the findings on collagen and engineering technologies we have accumulated over our many years engaged in the field of photography, we will further expand our business in the field of regenerative medicine. We will continue to make use of the wide range of technologies possessed by our Group and encourage collaboration with a range of organizations and companies to develop and spread products that are valuable to society as we steadily implement SVP2016.

Aiming to cut lead times by half

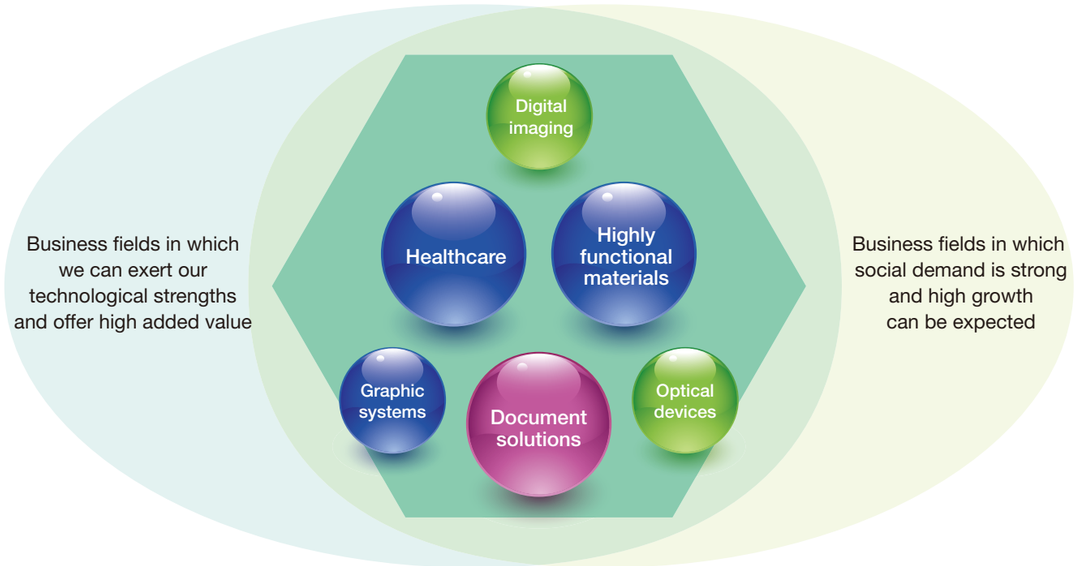
The year 2015 is the deadline year for the eight U.N. Millennium Development Goals (MDGs), which include the eradication of extreme poverty and hunger. In September this year the United Nations will announce the new Sustainable Development Goals (SDGs) to be reached by 2030. Also in December 2015, the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP21) will be held for the parties to discuss and make agreements on their new greenhouse gas reduction targets for 2020 onwards. All peoples, organizations and companies in the world need to make increasingly swift efforts in their respective capacities to solve the problems of our societies, which are becoming more serious every year.

At the start of this fiscal year, I sent a message to employees to encourage them to reduce lead times by half. It is critical to take prompt action in this constantly changing economic environment and in the face of a variety of interwoven social problems. There is no time to lose if we want to solve global warming and other issues. We must become the first runner keep providing society with new value without delay that we have created through innovation. This is what the Group aims to do through its "Value from Innovation" initiative.

"Sustainable development" is a shared hope of humankind, and companies also need to struggle towards it as going concerns. In the Fujifilm Group we will foster constant innovation in every process of our business activities and provide society with propitious new value without delay in pursuit of sustainable development.

August 2015
Shigetaka Komori
Chairman and Chief Executive Officer

The Fujifilm Group's Business



The Fujifilm Group regards the following six businesses as its priority business fields: healthcare, highly functional materials, document solutions, graphic systems, optical devices, and digital imaging. These are fields in which we can demonstrate our strengths in terms of technology and market position. These fields are also in high social demand, and, therefore, we can expect high growth. Health, energy, and information are the key social elements today to support a sustainable society, and there are many related issues to be addressed. Our healthcare, highly functional materials, and document solutions businesses are closely linked to these elements—which is why we have positioned these three businesses as core businesses to drive our overall enterprise.

Through the promotion of our Medium-Term Management Plan "VISION 2016" created under our corporate slogan "Value from Innovation," we hope to deepen the coordination between business growth and resolution of social issues and to work to become a company that continues to contribute to the society through our sustainable growth.

VISION 2016, a Medium-Term Management Plan for FY2014 to FY2016 aiming for further growth and increased corporate value

In November 2014, the Fujifilm Group enacted its Medium-Term Management Plan, VISION 2016. Under our new corporate slogan, "Value from Innovation," created to coincide with the 80th year anniversary of its foundation, we understand that solving a variety of social issues by creating new value through our leading-edge and proprietary technology is its opportunity for business growth. Concretely, we plan to expand our market by providing products that fully meet customer needs focusing on our business fields of healthcare, highly functional materials, and document as the growth drivers. We also intend to improve our profitability in all businesses by improving productivity. With these efforts, we aim at achieving sales of 2.63 trillion yen and an operating profit of 220 billion yen, the highest in our history, in FY2016. We also plan to enhance the shareholder returns to achieve Return On Equity (ROE) from 4.2% in FY2013 to 7%.

In VISION 2016, the Fujifilm Group declared that we will enhance our business portfolio where stable growth in the medium to long term can be expected and aim to be a company that can contribute to society with sustainable growth.

Concept of VISION 2016, the Medium-Term Management Plan

Firm and strong management base
Stable generation of profit and cash

Fulfill its business portfolio to realize stable growth in medium to long term

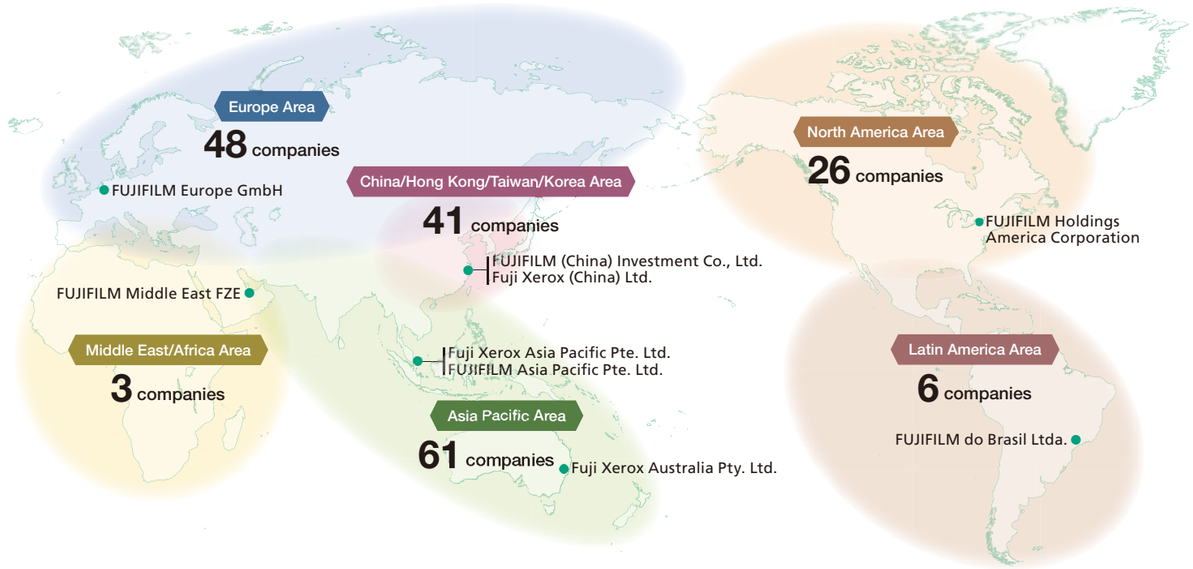
Accelerate growth of core businesses	Profitability improvement in all businesses
Expand sales, market share, and operating income using growth drivers of Healthcare, Highly Functional Materials, and Document business fields, with new product launches. Strategic use of M&A.	Improve profitability by improving productivity and efficiency in every corporate activity while maintaining business scale and advantages.

Enhancement of shareholder returns

Achieve record-high profits and improve ROE
Further increase of profit by utilizing cash that can be generated stably and be a company that can successfully contribute to society with sustainable growth.

Overseas

As of March 31, 2015



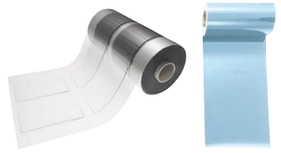
As a global company with 273 consolidated companies inside and outside Japan, we are expanding our business in many countries and regions across the world. Not only our sales networks but also our production systems are globalized with factories in the Netherlands, the U.S., China, and several other countries. Businesses expansion is also accelerating in the rapidly growing emerging countries, including BRICs, Turkey, Middle East, and Southeast Asia.

Healthcare

- **Medical systems** (X-ray diagnostic imaging systems, endoscopes, etc.)
- **Pharmaceuticals** (low-molecular pharmaceuticals and biopharmaceuticals)
- **Regenerative medicine** (autologous cultured epidermis/cartilage)
- **Life sciences** (functional cosmetics and supplement products)

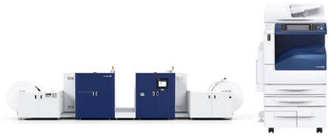
Highly functional materials

- **Flat panel display materials** (film materials for LCDs)
- **Industrial materials and electronic materials** (non-destructive testing equipments, semiconductor processing materials, new materials, etc.)



Document solutions

- **Office products and office printers**
- **Production services** (digital printing systems)
- **Global services** (solution proposals through company document and business process improvement)



Digital imaging

- **Electronic imaging** (digital cameras)
- **Photo imaging** (photographic films, photo books, and film processing/printing services)

Optical devices

- **Optical devices** (TV camera lenses/cine lenses, lenses for security cameras and camera modules for smartphones)

Graphic systems

- **Materials and equipment for graphic arts** (CTP plates)
- **Industrial inkjet printers and inks**

Fujifilm Group's Corporate Social Responsibility (CSR)

FUJIFILM Ashigara site located in an environment blessed with copious clean air and water, and its water source and water conservation forest

The roots of CSR are the trust of stakeholders and consideration for the environment

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

Fujifilm Group established a current Corporate Philosophy and Vision following the shift to a holding company structure in 2006. Founded on the spirit of contribution to advancement of society, improved health, environment protection and enhancement of the quality of life of people, by providing top-quality products and services with open, fair and clear workplace culture and leading-edge, proprietary technologies, we have established the Fujifilm Group Charter for Corporate Behavior and the Fujifilm Group Code of Conduct and implement them thoroughly throughout the Group.

In the Charter for Corporate Behavior, we uphold five principles, including "Respect for Human Rights," while in the Code of Conduct we define compliance as "more than simply not breaking the law and acting correctly in the light of common sense and ethics," and declare that all Group employees, including senior executives, will conduct themselves in line with these action guidelines.

Moreover we have made the following statement to encourage all Fujifilm Group employees to commit themselves to the fulfillment of corporate social responsibility (CSR) in their daily business operations: The Fujifilm Group's Approach to corporate social responsibility is to contribute to the sustainable development of society by putting our Corporate Philosophy into practice through sincere and fair business activities.

In 2014, we revised the Approach to CSR in order to identify the social challenges and more actively seek their solutions under the new corporate slogan, "Value from Innovation," established to coincide with our 80th anniversary. We will follow this new approach and slogan in further promoting our CSR activities.

Working to manage the brand through a corporate slogan, "Value from Innovation"

Marking the 80th anniversary of its foundation on January 20, 2014, the Fujifilm Group established a new corporate slogan, "Value from Innovation," and a brand statement. This slogan and brand statement were created after elaborating the idea of "the ideal future for the Fujifilm Group" based on comments submitted from our employees across the world in our promotion year. We intend to promote our approach to expanding our potential to the future, such as resolving social issues through our innovative "technology," "products" and "services."

In FY2014, we conducted a campaign to reinforce our brand worldwide to disseminate the concept and aim of the slogan and statement to every employee so that they can contribute to realizing "Value from Innovation" in their work roles.

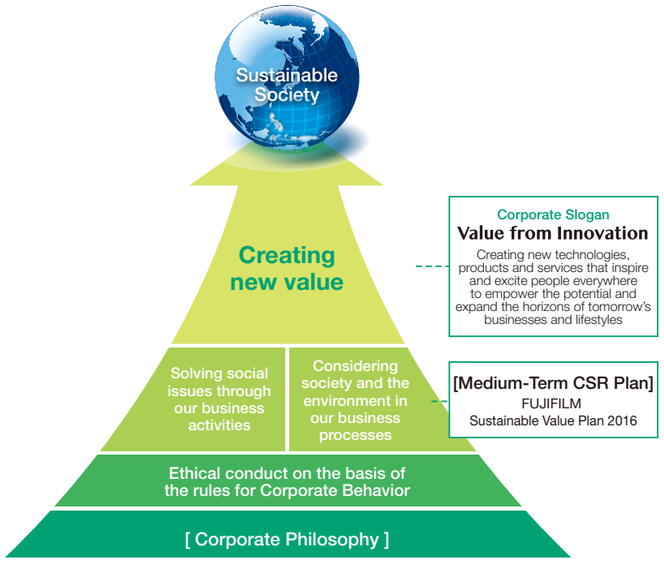
Major internal and external activities to promote and realize "Value from Innovation"

- Corporate advertisements in newspapers, magazines, and websites in and out of Japan
- Questionnaire to employees (Response from 11,300 individuals in Japan and overseas on brand image etc.)
- Publication and distribution of related leaflets
- Commencement of the Innovation Idea Proposals Program that can be used by all employees across the world
- Publication of interviews with the management of each business division *Let's begin "Value from Innovation!"* on in-house magazines and intranet across the world
- FUJIFILM Value from Innovation Award (award scheme within the Group)

Leaflets *Innovation—Taking the First Step Forward* and *Value from Innovation* distributed to employees to deepen their understanding of the concept of "Value from Innovation" and encourage positive action.

FUJIFILM Value from Innovation Award to boost morale among employees by celebrating teams and employees who make an outstanding achievement in different workplaces

Corporate advertisement in newspapers and magazines (made in both Japanese and English)



■The Fujifilm Group's Approach to CSR

The Fujifilm Group's Approach to CSR

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

We will not only fulfill our economic and legal responsibilities,

but also:

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

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.

We will create new values by integrating our distinctive and leading-edge technologies as well as turning out proprietary technologies to continue providing top-quality products and services that cultivate customer trust and satisfaction.

Through these efforts we will transcend past boundaries of "Imaging and Information" to advance the development of culture, science, technology and industry across society and furthermore improve human health and protect the environment.

Our new corporate philosophy is based on the recognition that our mission, through our sustained corporate activities, is to significantly contribute to the realization of a society in which all people across the world can lead lives that are abundant in spiritual as well as material wealth with a sense of fulfillment and satisfaction.

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 values.

We will create an open, fair and clear workplace culture that allows us to discern objective facts in a sincere and straightforward manner, make rational decisions, and continuously take on challenges with courage.

With this corporate culture, we will further hone our leading-edge, proprietary technologies and develop innovative products and services that gain customer trust and provide satisfaction to remain a vigorous company, consistently creating new value and exercising pioneering leadership.

Charter for Corporate Behavior

1. A Trusted Company

We develop and provide socially beneficial products and services of the highest quality using advanced and original technologies in a safe and responsible manner. Based on an open, fair and clear corporate climate, we create new values in a spirit of appropriate competition and fair dealing, continually striving to satisfy customers and other stakeholders and earn their trust.

2. Social Responsibility

We communicate with customers, local communities, shareholders and other members of society, conduct appropriate and fair disclosure of corporate information, comply with laws, regulations, and other rules, and uphold public order and morals. As good corporate citizens, we strive to correctly understand and respect local cultures and customs and to actively engage in public interest activities, especially those that contribute to local community development.

3. Respect for Human Rights

We respect and protect fundamental human and labor rights set out in international declarations. We reject the use of forced labor or child labor in any form.

4. Global Environmental Conservation

Recognizing that positive involvement in the resolution of environmental issues is an essential part of a corporation's social role and activities, we act voluntarily and proactively to help preserve the global environment.

5. Vibrant Workplaces

We strive to develop the skills of all employees, to provide safe and comfortable workplaces, and to respect diversity, individuality and differences.

Fujifilm Group Charter for Corporate Behavior (full text)
http://www.fujifilmholdings.com/en/about/philosophy/conduct/index.html

Fujifilm Group Code of Conduct
http://www.fujifilmholdings.com/en/about/philosophy/law/index.html

Corporate Governance

Corporate Governance Structure

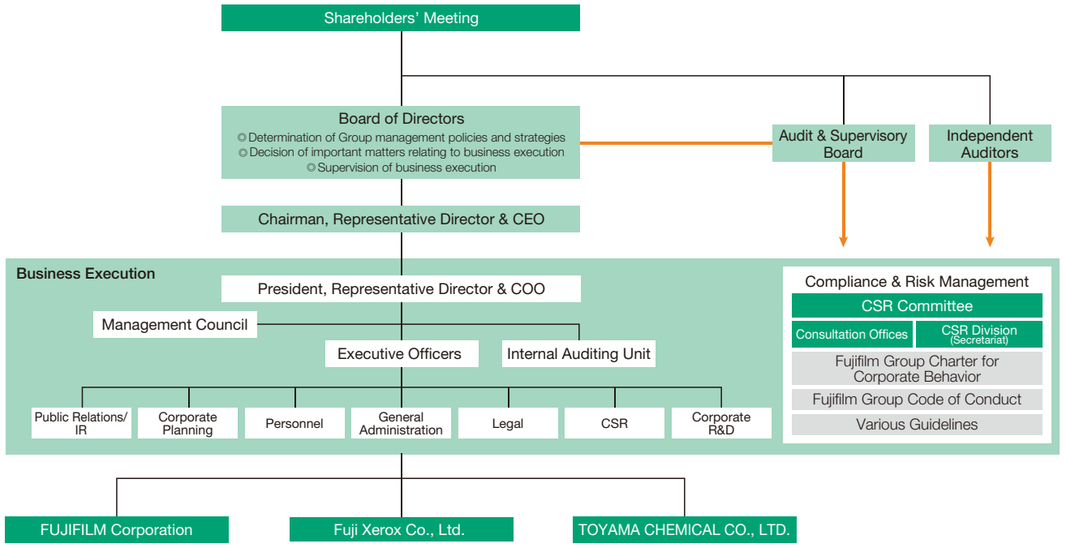
FUJIFILM Holdings has positioned the board of directors as the organization for determining basic Group management policies and strategies and other important matters relating to business execution, as well as supervising the implementation of business affairs. The company's Articles of Incorporation stipulate that the board can consist of up to 12 directors. Currently, the board has 12 directors, including two outside director. To better clarify their missions and responsibilities, the directors have a one-year term of office. The attendance of outside directors to the board of directors meetings held during the term ended March 2015 was 83% (10 meetings in total). Additionally, FUJIFILM Holdings has adopted an executive officer system to facilitate speedier business execution. Executive officers carry out business affairs in accordance with the basic policies and strategies formulated by the board of directors. Meanwhile, FUJIFILM Holdings has adopted a remuneration system under the stock option program* to make its directors and executive officers, excluding outside directors, share a mutual interest—the effect of stock price fluctuations—with its shareholders. In this way, the directors and executive officers are in actual fact encouraged to have stronger drive and morale toward achieving higher corporate value.

* Stock option program: Company's program whereby directors or employees are granted a right to purchase the company stock as a part of compensation for their work, at a price established in advance and within a designated period of time.

For further details of the Corporate Governance, please refer to

http://www.fujifilmholdings.com/en/about/governance/index.html

▼Corporate Governance Structure



Audit

FUJIFILM Holdings has adopted a system of Audit & Supervisory Board, which currently consists of four members, including two outside members. Each Audit & Supervisory Board member attends the board of directors, while full-time members attend all Management Council meetings in order to assess our overall business operations.

The attendance of outside auditors to the Board of Directors meetings held during the term ended March 2015 was 100% (10 meetings in total). Also, the attendance of outside auditors to the Audit & Supervisory Board meetings held during the term ended March 2015 was 100% (10 meetings in total). In addition, FUJIFILM Holdings has the Internal Audit Division with a staff of eight, which is independent of the business execution divisions. The division is responsible for auditing the Group companies, in cooperation with or sharing tasks with the internal audit divisions of such companies, in order to assess and verify that the execution of these processes is fair and valid.

CSR Management

The Fujifilm Group's CSR Promotion System and Related Policies

We established our Approach to CSR in 2006 in view of the importance of CSR in achieving sustainable growth in an age of tumultuous changes in the business environment, and of its value not only to top management but to each and every employee. Subsequently, seven policy statements (the Green Policy, Social Contribution Policy, Guidelines for Biodiversity, Procurement Policy, Quality Policy, Occupational Health and Safety Policy and Global Security Trade Control Policy) have been established and implemented.

The Fujifilm Group established the CSR Committee chaired by the President of FUJIFILM Holdings. 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 ensuring rigorous CSR management by the Fujifilm Group. The CSR Department prepares the ground for various activities, discloses information outside, 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 specified plans according to the overall Group CSR plan. It reviews the annual results and reports on activities to the FUJIFILM Holdings CSR Committee. The Group as a whole moves our CSR activities forward with a sense of unity.

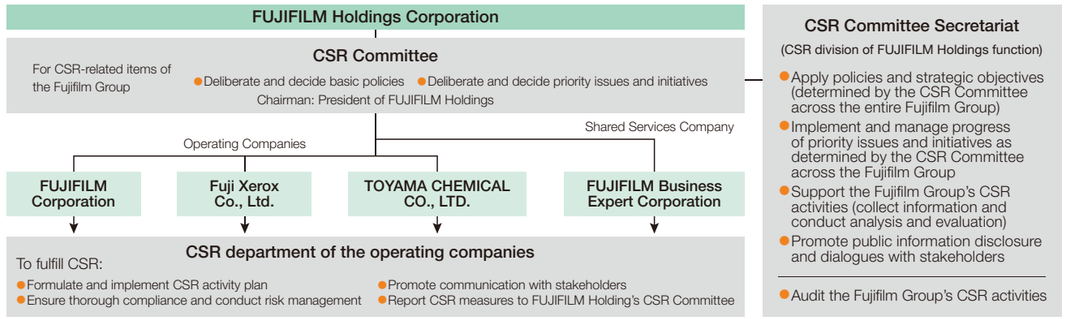
Communication with Stakeholders

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

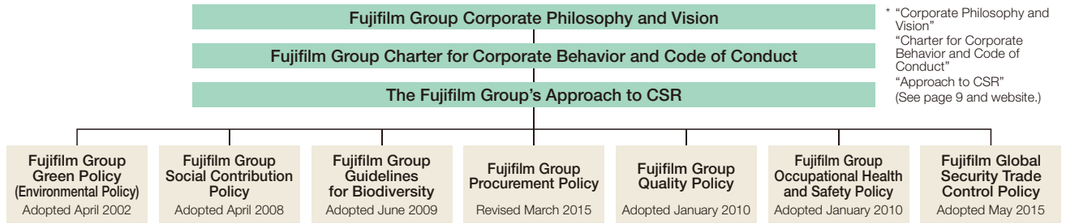
In addition to opinions relating to our CSR activities as a whole, regarding priority issues such as the promotion of anti-global warming measures, the promoting body for each issue conducts briefings on the content of the activities and presents the respective report to external parties, to receive their advice and evaluation.* Looking back over our activities and obtaining the views of external parties in this way provides a good opportunity to reexamine our activities. We plan to continue these efforts to make them better activities in the future.

*See pages 33, 47, 70, 71.

▼The Fujifilm Group's CSR Promotion System



▼The Fujifilm Group's Approach to CSR and Related Policies



*Visit our website for each Policy

CSR Management

▼The Fujifilm Group's Communications with Stakeholders

★: Further details are included in the Sustainability Report.

Main Stakeholders		Main Issues and Areas of Responsibility	Methods of Communication
Customers	We have a diverse range of customers, from individuals, businesses, corporations to government offices, etc., since we have business deployed all over the world, and we offer such a wide lineup of products, ranging from digital cameras and cosmetics to office printers, medical systems, medicine, highly functional materials and equipment and materials for graphic arts.	• Securing the safety and quality of products • Design for the Environment ★page 32 • Provision of appropriate information on services & products • Improvement of customer satisfaction levels ★page 56 • Customer response & support ★page 56	• Customer Center (liaison office for responding to inquiries) • Usability evaluation meetings and monitor surveys • Customer satisfaction surveys • Questionnaires at product purchase • Showrooms, exhibitions • Holding seminars • Websites and social media
Employees	Employees working for the Fujifilm Group total approx. 80,000 people in 273 companies. They are active all over the world and their composition by country is Japan 49.3%, the U.S. 7.8%, Europe 6.0% and Asia 36.9% (as of end-March 2015).	• Ensuring occupational health and safety ★page 43 • Respect for human rights ★page 44 • Utilization and training of human resources ★page 45 • Respect for diversity ★page 46	• Providing opportunities for dialogue with top management • Personnel management division liaison & interviews • Compliance & Sexual Harassment Helpline • Regular meetings between the company and labor unions/Health & Safety Committee • Intranet; in-house magazines
Shareholders & investors	FUJIFILM Holdings has 122,486 shareholders, characterized by a high proportion of overseas and institutional investors. Foreign companies constitute 40.2% of our shareholders, while Japanese financial institutions account for 32.8% (as of end-March 2015).	• Maintenance and expansion of corporate value • Appropriate redistribution of profits • Timely & appropriate information disclosure • Measures for Socially Responsible Investment (SRI) ★page 67	• General shareholders meetings/Business report briefings/Briefings for investors • IR conferences/Individual meetings • Annual reports/Shareholder communications • IR information website • Liaison office for responding to inquiries (Corporate Communication Office)
Transaction partners	The Fujifilm Group conducts transactions worldwide with suppliers of raw materials and components and retailers of our products, etc.	• Thorough implementation of fairness & transparency in transactions • Promotion of CSR issues in the supply chain, such as human rights and the environment ★page 48	• Briefings to suppliers (on green supply, management of chemical substances contained, etc.) • CSR questionnaires (self-audited) • Website for exclusive use of transaction partners • Regular discussions with partners • Liaison office for responding to inquiries (in each procurement and sales division)
Future generations & local societies	The Fujifilm Group has bases in approx. 40 countries across the world and conducts its activities by treating the local culture and customs with respect, as well as putting efforts into educational support for future generations.	• Contribution activities which make use of our main business strengths ★page 53 • Respecting local culture & customs and environmental conservation ★page 53 • Prevention of fires and accidents in the workplace • Educational support for future generations ★page 53	• Environmental communication meetings/Factory tours • Community volunteer activities • Regular discussions with local governments (city hall, mayor, community association presidents, etc.) • Liaison offices (at each factory & office) • Dispatch of lecturers to the academic organization & endowed chairs • Environmental education activities in cooperation with NGOs & NPOs
Government organizations & industrial associations	The Fujifilm Group has businesses in countries all over the world. Each of these businesses belongs to several industrial associations and has active relations with the respective government organizations, including participating in collaborations and information exchanges, etc.	• Legal compliance ★page 40 • Joint research & development and cooperation in public policy aimed at the resolution of social issues	• Participation in various industrial committees • Participation in the development of industry guidelines • Announcement of public comments through industry associations • Joint research & development of government or industry association • Proposals aimed at the resolution of social issues
NGOs & NPOs	We are conducting dialogues with NGOs & NPOs who are actively aiming for a sustainable society, for the resolution of social issues and environmental conservation.	• Dialogue, collaboration and support aimed at the resolution of social and environmental issues ★page 11	• Obtain views on the Sustainability Report • Participate in stakeholder dialogue • Administration committee of Public Trust Fujifilm Green Fund • Review meetings on various CSR issues • Afflicted area support activities with NPO

Tokyo Service Station moved to Tokyo Midtown in 2014

In-house magazines for internal communication

IR information on the web

Activities with the local community (Fujifilm Kyushu's *Sakura Festival*)

Stakeholder Communication

"Opportunity for Dialogue" offered by President Nakajima to disseminate the G-up activity across the world

Fujifilm started the G-up activity in 2012 to clarify "what" should be undertaken by each department and individual staff members to resolve workplace issues with aim of reinforcing the frontline working skills. President Nakajima holds the Opportunity for Dialogue across the world in order to promote the G-up concept through explaining the background, aim, and his intention behind the activity face-to-face with employees, and also to listen to what the employees think about the President's ideas. By 2014, nearly 50 sessions had been held in domestic and overseas business sites and affiliated companies with almost 5,000 attendants. The number of his visits to overseas subsidiaries alone reached 10, demonstrating the President's eagerness for close communications with the company's staff.

FUJIFILM North America Corporation (U.S.A.)

FUJIFILM Europe GmbH (Germany)

FUJIFILM do Brasil Ltda (Brazil)

FUJIFILM Medical Systems U.S.A., Inc. (U.S.A.)

Environmental Communication Meeting to directly exchange opinions with local stakeholders

The Fujifilm Group holds Environmental Communication Meeting in different business sites in Japan to disclose information about our environmental conservation activities as a member of local community and also to receive comments from community members. In FY2014, Fujifilm Kyushu (FFQ) held its first Environmental Communication Meeting with the help of Kikuyomachi Town in Kumamoto Prefecture, where the company is located.

The meeting, divided into Parts 1 and 2, was attended by some 30 people, including local residents. Part 1 comprised an explanatory presentation and factory tour, and Part 2 was a discussion led by Dr. Ryota Shinohara, Honorary Professor, Prefectural University of Kumamoto as moderator, and with Dr. Daisuke Ueno, Associate Professor, Department of Environmental Sciences, Faculty of Agriculture, Saga University as chemical substance advisor. The meeting attendants included local junior high school students who actively submitted a number of questions.

Wastewater treatment process explained in the Fujinomiya Factory

Fujifilm Fujinomiya Factory held its regular Environmental Communication Meeting in February 2015 for the residents in Onakazato region in Fujinomiya City, Shizuoka Prefecture. The meeting welcomed 56 attendants, including the environmental officers of Shizuoka Prefecture and Fujinomiya City, as well as local community members and junior high school students. This resulted in more active discussions than usual. This meeting marked its 10th anniversary and our efforts are highly valued as one of few companies in the prefecture that continue such environmental communication in the local community. We plan to increase the opportunities for communication with local government bodies and other companies in the area to promote further interaction with the community from the environmental viewpoint.

The Fujifilm Group is planning to continue to hold Environmental Communication Meetings to exchange opinions with the local communities and further promote our environmental and safety activities.

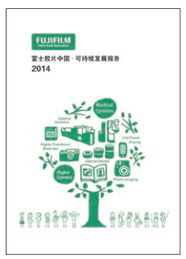
Presenting the Fujifilm Group's environmental efforts

Factory tour in an environmental conservation facility

Fujifilm China issued its own Sustainability Report 2014, summarizing activities in China

The social interest in CSR is increasing in China, therefore publishing information about Fujifilm Group's efforts in solving social challenges in China is important in terms of both communication with customers and improvements of the corporate brand. In response to this social trend, Fujifilm (China) Investment Co., Ltd. (FFCN) published its own Fujifilm China Sustainability Report 2014 for the first time in December 2014.

The Report presents the article "Realizing Sustainable Growth Along with China" and a number of specific examples of nine group companies' contribution in the sustainable development of society through providing a variety of values to every stakeholder in China, including FFCN.



Fujifilm China Sustainability Report 2014 http://www.fujifilm.com.cn/sustainability/fujifilm_china/report/index.html

FUJIFILM Sustainable Value Plan 2016

Under the corporate slogan, "Value from Innovation," established to coincide with our 80th anniversary, the Fujifilm Group has created a new Medium-Term CSR Plan covering FY2014 to FY2016, titled,"Sustainable Value Plan 2016" (SVP 2016), and commenced work on its implementation. Through SVP 2016, we are actively putting our Approach to CSR into practice: "to contribute to the sustainable development of society by putting our Corporate Philosophy into practice through sincere and fair business activities."

Social Background & Basic Approach

At present, global warming and other environmental issues are in a state of crisis. In addition, social issues such as human rights and social disparity are becoming ever more serious. This in turn drives society to expect global corporations with greater influential power to take actions towards resolving such issues. At the same time, corporations are changing their approach to CSR by taking the initiative in identifying and solving social issues as an opportunity for their renewed growth, rather than simply reacting to regulations and requests. Thus, the relationship between CSR and business activities is becoming closer than ever.

Since the Fujifilm Group's first Medium-Term CSR Plan was created in 2007, immediately after FUJIFILM Holdings was established, we have promoted CSR activities in a systematic manner. This latest plan—our third—reflects the idea of "Contributing to solving social issues through products, services, and technologies." We enhance collaboration between our business activities and social issues under the heightened expectation for the global companies to solve the worsening environmental and social issues. By this reflection, we embody our CSR Approach, "to contribute to the sustainable development of society by putting our Corporate Philosophy into practice through sincere and fair business activities." In addition to resolving social issues through its innovative technologies, products and services in the four priority areas related to the driving forces that VISION 2016 focuses on (healthcare, highly functional materials and document solutions), the company will reinforce and expand by aggressively tackling environmental issues in its business activities and its CSR basis for activities on a worldwide scale.

The Fujifilm Group aims to be a company that contributes to "the sustainable development of society" by actively creating "new values" to resolve the various social issues that we face.

FUJIFILM Sustainable Value Plan 2016

Creating the Triple Promotion Policy

1. Clarifying the Basic Policies

The latest Medium-Term CSR Plan clarified the focus of our CSR activities by reviewing previous CSR activities and investigating trends in society and other companies' activities. In addition to continuation and reinforcement of the existing CSR activities, "Exhaustive governance and compliance and reduction of impact on environment and society" and "Keeping an extended view across the value chain, life cycle, and world-wide," we have made it clear in the Basic Policies that we will expand the scope of "Actively aim to solve social issues through our business activities," which was already in operation.

2. Extracting Social Issues Based on Business Strategy

In extracting the social and environmental issues to address, we listed approximately 130 items based on ISO 26000 (international guidelines for social responsibility of business and organizations), the GRI Guidelines (international sustainability reporting guidelines), and the primary issues faced by other companies in the same industry and corporations with advanced CSR practices.

Also, we discussed the possibility of contribution to solving social issues among all business divisions, and clarified the possible products, services, and technologies by each division.

3. Evaluation of Materiality

As it is difficult to evaluate materiality of both "measures to solve social issues through business" and "conscious on environmental and social impact" in the same manner, we took two approaches for evaluation.

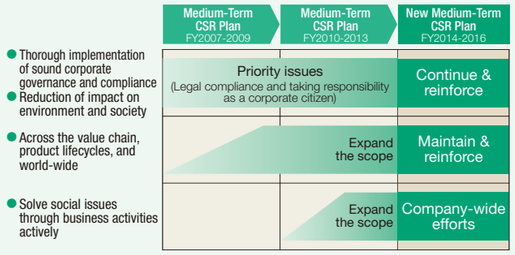
1) Solving social issues through business activities
We created a matrix of social issues and our products, services, and technologies that may contribute to solving such issues. Next, the size of potential contribution as well as the size of impact on society, were assessed to identify the social issues.

2) Conscious on environmental and social impact within business processes
With the participation of E-Square Inc., a professional CSR consultancy, the social issues identified are rated on two axes; from the social point of view (how important society believes the resolution of the issue is and what society expects the Fujifilm Group to do about it) and the corporate point of view (impact on business strategy, brand and reputation) and mapped on five levels. Issues that were rated four or higher on both axes were organized and reviewed as suitable expressions and defined as priority issues.

4. Planning, Review, and Approval

We set a goal for each priority issues. The environmental and HR divisions of operating companies which promote each priority issue played a central role to quantify their goals by looking back over its activities. Priority issues and Medium-Term CSR Plan were discussed and formulated at the CSR Committee chaired by the President of FUJIFILM Holdings.

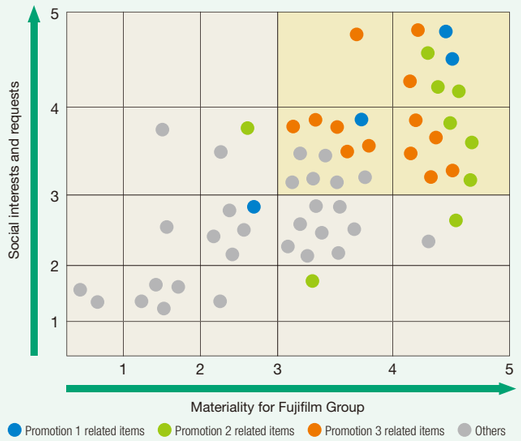
In order to assure accuracy of data on the environment and society featured in the Sustainability Report, activities in FY2014 underwent third-party verification. (See page 70.) We will now further our activities throughout the Group towards achievement of the Medium-Term CSR Plan.



Matrix on Social Issues and Fujifilm Group's Products, Services, and Technologies

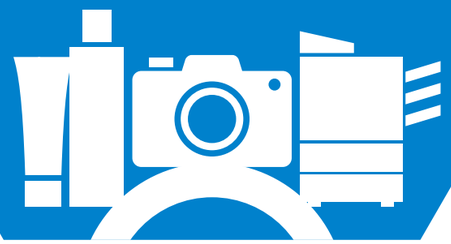
Business fields	Social issues	Medical	Pharmaceuticals	Highly functional materials	Document solution	....
Environment	Reduce CO_2 emissions	●●		●●●●●	●●●●	
	Energy issues	●		●●●	●●●	
	.....			●●	●	
	Exhaustion of resources			●	●●	
	.....			●	●●	
Health	Improve accessibility to medical services	●●●●●			●●	
	Identify diseases at an early stage	●●●●●				
	.....		●●●			
	Reduce doctor's burden	●●				
	.....	●	●		●	
Daily Life	Enrich humanity and relationships				●●	●●●●
	Create a safe and secure society			●●●	●	●
	.....			●		●
	.....					●
Working styles	Promote communications				●●●	
	Promote diversity				●●	●
	.....				●	
	.....					

Materiality Mapping for Extracting Priority Issues



FUJIFILM Sustainable Value Plan 2016

Promotion policy 1



Contribute to solving social issues concerning the environment, people's health, daily life, and working style through our products and services.

page 17

1. Improve accessibility to medical services
2. Contribute to identifying diseases at an early stage
3. Response unmet medical needs
4. Promotion of health and contribution to beauty

page 21

1. Contribute to creating a safe and secure society
2. Contribute to enriching humanity and relationships

page 24

1. Global warming countermeasures
2. Response to water problems
3. Response to energy issues

page 26

1. Promote communications that transcend the information barrier
2. Promote diversity

In Sustainable Value Plan 2016, the Group plans to realize its CSR policy "to corporate social responsibility is to contribute to the sustainable development of society by putting our Corporate Philosophy into practice through sincere and fair business activities" by addressing 11 social issues through innovative technologies, products and services in the four priority areas of the Health, Daily Life, Environment and Working Style.

Priority issue 1 Improve accessibility to medical services

Targets: (1) Improve the medical environment in emerging countries
(2) Increase medical check opportunities in disaster or emergency situations and improve diagnostic accuracy
(3) Increase the medical check opportunities and improve diagnostic accuracy by reducing the burdens on doctors

Priority issue 2 Contribute to identifying diseases at an early stage

Target: Disseminate medical diagnosis systems with improved accuracy and less physical burden on patients

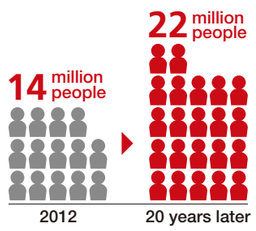
Priority issue 3 Response unmet medical needs

Target: Develop medicines for diseases without effective treatments

Priority issue 4 Promotion of health and contribution to beauty

Social Issues

Aging society, increased medical costs, regional divide in medical care, response to healthy life expectancy, unmet medical needs, etc.

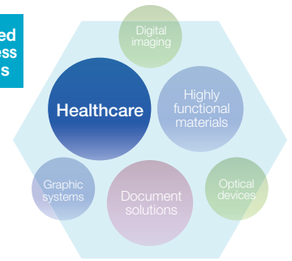


[Estimated cancer onset across the world]

Source: World Cancer Report 2014, World Health Organization (WHO)

Despite continuously advancing medical care, many illnesses still have no definitive treatment. For example, the cancer death rate is increasing across the world and the number of patients is growing ever larger, particularly in Africa, Asia, and Latin America. There is a desperate need for early diagnosis and treatment of diseases in emerging countries, in addition to finding effective treatments.

Related Business Fields



- **Medical systems** (X-ray diagnostic imaging systems, endoscopes, etc.)
- **Pharmaceuticals** (low-molecular pharmaceuticals and biopharmaceuticals)
- **Regenerative medicine** (autologous cultured epidermis/cartilage)
- **Life sciences** (functional cosmetics and supplement products)
- **Global services** (solution proposals through company document and business process improvement)

Basic Approach

Health is the most personal and important topic for people, yet there is a range of associated problems, such as disparities in medical access, shortage of doctors, increasing burden on medical workers, and surging medical costs. The Fujifilm Group started producing X-ray film in 1936, soon after the company's establishment. Since then we have been a long-term contributor in the field of medical diagnosis. Our medical business has recently expanded into the Prevention and Treatment fields, as a part of a strategic move towards the group's growth. We are continuously striving to widen our contribution to promoting people's health and welfare. In this new CSR Plan, we set out four priority issues based on the scale of our contribution to help solving the social challenges, identified through reviewing all the products, services, and technologies that we possess.

Outline of Activities in FY2014

In the drive to become a total healthcare company, the Fujifilm Group has been promoting action on organizational reinforcement in recent years, including developing high-performance medical equipment and M&A.

In the field of medical systems, we gained a solid market response especially for our medical IT systems and diagnostic ultrasound system, etc. In 2014, we also participated actively in symposia held in emerging nations, especially in Latin America, to contribute to the advancement of clinical examination technologies in such nations. Additionally, our own technology that realizes the early detection of influenza has been applied in the development of a diagnostic system realizing rapid diagnosis of the Ebola virus disease that spread not only in West Africa but also in various nations last year, chiefly among medical care workers. We are directing great energy into its further development.

In regenerative medicine, Japan Tissue Engineering Co., Ltd. was made a consolidated subsidiary in 2014. Also, Cellular Dynamics International, Inc., the world leading company in iPS cell development and manufacturing became a wholly-owned subsidiary in May 2015. In the area of pharmaceuticals, we acquired the vaccine manufacturer, Kalon Biotherapeutics, LLC, in 2014 through its US subsidiary, expanding the scope of the contract manufacturing of biotech pharmaceutical products. In new drug development, we are working on the development of a strong pipeline through collaboration with the world's top-class research organizations. In the document field, we support the work efficiency in medical services and contribute to speed up clinical trial for new drug development.

Future Prospects

In medical systems and document fields, Fujifilm Group will provide assistance for more accurate and rapid diagnosis and boost efficiency in medical care through a wider expansion of its business operations in the counties including emerging nations. In the life sciences field, we will expand the lineup of functional products that utilize our technologies to separate ourselves from competing companies. In pharmaceuticals and regenerative medicine, products will be developed with increasing speed through organizational strengthening, including M&A, to promote further growth in various business fields.

Priority Issue 2 / Priority Issue 3 Helping to solve the world's public health problems—Research to develop a rapid diagnostic system for the Ebola virus disease

Following the outbreak of the Ebola virus disease (EVD) mainly in Western Africa in 2014, the first case of the disease outside Africa was confirmed in Europe and preventing the spread of EVD is becoming a critical issue for the international community. In order to prevent a wide-scale outbreak of EVD in the future, it is critical to identify EVD patients at an early stage and implement initial response measures to break the chain of infection, while advancing the commercialization of anti-EVD vaccines and drugs.

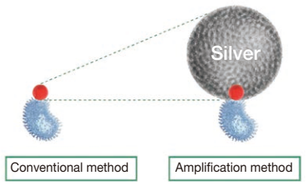
Fujifilm applied its silver amplification technology, traditionally used in the development process for photographs, to the development of a diagnostic system that can detect even a very small amount of influenza virus in the initial stage of development, and announced the system in 2011. The system can easily be used to get a diagnosis in a mere three and a half to 15 minutes and the error-free automatic detection by the machine has been highly evaluated. It is therefore increasingly being adopted by medical facilities. The technology can be applied to diseases other than influenza and the company aims to apply it more widely to contribute to the early detection of various infectious diseases existing across the world.

To this end, Fujifilm concluded a joint study contract for a rapid diagnostic system for EVD with BIOASTER*, which is an advanced French public research institute specializing in infectious diseases and microbiology. The joint study is being conducted by the two parties as an international industry-and-government cooperation project. The current EVD examination method has been implementable only at limited places and by limited experts, and also takes several hours for completion. To increase the safety and speed of the examination by making it possible to do it at the place where an infection is reported, the company is working to create a simple, quick, small-sized, and portable diagnostic system.

Also, it has been announced in an interim analysis report by the French Institute of Health and Medical Research (Inserm) based on the results of clinical trials conducted in Guinea that the anti-influenza virus drug Avigan, developed by TOYAMA CHEMICAL, a group company, shows potential in treating Ebola patients. Fujifilm will fully cooperate with the French and Guinean governments and the related Japanese authorities to establish an EVD treatment method.

Fujifilm will continue to cooperate with a range of related organizations that share the goal of solving the world's public health problems, making full use of the diagnostic and treatment know-how accumulated in the Fujifilm Group's health care business.

* BIOASTER is a public institute that conducts research into infectious diseases and microbiology, funded by Lyon Biopole (industrial cluster in the field of infectious diseases located in Lyon, France), the Pasteur Institute known as a world-class research institute, Inserm, and other French research institutes.



Through catalytic accumulation of silver around gold particles of only 50 nm, the conventional virus marker, Fujifilm managed to increase the marker size 100 times within one minute, enabling easier virus detection

Priority Issue 3 Accelerate the development of regenerative medicine, backed by enforcement of the Act on the Safety of Regenerative Medicine

Extracellular matrix used for cell culture in a reagent: "Cellnest recombinant peptide based on human collagen type I" (released in Dec 2014)

Regenerative medicine represents a new medical technology to recover the functions of damaged organs by transplanting cells and tissues. It is expected to expand medical possibilities to meet medical needs that have not been met due to the lack of effective treatment methods and also to give an alternative to the transplantation of organs. In 2014, two laws (Act on the Safety of Regenerative Medicine and Revised Pharmaceutical Affairs Act) were put into force as part of the measures implemented by the Japanese government to support the industry, and the clinical application of iPS cells was started, making the year an important one for the progress of regenerative medicine in Japan. The world is now paying attention to the country, which is moving toward implementation of regenerative medicine.

The Fujifilm Group is a top runner in the field of regenerative medicine. Japan Tissue Engineering (J-TEC), one of its consolidated subsidiaries, is the only company to market regenerative medicine products such as autologous cultured epidermis and autologous cultured cartilage in Japan. The Group also launched the extracellular matrix Cellnest as a reagent for research use, based on the collagen technology accumulated in the photo business, and applied the results to develop the CellSaic technology as a new transplantation form to increase the effect of transplantation in regenerative medicine. We have thus made contributions to the development of regenerative medicine. In March 2015, we signed an agreement to acquire US Cellular Dynamics International, Inc., a world leading developer and manufacturer of iPS cells. In the future we will expand our business domain to include regenerative medicine using iPS cells, thereby accelerating measures to meet unmet medical needs.

Priority Issue 2 Develop endoscopes using proprietary technologies to contribute to the early detection and treatment of diseases while minimizing the invasion on patients

Fujifilm (FUJINON at the time) became the first in the world to develop a digital endoscope in 1984 and has since been developing epoch-making endoscopes, including less painful transnasal endoscopes, double balloon endoscopes to allow the examination and treatment of the entire small intestine, for which it is very difficult to insert an endoscope.

Fujifilm's endoscope systems are divided into two types: one using xenon lamps and the other using laser light (LASEREO). In 2012, we released LASEREO as the world's first endoscope using laser as a light source. The product's biggest feature is the laser illumination technology that combines two kinds of laser light of different wavelengths: white light suitable for normal observation and laser light for short-wavelength narrowband light* observation. This technology is coupled with our proprietary imaging technology to increase the visibility of the lesion. In 2014, we added a transnasal type to the peroral type, and included the Linked Color Imaging (LCI) function to emphasize minor color variations in the mucous membranes in the standard functions to support the diagnosis of inflammatory disorders.

Fujifilm will continue to meet the needs of doctors and patients, advancing the development of endoscopy to contribute to the early detection and treatment of a range of diseases.

Colors important for the diagnosis of inflammation are concentrated in the red color area and are difficult to differentiate.

LCI emphasizes differences in the chroma and hue degree of the mucosal surface.

A slight difference in the mucosal color are emphasized on the display.

Image provided by Kawasaki Medical School

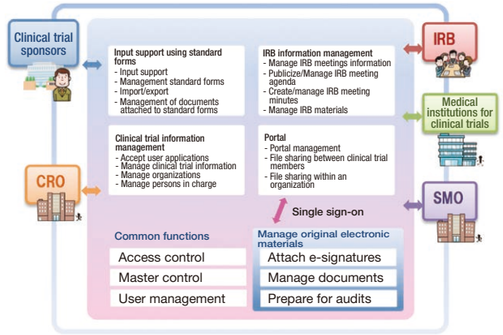
The double balloon endoscope for small intestine was developed as a world first in 2003. The EN-580XP, which was released in February 2015, provides a higher performance. For example, the diameter of the tip is 1 mm smaller than the conventional model to reduce the physical burden on patients.

* Narrowband light (light in a narrow wavelength band) is used for image observation in LASEREO and emphasizes the contrast of microvessels on the mucosal surface.

Priority Issue 1 Supporting the networking and digitization of clinical trial operations for speedier development of new drugs

The creation of new drugs in fields that lack effective treatment is an important social challenge. Fuji Xerox helps boost the efficiency of clinical trial*1 operations by utilizing its accumulated know-how on document solutions for the management of both paper and digital documents. As a result, Center for Clinical Trials, Japan Medical Association*2 adopted the Company's clinical trial document management solution in the system that they launched full scale in September 2014.

▼Overview of the Clinical Trial Document Support System and Range of Applications of the Fuji Xerox Solution



Medical facilities conducting clinical trials are shifting their overall operations from the conventional paper-based methods to paperless in order to promote higher efficiency. However, there have been challenges to face in this shift, including the high cost of the new system introduction, changes that have to be made to the operational processes, and compliance with the regulations on the management of electronic media, which required standardization of formats and management rules between related organizations. The Center for Clinical Trials has worked to meet these challenges in cooperation with industry groups and others based on the use of the cloud-based Clinical Trial Document Support System. Fuji Xerox's document management solution is used in this system to manage original documents in electronic form (electronic record storage function). The solution enables organizations using Clinical Trial Document Support System 5.0 to manage original documents electronically rather than in paper form, leading to the reduction in the cost of storing clinical trial paper documents and in turn to higher operational efficiency.

Fuji Xerox will continue to offer a range of healthcare solutions to contribute to the early development of drugs and to higher-quality medical services.

*1 Research study of drugs or medical equipment before they can be commercialized.

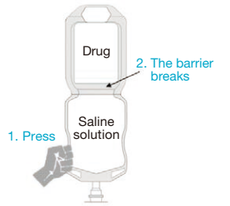
*2 Promotes the development of a platform for clinical trials in Japan as part of the Large Scale Clinical Trial Network Project, a clinical trial promotion program subsidized by the Ministry of Health, Labour and Welfare of Japan.

Contribute to solving social issues concerning the environment, people's health, daily life, and working style through our products and services.

Priority Issue 1 TOYAMA CHEMICAL and Fujifilm cooperate in developing a double-bag kit to improve operational efficiency in medical facilities

Injectable antibiotic products have been supplied mostly in glass bottles called vials and the "preparation," or dissolving the drug in saline solution for infusion, is troublesome. Accordingly, among busy medical facilities where many patients are taken care of on a daily basis, it has been strongly desired to improve the operational efficiency.

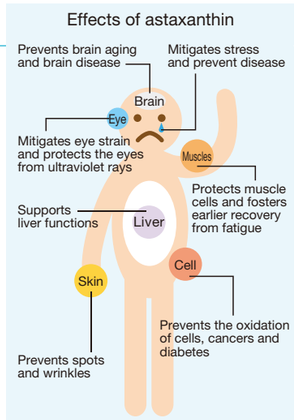
It is the "double-bag kit" that meets such needs. The drug and saline solution are sealed separately in bags, with each bag divided by a barrier, and when administered, the solution chamber is pressed to break the barrier and dissolve the drug to the solution. Compared with vials, the bags are more easily prepared (the drug dissolves in the solution quickly) and prevent contamination of bacteria or foreign materials since the preparation is completed within sealed bags. Conventional bag kits have aluminum film on a drug chamber to protect the drug from oxidation and moisture absorption, and the film has to be removed before administration. For non-film type, drying agents are packed in the drug chamber.

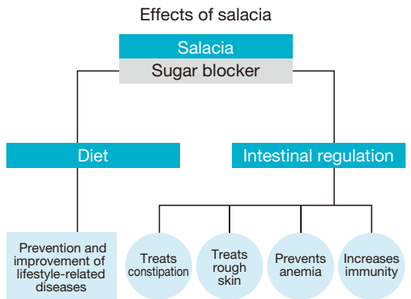


Preparation of the double-bag kit

In February 2015, TOYAMA CHEMICAL began to manufacture the double-bag kit. The product is innovative in that it has both high resistance against oxidation and moisture without aluminum film or drying agents thanks to "transparent super high barrier film" developed by Fujifilm and convenient high visibility of the contents. We will continue developing products like this to contribute to reduce the burden on medical facilities and improve their service quality.

Priority Issue 4 Support health through astaxanthin and salacia: antioxidants developed in photo film research





In an aging society where the average lifespan is extending, people are getting more interested in methods to prolong their healthy life expectancy.* One of these methods that uses antioxidants to curb aging is attracting much attention.

Salmon and crabs look red because of the natural red pigment called "astaxanthin," which belongs to the group of carotenoids that includes beta-carotene and is about 1,000 times more powerful than coenzyme Q10 and about 550 times more powerful than vitamin E. It is widely known to be a highly effective antioxidant, but it is difficult to use because it is not water-soluble, and not absorbable or resistant to heat and light.

FUJIFILM Corporation noticed astaxanthin as a result of conducting research into antioxidants for photo film over 80 years, and developed nano-astaxanthin, which is a better antioxidant and more permeating and absorbing, by using its unique nano-technology to meet the challenge.

To prolong healthy life expectancy, it is critical to implement preventive measures against diabetes, hypertension and other lifestyle-related diseases, which is also effective in preventing obesity. "Salacia" is a natural ingredient that serves as a rather effective sugar blocker, and Fujifilm focused on this substance. Salacia has long been used in India and Sri Lanka as a miracle plant to treat diabetes and had been found to have various other effects as well, but it was difficult to manufacture pills containing the effective ingredient in high concentration. Fujifilm applied the technologies it has accumulated in photographic research to make pills containing the ingredient in high concentrations and also at high quality.

Fujifilm will continue to contribute to the health of people by developing supplements and skincare products based on its proprietary technologies developed in the field of photography.

* The World Health Organization (WHO) proposed the concept of healthy life expectancy in 2000. In Japan, the difference between the average lifespan and the healthy life expectancy is 9.13 years for men and 12.68 years for women.

Priority issue 1 Contribute to creating a safe and secure society

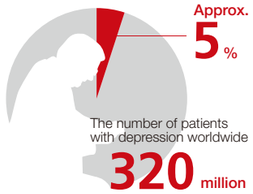
Target: Disseminate products that contribute to long-term storage of important information, crime prevention, and improve information security and social infrastructure safety

Priority issue 2 Contribute to enriching humanity and relationships

Targets: (1) Contribute to handing down important cultures and artworks
(2) Develop solutions to invigorate the community engagement
(3) Disseminate photographic products that store memories in tangible forms and enrich people's lives

Social Issues

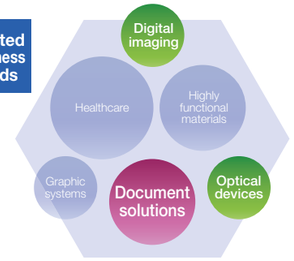
Safety & security, relationships, life fulfillment, preservation of arts and culture, etc.



[The ratio of depression patients in global population]
Source: World Health Organization (WHO), 2012

In our modern "stressed society," people from children to senior citizens suffer from numerous stresses. Stress is believed to have a huge influence on depression and other modern ailments and in the increase in the number of suicides. In order to build a healthy and sound society, in addition to providing safety and security for everyday living, we need to reaffirm the importance of communication between people and within regions to provide psychological support.

Related Business Fields



- **Global services** (solution proposals through company document and business process improvement)
- **Photo imaging** (photo books and film processing/printing services)
- **Optical devices** (TV camera lenses/cine lenses and lenses for security cameras)
- **Recording media**

Basic Approach

Photography, the original business of the Fujifilm Group, has the power to preserve memories of events and help us to lead fulfilling lives. This belief was reinforced by the "Photo Rescue Project" organized during the 2011 Great East Japan Earthquake. With our Tono Mirai Zukuri College, conceived as part of the recovery assistance activities, we are exploring directions we can take in the future to revitalize local communities. Photos and documents can revitalize communication and preserve our cultural heritage for future generations, and our hope is that we can develop new products and services and promote their wider use in society. The safe storage of digital data is important in allowing members of society to preserve their ties with other people, thus enriching life in a society that is safe and with fewer accidents and less crime.

Outline of Activities in FY2014

In the imaging field, the quality of the **premium digital camera, "X Series,"** and the **replacement lenses** earned acclaim and are steadily growing in sales. In the World Cup Football Tournament held in Brazil in 2014, Fujifilm Group was recognized not only for the outstanding quality of its products but also for global coordination within the group and succeeded in having **FUJINON lenses** chosen as the official TV lens products. Its recording media also draws attention with long-term storage of large amount of data. Its **instant photo system** is generating sales around the world chiefly among young people who are now very familiar with photography using digital cameras and smartphones. Also, we have proposed a wide range of value-added printing, such as the **Year Album** and **Shuffle Print**, to add color to the lives of people, and which have won a positive response. In 2014, Fujifilm's one-time-use recyclable camera, "**Fuji Color QuickSnap**," was selected as one of the "Essential Historical Materials for Science and Technology*" (nickname: Future Technology Heritage) by the National Museum of Nature and Science of Japan.

Future Prospects

"QuickSnap" was truly Fujifilm's pride and foremost example of "Value from Innovation" 29 years ago. Fujifilm will continue to expand the scope of attractiveness in photography and printing in the age of digital photography and smartphones, encouraged by the recognition of the company's activities and technologies. On the other hand, the new demand is expanding such as system to storage large amounts of data for long period and multilingual services corresponding to increasing the number of foreigners coming to Japan. The Fujifilm Group will provide the innovative products and solutions responding to diversified value and lifestyle.

* Essential Historical Materials for Science and Technology: Materials that are classified as "representing important historical materials that show the development of Japan's science and technology and holding important significance to be handed down to the next generation," as well as "having a remarkable impact on people's lives, the economy, society, and culture." Fujifilm has now had three of its products—its videotape and digital camera—registered in 2010 and 2013.

Priority Issue 2 Tono Mirai Zukuri College, established to create value through government-industry-academia cooperation jointly with local communities

In its priority themes, Fuji Xerox includes solution to problems faced by local communities it comes into contact with through its business operations, and opened Tono Mirai Zukuri College in Tono City, Iwate Prefecture in April 2014 as a result of three years of activities. The city served as a logistical support base for the areas afflicted by the Great East Japan Earthquake.

The College was launched under a project that uses Fuji Xerox's communication technology to identify problems with and reach consensus over the development of Tono City, and based on the results of repeated dialogue between the city, its citizens and NPOs. Fuji Xerox is constructing and managing the College's programs in cooperation with Tono City with the aim of encouraging exchange between people in developing the city. The College is located in buildings that used to house Tsuchibuchi Junior High School and is attracting attention as an example of the effective use of a former school building.

In fiscal 2014, which was the first year for the College, activities were focused at the following aims:

◂ nvite more people to the College

Promote exchange between people: Invite more people to the college mainly from the Tokyo metropolitan area.

Participation by local citizens: Inform local residents of the College programs and stimulate their interest in them.

◂ mplement programs

Increase the number of participants by implementing programs that invite people from outside to take on challenges together with local residents.

• Estimate the available management resources

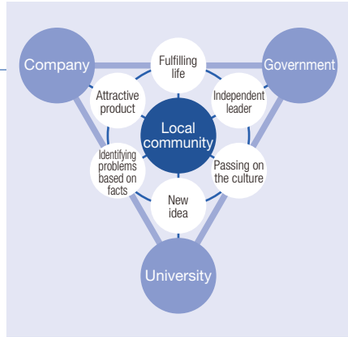
Examine the system and budget needed to run the College throughout the year and use the results as an indicator of activities for the next fiscal year.

Programs are implemented by about 70 organizations, and include first-rate programs provided jointly with local municipalities and research institutes. The number of participants exceeded the initial target of 2,000 to reach 3,569 (including 1,823 who stayed overnight). Implementing the programs has brought results. For example in one of the programs, local junior high school students broadened their outlook by studying with company employees and students from both Japanese and overseas universities. Some participants also stayed with local residents as part of the programs. This was well evaluated by participants. The programs have thus had good results and the number of local participants, which was initially small, increased toward the end of the term, together with an increase in local recognition for the programs.

In fiscal 2015, the number of people involved in the College will be increased to enhance the management foundation, and studies on how to build a business model based on specific examples will be carried out. To this end, Fuji Xerox aims to implement 11 programs in the three areas of exchange, lifestyle/culture, and industrial creation. The company will encourage more people to participate in the programs to achieve good results.

Through the College project, Fuji Xerox has gained the know-how to identify and solve problems by using communication technologies, and it will be able to use this in other areas.

▼Value to Local Community



(Upper) University of Tokyo Innovation Summer Program
(Middle) Joint future creation program
(Bottom) Human resource development for next generation

▼College Programs Implemented in Fiscal 2014

Major program		Inspections/meetings: Use of the facilities for inspections/meetings	Surveys & research: Conduct surveys on specific themes based on an understanding of the present situation in Tono and the disaster-afflicted areas	Cooperation & exchange: Identify problems through exchange between local residents and outsiders	Project implementation: Implement specific projects to solve the problems	Total
Exchange between people and different industries	・Various events ・Joint future creation program	34	2	4		40
Company training	・Training in how to identify problems		1	3		4
Municipal cooperation	・Research program on emergency logistical support bases ・Tono forum	7	1	1		9
Research & educational facilities	・University of Tokyo Innovation Summer Program ・Hosei University's regional cooperation program	1		7	3	11
Green tourism	・Study tour of the afflicted areas ・Future of satoyama where people live with horses		2	2		4
Co-hosted with an external organization	・Marunouchi Asadaigaku (project implemented by the agricultural training center)		1	1		2
	Total	42	7	18	3	70

	FY2014	FY2015	FY2016
Fiscal target	Verification for full-scale operation	Enhancement of the management foundation	Creation of a specific business model
Management target	● Public recognition of the Mirai Zukuri facilities through the College programs ● Trial implementation of programs to solve the problems identified ● Enhancement of the management resources	● Further promotion of the College use (inviting more companies to make exchanges through the College) ● Visualize the effects of the College by actually solving problems ● Make proactive comments based on a media strategy	● Offset expenses against revenues (excluding personnel expenses) ● Incorporate the College management organization and conclude a management agreement ● Press release

Priority Issue 2 Develop photo-based communication by offering proposals to enjoy photography in this age of smartphones

As part of the continued efforts since its foundation to spread and develop the culture of photography, FUJIFILM Corporation is fostering a "Photo Renaissance" activity. We have been creating and communicating fundamental values of Photography; shooting, preserving, displaying and gifting since 2013, based on the concept of enriching people's life with photography.

In February 2014, we opened WONDER PHOTO SHOP in Harajuku, Tokyo as our first direct marketer based on the concept of a new photography shop in the age of smartphones. The spread of smartphones enables more people to take photos whenever they want. Photos are now used as a tool of communication and are also being increasingly used by the young as gifts. The experimental WONDER PHOTO SHOP provides customers with new value-added print services to meet the needs of the smartphone age. These include the "Shuffle Print" service to create a commemorative print composed of multiple photos, the creation of can badges and iPhone cases.

Couples and friends between their teens to 30s account for a large percent of the visitors, and sixty five percent of print orders are from stored images on their smartphones. At WONDER PHOTO SHOP, photos are increasingly printed for use as gifts. This new demand for photos is attracting much attention, not only the photo industry but the others, such as gifting goods retailers, make study visits from both inside and outside Japan.

We will spread these new ideas and possibilities for enjoying photography to photo shops and also to the other retailers globally.

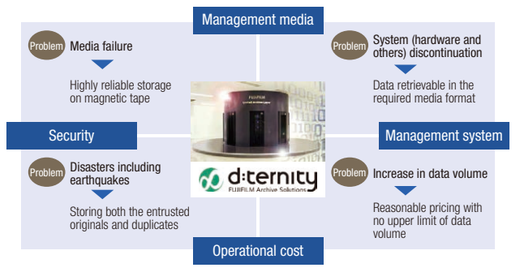
WONDER PHOTO SHOP provides new experimental print services, such as the live performance of making photo goods shown at upper right, and holds a range of events. At the world's largest photo exhibition, photokina 2014, held in Germany in September 2014, a temporary WONDER PHOTO SHOP was exhibited inside the booth to publicize it to the world.

Organization of a workshop for photographers to communicate the joys of photography to participants (The photos show workshops held in Turkey and Thailand)

Priority Issue 1 Priority Issue 2 Store a range of the world's valued data for the future—Technology to archive a large amount of data safely and efficiently for many years

The spread of digital devices has made companies and research institutes recognize the importance of creating new value for business/research by analyzing a large amount of data and archiving materials and images that have scientific and historical value. Accordingly, the need to store highly value-added data in a safe, efficient and cost-saving manner is increasing.

▼Problems of Data Storage for Long Periods and Relevant d:ternity Services



Fujifilm launched a data archive service named "d:ternity" in April 2014, in which we record and save valuable data entrusted to us by customers on magnetic tape for long periods. Magnetic tape can be stored for a long time without the need to energize the medium with an electric current during the period, and this helps minimize the electricity cost and reduce CO_2 emissions.

To meet social needs for the long-term storage of a large amount of data, Fujifilm is working on developing technology to further increase the recording capacity of magnetic tape with its unique technology using BaFe magnetic particle. In recognition of this, IMAGICA Corp. launched an archive storage service for images with Fujifilm, and also Kadokawa Corporation concluded an agreement with Fujifilm to archive digitally restored data for the movie "Rashomon," directed by Akira Kurosawa.

We obtained ISO/IEC 27001: 2013 (the international standard on information security management systems) certification for d:ternity, and this demonstrates that the service provides high security. Fujifilm will continue to provide reliable services and solutions to meet the needs for archive storage of data that is valuable for customers and society.

Contribute to solving social issues concerning the environment, people's health, daily life, and working style through our products and services.

Environment

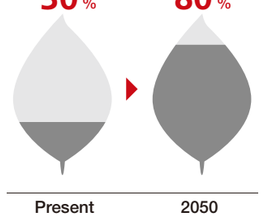
Priority issue 1 Global warming countermeasures
Target: Reduce CO_2 emissions by 20 million tons by FY2020 (compared to 2005)

Priority issue 2 Response to water problems
Target: Reduction and restriction of water pollution

Priority issue 3 Response to energy issues
Target: Contribute to generating energy with low environmental impact

Social Issues

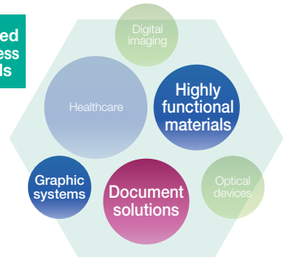
Global warming, exhaustion of resources, energy issues, etc.



[Share of low-carbon energy in electricity supply]
Source: Working Group III Fifth Assessment Report, Intergovernmental Panel on Climate Change (IPCC)

Global warming raises atmospheric and water temperatures change, negative impact on water resources and ecosystems, and serious damages to human society. Reducing greenhouse gas emissions, one cause of global warming, is now a common challenge across the world. Energy-saving, power generation from non-carbon sources, and promotion of low-carbon energy are said that the key solutions.

Related Business Fields



- **Industrial materials and electronic materials, etc** (development of new materials, etc)
- **Materials and equipment for graphic arts** (CTP plates)
- **Office products and office printers**
- **Global services** (solution proposals through company document and business process improvement)

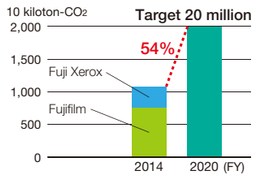
Basic Approach **According to the latest report from the United Nation Intergovernmental Panel on Climate Change (IPCC), it is likely that temperatures will increase by approximately 4°C by 2100 without additional mitigation and CO_2 emissions continue to rise. Global warming is becoming ever more serious and remains as one of the most important issues to address across the world. The water risk is another serious issue in focus. The Fujifilm Group aims to help resolve these environmental challenges through changing our working styles and products towards low environmental impact, including highly functional materials and magnetic tape utilizing applied photographic film development and production technologies.**

Outline of Activities in FY2014

As the leading company in high-performance films, the Fujifilm Group is now applying the technologies cultivated in photo film to development and sales in various fields in order to reduce environmental impact.

In its action against global warming, we contributed to the reduction of CO_2 emissions by 10.75 million tons in FY2014 (compared to 2005) with the target of a CO_2 reduction of 20 million tons by FY2020 compared to 2005. Those products with a particularly high contribution effect are data storage media LTO tapes employing the **new generation of Barium-Ferrite (BaFe) magnetic particles** that has been used widely by our customers since it's introduction in 2012, as well as the **IT solution for medical clinics**, SYNAPSE. The **photovoltaic backsheet** launched in 2012 was recognized for cutting down environmental impact and improving the product life of photovoltaic modules, receiving the Japan Association for Chemical Innovation's FY2014 **Green & Sustainable Chemistry Award of the Minister of the Environment**. Also, we highly contributed to lower environmental impact such as CO_2 reduction with expanding sales of mobile and cloud solutions in document field.

▼Amount of CO_2 Reductions for Customers FY2014 Results



Future Prospects

The ion exchange membrane and **gas separation membrane** are now in the final phase to adopt in commercial products after having many field tests in various regions. In particular, the ion exchange membrane won recognition in Europe and other markets as a product that addresses the problem of water shortage, which has grown into a global concern. Drawing on the Group's solid infrastructural technologies and core technologies, we plan to contribute to resolving such increasingly grave environmental issues, through the launch of innovative new products that meet market needs on a timely basis while at the same time engaging in the "co-creation" of value with our customers.

Priority Issue 1 / Priority Issue 2: Helping the global printing industry reduce its environmental impact through a solution that embraces five types of resource saving

The printing industry consumes water, energy, chemical agents and solvents in large amounts and is required to implement measures to protect the environment. The industry, however, includes a lot of smaller businesses, who cannot invest in environmental protection immediately. "Green printing with high productivity" is therefore a global challenge.

Against this backdrop, FUJIFILM Corporation unveiled FUJIFILM SUPERIA, a resource saving solution for offset printing, and began promoting sales of this product across the globe. The solution provides five types of resource savings: savings on materials (paper, chemical agents, etc.), savings on man-hours (reducing the processes and time to delivery), savings on energy (reducing the use of electricity and gas), savings on emissions (waste chemical agents and VOCs), and savings on water (reducing water use), thereby providing good and stable environmental performance while helping increase profitability steadily. We will promote the sales of this product together with sales of the Fujifilm Global Graphic System (FFGS), not only in Western countries that are making progress with environmental protection, but also in Asia and other emerging economies where people are raising their environmental awareness.

SUPERIA comprises multiple solutions, and the processless CTP system eliminates the need for alkali development, gum washing or any other form of processing. It has been highly evaluated as an extremely resource-saving solution for offset CTP and has been introduced in about 3,000 companies (450 in Japan) to date. In May 2015 we released a more advanced next-generation processless CTP plate to the Japanese market, and by request, released one for use by newspaper companies in July--Japan's first. We are thus meeting a range of resource saving needs.

Officially unveiled SUPERIA at PRINT CHINA 2015 held in China in April 2015

Promoting sales in South Africa since 2014 (Photo shows an event held to introduce the product)

▼Globally Expanding FFGS Sales Bases

Priority Issue 1: The on-demand publishing system Versant™ 2100 Press provides dramatically improved environmental performance

Fuji Xerox is developing and providing products and services that help minimize the greenhouse effect, upholding its target of reducing CO_2 emitted by customers by 7 million tons yearly by 2020.

Fuji Xerox has been leading the print industry with its on-demand publishing systems which allow users to make prints in the necessary quantities whenever they want, thereby reducing the print inventory and wasted sheets. The new compact belt roll fuser, which was developed for the color on-demand publishing system Versant™ 2100 Press (released in May 2014), enables the compact product to achieve print productivity of 100 pages-per-minute while downsizing by about 50% in terms of both body size and weight compared to the Company's existing product. This leads to a reduction of 3,738 kg-CO_2 emissions* per unit. It will continue to promote on-demand publishing systems which contribute to reducing environmental impact as well as meeting the needs of small-lot printing of various materials in Japan and the Asia-Pacific markets.

The product received the "Minister's Prize, the Ministry of Economy, Trade and Industry of Japan" of the Eco-Products category at the 11th Eco-Products Awards, organized by the Eco-Products Awards Steering Committee. This award is the top honor of the Eco-Products category. The product also won the Good Design Awards 2014 held by the Japan Institute of Design Promotion.

Compact and lightweight on-demand publishing system with high productivity at low cost

* CO_2 emissions during the manufacturing and transporting of parts while developing a product. Uses Fuji Xerox's own primary unit to calculate the CO_2 emissions from the weight of a product.

Contribute to solving social issues concerning the environment, people's health, daily life, and working style through our products and services.

Working Style

Priority issue 1 Promote communications that transcend the information barrier

Target: Promote solution services to enhance communications inside and outside the company and widely notify details of case studies

Priority issue 2 Promote diversity

Target: Create and expand practical working environment solutions that enable people to work wherever and whenever to suit individual's skills and lifestyle needs

Social Issues

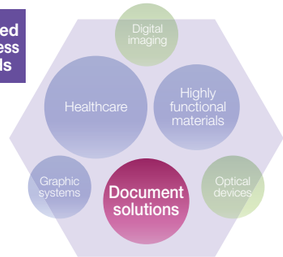
Working disparity, reduction in workforce, diversity etc.

[The ratio of women in leadership positions by 2020]

2003 decision by the Headquarters for the Promotion of Gender Equality

The recommendation on the Nairobi Forward-Looking Strategies for the Advancement of Women adopted by the UN Economic and Social Council in 1990 was for "the ratio of women in leadership positions to increase to at least 30% by 1995." In Japan in 2003, the Headquarters for the Promotion of Gender Equality announced that it hopes for "the ratio of women in leadership position to at least reach roughly 30% by 2020." Although the 30% ratio is an international target, the figure has not been achieved in many areas in Japan. Diversity that allows a wide variety of people to work and for women to play an active role is an important issue that must be addressed urgently.

Related Business Fields



- **Office products and office printers**
- **Production services** (digital printing systems)
- **Global services** (solution proposals through company document and business process improvement)

Basic Approach **The Fujifilm Group has brought evolution to communications in society through a fusion of familiar paper data with digital data and on to a seamless integration with cloud services and mobile solutions. Access to and the sharing of information in various forms with ease and without any conscious awareness of the digital divide expands the possibilities for different services and working styles in every possible place—in offices and government organizations and in education and medical care. By giving value to communication with the focus on people, Fujifilm will continue to support a wide range of working styles for the new age.**

Outline of Activities in FY2014

Fuji Xerox is offering solution services aimed at creating an environment in which people are able to work in ways that suit their own individual circumstances, regardless of location or time.

In fiscal 2014, **Next Generation Managed Print Services** were introduced in Japan and part of the Asia-Pacific region, designed to go beyond simple optimization of the customer's output environment and create business process automation and workstyle reform. Solutions for **improving business efficiency and document management** are being implemented for government and municipal offices, and local governments and in the medical care and pharmaceutical product fields.

Furthermore, we have launched new solution services and multifunction printer/production printers that support mobile working. The cloud services **Working Folder** and **Scan Translation Service** have undergone reinforcement to boost coordination with Fuji Xerox's various cloud services and upgrade convenience. **DocuWorks Mobile** which realizes seamless integration of multifunction printers or Working Folder also boosts collaborative work and projects through the smooth distribution of documents and information utilities.

Future Prospects

Through presenting the experiences in resolving our own management issues, we will identify management issues for our customers, and develop new products and solutions services to create new workstyles that utilize ICT cloud technologies.

At the same time, we will work on making changes in our own workstyles and business operations through new forms of communication that make use of various devices and systems that will offer to customers solutions based on our own accomplishments.

Priority Issue 1 / Priority Issue 2: Work-style reforms implemented over the years to become solutions for all of society

The latest example of work-style reforms is a practice at Nihonbashi office, which opened in May 2015

Fuji Xerox has engaged in research and practice focused on work-style reforms for more than 20 years and has been proposing "New Work-Styles" based on its experiences. With the advances in ICT in recent years, work that had been restricted to designated places, such as the business office, has become possible anywhere, and the workplace has gained a broader and more flexible definition. Additionally, new working styles are gaining greater social attention because many companies are now aspiring to new working styles on their office transfers, as the clue to resolving management issues regarding improved productivity, cost reduction, and a boost in sales capabilities.

A typical example of such new work-styles is the activity underway on the 6th floor of the Roppongi T-CUBE Building. Fuji Xerox consolidated its urban sales division at this location in 2004. With office renovation in 2011, reform was implemented for greater vitality and communication and we succeeded in upgrading productivity.

The results at T-CUBE have been employed in increasing assistance to customers in implementing such work-styles. We offer solutions adapted to existing issues and objectives, based on what the employees actually experience in the work environment, such as creation of an environment where employees "can work any time and anywhere" by utilizing thin clients and universal layout and stockless paper for document reduction based on specific office diagnoses.

Fuji Xerox wields strength from its extensive experience of approach to work-style reforms, both in success and failure over many years. Additionally, there is "document communication," the company's own solution for the effective management of documents through consolidation of paper and digital data in the transmission, sharing, and storage of information, which is fundamental to efficient communications. These accomplishments have led to building customer trust, with seminars being held every month and individual counseling meetings being requested. Several tens of projects in this area are underway. The expertise that Fuji Xerox has accumulated is expected to bring about positive reforms in the work-styles for all of society.

▼Implementations at Roppongi T-CUBE with Work-Style Reforms

Office Concept **"People gathering and moving around"**

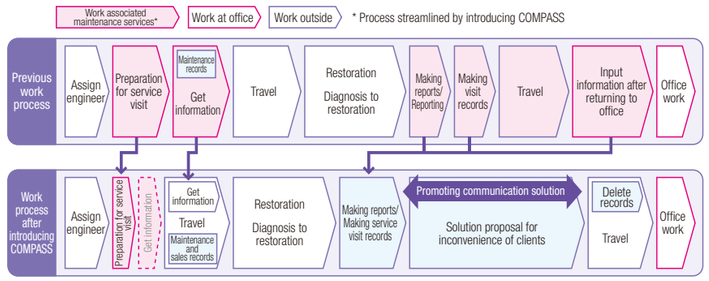
	Anyone can work anywhere	Safety & security	Efficiency	Office services
Items introduced	● Open communication ● Room for collaboration with clients ● Touchdown seat arrangement, spot office ● IP PBX ● Wi-Fi networking ● Open working (home working), etc.	● Vital record management ● IC cards ● Monitors ● Wi-Fi network encryption & authentication ● Other workers' eyes (openness) etc.	● Universal layout ● Free address ● Shared meeting rooms ● Reduction of personal paper documents ● Concentration of multi functional printers etc.	● Digitized contract documents (example of vital record management) ● Easy multipoint TV conference ● Scanning services ● Plasma posters etc.
Improved points	Mobile working Shared spot office Thin client	Physical security Information security IT infrastructure solution	Stockless paper Free address/non territory Document communication	

Priority Issue 1 / Priority Issue 2: Maintenance service process reform leads to greater productivity and an upgrade in work skills

Fuji Xerox has distributed tablets to engineers in charge of maintenance services across Japan since April 2013, and started up "COMPASS," a system enabling safe access anywhere (ie. from customer site) and use of necessary information even away from the office.

All customer information necessary during a service visit (including information from the sales department and call centers), which is automatically gathered and distributed by the database can be accessed and viewed on COMPASS. At the same time, digitalizing service reports intended for the client and data entry to the database system can be completed at once at customer site, eliminating the need to return to office to do such work. This has reduced maintenance work, by approximately 5 minutes per service visit, and generated a surplus of 100 hours per Engineer each year, dramatically improving service productivity. At the same time, applications have been developed for Engineers to study and brush up their skills and also for easy diagnosis of client problems. The extra time is now used for communications with clients, allowing Engineers to enhance their skills as "Customer Solution Engineers," creating opportunities for following sales projects. The company has already customized COMPASS for the introduction into service divisions of companies in other industries. The new workstyle realizing both convenience and outstanding security was covered in the media as examples of "Unity of Words and Deeds"(Genko-Icchi). We will continue to utilize COMPASS so as to be "engineers who can consult everything regarding to the maintenance service."

▼Maintenance Service Process Reforms with COMPASS System



FUJIFILM Sustainable Value Plan 2016

Promotion policy 2

Solve environmental issues within business processes actively.

page 30

1. Promote global warming countermeasures

page 34

2. Promote resource recycling

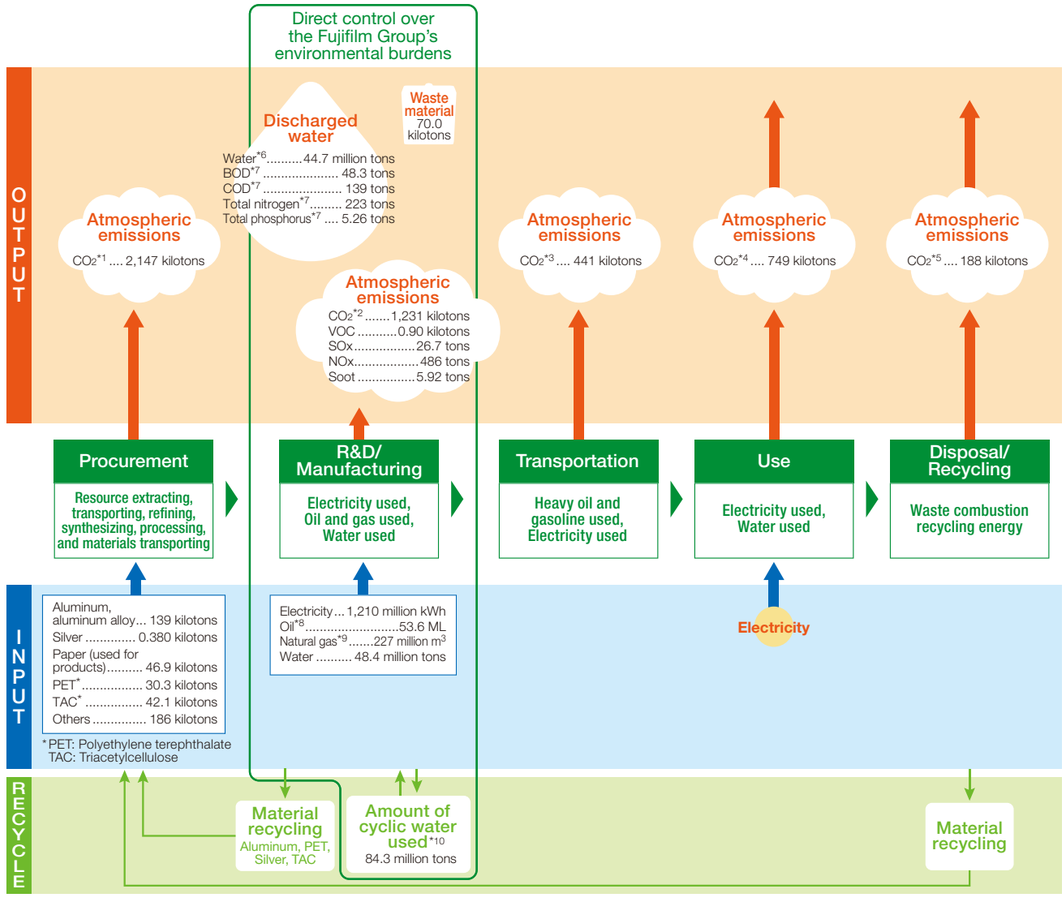
page 36

3. Ensure product and chemical safety

The Fujifilm Group has been working on reducing the environmental impact of its business processes for many years. In Sustainable Value Plan 2016, “global warming countermeasures,” “resource recycling” and “product and chemical safety”—the three themes that are particularly closely linked to the Group's business activities and wield a major social impact—have been designated priority issues.

The Fujifilm Group is working towards recognizing the social and environmental impact through the material flow system summarized resource inputs and emission from our corporate activities in all business process—from material procurement, manufacturing, transportation, to usage and final disposal. Understanding the entire picture of such impact caused by our activities throughout the value chain is helping us to accelerate our efforts towards realizing a sustainable society.

Fujifilm Group Green Policy (Environmental Policy) http://www.fujifilmholdings.com/en/sustainability/vision/greenpolicy/



*1 Environmental burdens due to raw materials procurement (CO_2 emitted during the process of extracting, transporting, refining, synthesizing, processing, and transporting raw materials) is calculated for the main raw materials procured.

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

*3 For the calculation of environmental burdens due to product transportation, estimates are made based on domestic and overseas transportation methods and distances traveled. The typical amount of CO_2 emissions per unit of weight and distance for each method and correction factors such as the yield rate are multiplied by the weight of the raw materials procured.

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

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

*6 Wastewater released as a result of business activities

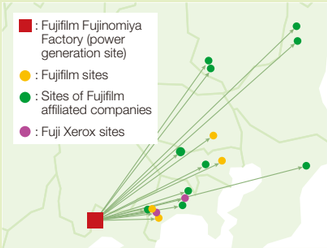
*7 Volume released to public water

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

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

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

(For the above, data from the input-output table and other sources are used to obtain CO_2 emissions per unit of output.)



Sites using the Fujifilm Group's wheeling of electric power with in-house co-generation system (As of March 2015)

Priority issue 1

Promote Global Warming Countermeasures

Target

Reduce CO_2 emissions from the entire product lifecycle by 30% compared to FY2005 by FY2020

Basic Approach

The Fujifilm Group has been promoting activities to reduce CO_2 emissions by setting management indicators for CO_2 emissions across the entire product and service lifecycle (from material "procurement," product "manufacturing," "transportation," "use" and "disposal"), not only within our Group. We set the target of "reducing CO_2 emissions for the entire lifecycle of products by 30% by FY2020 (relative to FY2005)" in April 2010, and we are continuing to actively reduce CO_2 emissions in our Group as a whole. Since FY2012, we also calculate CO_2 emissions based on the Scope 3 Greenhouse Gas Protocol ("Scope 3"),* and report related information as required. We also carry out development of environmentally conscious products based on "Rule for Design for Environment (DfE)," with which we review the degree of achievement in product performance to the target set in the design stage. These efforts should contribute to the further reduction of CO_2 emissions.

* Scope 3: Refers to one of the scopes that are targets for calculation and reporting on greenhouse gas emissions by companies. Scope 3 refers to indirect emissions, such as material procurement, manufacturing, transportation, use, disposal, as well as employees' commuting and business travel. Scope 3 calculation is based on the General Guidelines on Supply Chain GHG Emission Accounting released jointly by METI and MOE.

Outline of Activities in FY2014 Global Warming Countermeasures

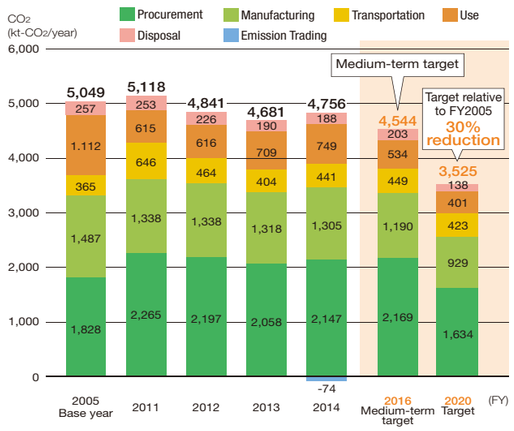
Related Data and Information Environmental Aspects Page 64

CO_2 Emissions Reduction Across the Product Lifecycle

In FY2014, despite our Group's production output exceeding that of the base year, FY2005, the Group's overall CO_2 emissions were reduced by 293,000 tons (6%) from the base year level. However, CO_2 emissions from the entire group increased by 1.6% compared to FY2013. Although we have maintained a downward transition since FY2011, there was a 4% increase in the procurement stage due to greater production of major products. Also, a further increase occurred in the transportation and use stages through an increase in sales of copiers and multifunction devices.

On the other hand, CO_2 emissions in the manufacturing stage were reduced by 1% compared to FY2013 despite the production increase. Compared to the base year of FY2005, we have reduced CO_2 emissions in the manufacturing stage by 12%, under conditions in which the CO_2 emission coefficients of the electric power utilities in Japan*1 increased by 34% compared to FY2005. This was achieved by efforts to improve the energy usage efficiency at our facilities, through promotion of energy-saving measures across the group companies, enhanced utilization of in-house co-generation system in Japan, and utilization of renewable energy in overseas sites. We were also able to reduce emissions by 1% compared to FY2013 in the disposal stage by cutting waste and promotion of Zero Waste Emissions. Further, we have participated to the Carbon Neutral Project led by the Ministry of the Environment and offset equivalent to 1.6% of CO_2 utilizing our carbon emission credits (see page 37).

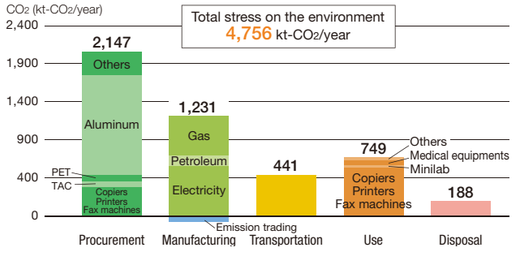
▼CO_2 Emissions across the Entire Product Lifecycle



Continuous Promotion of Energy Strategy

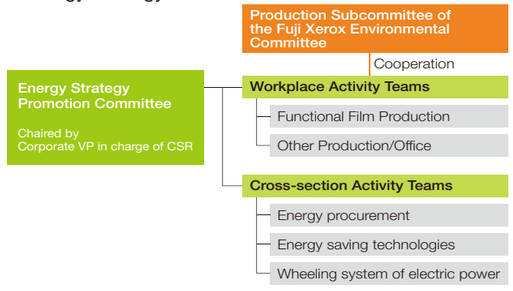
The Fujifilm Group founded the Global Warming Prevention Committee in FY2007 to work on achieving significant improvements in production energy intensity and CO_2 emissions per unit production at six major factories in Japan. We have also conducted the Energy Cost Reduction Project, including overseas companies and factories, since FY2010 to reduce energy and CO_2 emissions through enforcing energy-saving measures (targets of both activities were achieved in FY2012). In FY2013, such energy management schemes were renewed and restarted as the Energy Strategy Promotion Committee, now giving them control over energy procurement and supply across the company. In FY2014, we continued deploying group-wide energysaving measures, such as energy reductions that is not directly linked with production output (fixed amount of energy used regardless of the production and standby energy consumed during non-production), as well as rolling out of new energy-saving measures across the group. We also actively promoted group-wide energy-saving activities in offices as well as production processes to ensure implementation of energy-saving measures. As a result of these efforts, we improved per-unit energy use by 5%, resulting an entire annual energy cost saving effect equivalent to approx. 6%.

Also, we started utilizing the wheeling of electric power with in-house co-generation system*2, immediately after its enforcement in Japan in April 2014 following the revision of the Electricity Business Act, as our new energy measure in FY2014. Using this system, we supply the power generated in the Fujinomiya Factory to 16 sites among our group companies, simultaneously contributing to alleviating the peak demand to the power grid, a scheme introduced by the revised Act on the Rational Use of Energy, and to a reduction in electricity costs.



▼FY2014 Results for Fujifilm Group

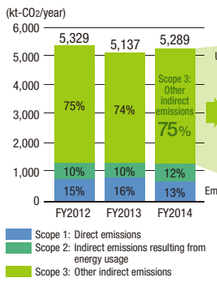
▼Energy Strategy Promotion Committee



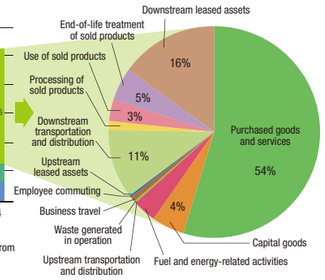
▼Fujifilm Group's Main CO_2 Reduction Measures

Action area	Relevant stage	Principal CO_2 reduction measures
Development and dissemination of products with less environmental impact	Procurement, use and disposal	● Multifunction devices (copiers, printers, faxes) with less energy consumption (document field) ● Energy saving medical diagnostic equipments (medical field) ● Non-processing CTP plates requiring no developing solution (graphics systems field)
Reducing CO_2 emissions at factories and offices	Manufacturing	● Fuel shift from heavy fuel oil to gas (Japan) ● Use of methane gas generated at waste disposal sites as fuel (United States) ● Wind power generation at factory site (Netherlands) ● Introducing Solar Power Generation (United States, Netherlands) ● Developing and introducing energy-saving technologies such as waste heat collection and steam collection (production sites in Japan, Western nations, China, etc.) ● Reducing the usage of energy that is not directly linked with production output (production sites in Japan, Western nations, China, etc.) ● Wheeling of electric power with in-house co-generation system for 16 sites (Japan) ● Usage of energy storage battery to reduce peak time electricity consumption (Japan)
Recycling	Procurement, disposal	● Recycling for scrap aluminum from the production of PS/CTP plate and developing and expanding the use of a collecting & recycling system of used PS/CTP plate (graphics systems field)
Efficient distribution	Transportation	● Paths optimization ● Improving loading ratio ● Promote modal shifts ● Using light and compact packaging ● Promoting eco-driving ● Milk Run procurement system for components (China)

▼CO_2 Emissions (Scope 1, 2, 3)



▼FY2014 Result of GHG Scope 3 Emissions for Fujifilm Group



Future Prospects

In FY2015, we plan to further expand energy-saving measures across the Fujifilm Group and revise their manner of operations in order to continuously reduce energy-derived CO_2 emissions. At the same time, we will re-assess the energy-saving scenario to achieve the medium-term target set for FY2016 and the FY2020 target, as well as considering new targets after FY2020. For the Energy Strategy, we will expand our wheeling of electric power with in-house co-generation system to a greater number of business sites in FY2015, and plan and promote more utility measures ahead of the legal enforcement, including reform of the power and gas systems for a better future.

*1 CO_2 emission coefficients:
In Japan, we referred to the CO_2 emission coefficients for electric power utilities shown on the Japanese Ministry of the Environment's website for the greenhouse gas emission calculation and reporting scheme every year. For overseas, we referred to CO_2 Emissions from Fuel Combustion 2012 (IEA).

*2 Wheeling of electric power with in-house co-generation system: The wheeling of electric power with in-house co-generation system enables a company to distribute electricity generated within the company to the company's closely related business sites for non-profit purposes, using the electricity networks owned by utility companies. Using this system, the Fujifilm Group distributes power generated in Fujinomiya Factory equally to the group's 16 business sites.

Outline of Activities in FY2014 — Design for Environment

Fujifilm

Fujifilm has been working on reducing environmental impact for its all new and renewed products according to "Rule for Design for Environment" since 2003.

In FY2014, we started a new effort based on the policy of Contribution to Solving Social Issues through Products and Services, stated in our new Medium-Term CSR Plan. We set up the target to "reduce CO_2 emissions by 20 million tons by 2020 (compared to 2005)" and we are making progress towards this target by visualizing the results of social contribution through our environmental efforts. Visualization is attained by calculation based on internal guidelines to Calculate the Environmental Contribution for the Reduction in CO_2 Emissions*1 over nine case studies, including our specially developed magnetic tapes for storage media. We also listed and organized about 40 candidate projects that may contribute in CO_2 emissions reductions, including those still in the stage of development in the R&D Divisions. Our environmental efforts also cover water usage, which is now a focus of the world's attention. We commenced visualization of water usage across the product lifecycle for four case studies, mainly in the Graphic System Business area, based on the internal guidelines to calculate the water footprint established in the previous fiscal year. We plan to enhance the product coverage of such water usage visualization, publically disclose the visualized data as environmental information, and utilize it to develop products with water conservation features.

In October 2013, *the Global Guidelines to Contribute in GHG Emissions Reduction**2 was internationally published. In order to promote understanding of the guidelines and spread their use in Japan, the Japan Chemical Industry Association published the Global Guidelines Supplement*3 in March 2015. Fujifilm participated in the creation of this supplement as a working group member, making suggestions in creating concrete examples of applying the guidelines using simpler languages.

<Fujifilm>

<Fuji Xerox>

Future Prospects

Fujifilm will create the roadmap to achieve the FY2020 targets to contribute to CO_2 emissions reduction and continues to strive for the attainment of such targets. Also, concerning water usage, we will expand the product coverage of water usage visualization and promote the development of products to conserve water resources and provide the environmental information.

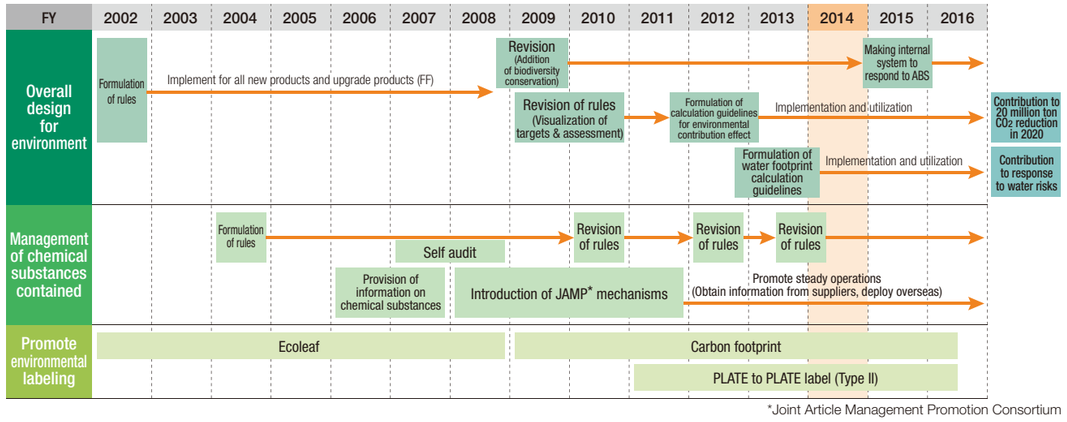
Fujifilm continues, not only to working for internal environmental activities, but also for external working groups by actively involving ourselves in disseminating an environmentally conscious approach across the whole of society.

*1 The internal guidelines to Calculate the Environmental Contribution for the Reduction in CO_2 Emissions: A compilation of approaches and methods to visualize contributions to CO_2 emissions reduction in a quantitative manner across the product lifecycle, including the stage of customer usage.

*2 Global Guidelines to Contribute to GHG Emissions Reduction: The "world's first global guidelines to calculate the contribution to GHG emissions reduction in a value chain," published in October 2013 by the International Council of Chemical Associations (ICCA) and the World Business Council for Sustainable Development (WBCSD) Chemical Sector project based on the Guidelines to Calculate Contributions to CO_2 Emissions Reduction (in Japanese) published by the Japan Chemical Industry Association.

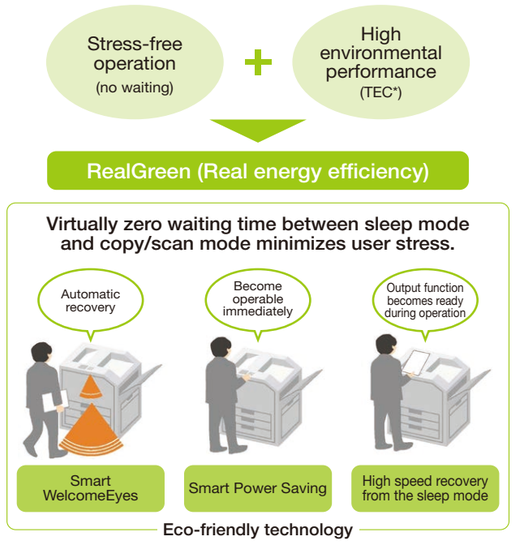
*3 Global Guidelines Supplement: A publication supplementing the above guidelines with an easy-to-understand explanation of the following aspects, together with concrete examples: definitions of chemical product level and end-use level in a value chain, scope of contribution products, definition of contribution significance, how to specify service life, how to choose data to be used, and other notes.

▼Progress of "Design for Environment"



*Joint Article Management Promotion Consortium

▼RealGreen Concept



*Typical Electricity Consumption (TEC) : The amount of power consumed by office equipment, such as printers and copiers over a conceptual week (five days of operation and repeated sleep/power-off mode, plus two days of sleep/power-off mode).

Fuji Xerox

Fuji Xerox is working on cutting its environmental impact both in terms of hardware and software, in order to minimize our products' impact on global warming. Under the concept of RealGreen, product development is proceeds with attention given to both reducing the global environmental impact through energy conservation, etc., and paradoxically, to the pursuit of the values of comfort and convenience. Eco-friendly technologies have been introduced for new models in all product lineups. By replacing older models, we are seeking to reduce power consumption when customers use our products.

In FY 2014, Versant™ 2100 Press, the color on-demand publishing system received the "Minister's Prize, the Ministry of Economy, Trade and Industry" of the Eco-Products category at the 11th Eco-Products Awards, organized by the Eco-Products Awards Steering Committee (see page 25).

Use of efficient remote servicing is being promoted for product inspection and maintenance. Specifically, customers subscribing to our Remote Service EP-BB service contract receive firmware updates remotely, in order to reduce the number of visits to customer sites. In FY 2014, these activities have picked up speed, with the introduction of a remote inspection system that forecasts the timing of parts replacements and fault prediction in order to optimize the timing for inspections. As a result, the number of visits has been cut down by roughly 45% over the previous year and this has reduced CO_2 emission generated by vehicle use.

Future Prospects

In the future, the company plans to provide its customers and society with outstanding environmental values through environmentally-friendly products and solutions services through eco-friendly technologies that the company had developed over its history.

OPINION — Third-Party Opinion on "Promoting Anti-Global Warming Measures"

Mr. Takejiro Sueyoshi
Special Advisor
UNEP Finance Initiative

Profile
In addition to being involved in UNEP FI, Mr. Sueyoshi has served in various positions, such as committee member on various types of councils on the Central Environment Council, advisor to Kawasaki City and Kagoshima City, part-time lecturer at the University of Tokyo Graduate School. He also works as an external member of the board to companies and engages in efforts to raise awareness on environmental issues and the social responsibility of companies on TV, in newspapers, published works, and lectures.

Fujifilm's Enthusiasm in Problem Solving and High Level of Awareness as a Responsible Global Corporation in the 21st Century

In this age when everyone is being urged to create and implement countermeasures against global warming, the Fujifilm Group has set itself a significant challenge of a 30% reduction in its CO_2 emissions compared to FY2005 levels by FY2020. This effort is targeted at CO_2 emissions reduction across the product lifecycle, and some results have already been seen in the manufacturing stage—despite an increase in production quantities. This is a praiseworthy achievement in today's severe business environment.

Among FY2014 activities, one notable topic is the commencement of the new Medium-Term CSR Plan, Sustainable Value Plan 2016. As a variety of global issues become evermore serious, it is highly appropriate and novel for a CSR plan to focus on Health, Daily Life, and Working Style, in addition to the Environment itself. From the Group's declaration of "taking an initiative in solving social issues through innovative technologies, products, and services," I can see their enthusiasm to challenge problem solving, as well as their high level of awareness as a responsible global corporation in the 21st century.

The year of 2015 is one of the most important years in terms of anti-global warming activities. This is because a new international framework of CO_2 emissions reduction will be adopted in the COP21 to be held in Paris in December. In such an important year, it would be truly wonderful if the strong leadership of the Fujifilm Group could help "hold the increase in global average temperature below 2°C," which is a longing common to all mankind.

Response to the third-party opinion

We sincerely appreciate your high evaluation on the Fujifilm Group's target of "reducing CO_2 emissions across the entire product lifecycle by 30% compared to FY2005 by FY2020," and on our initiative toward "solving social issues through our business" declared in the Medium-Term CSR Plan, Sustainable Value Plan 2016.

The Fujifilm Group will continue its existing CSR measures, such as energy saving activities in manufacturing; enhancing the wheeling of electric power, which we started last year; and utilization of renewable energies, including wind and solar power. We will also be enhancing anti-global warming measures through our products and services to continue our efforts as a Group to achieve more challenging CSR targets.

(CSR Group, Corporate Planning Division, FUJIFILM Holdings)

Water source in FUJIFILM Ashigara Factory

Priority issue 2 Promote Resource Recycling

Target

(1) Reduce volume of waste generated by 8% compared to FY2012 by FY2016
(2) Reduce material input per unit by 10% compared to FY2012 by FY2020 (Create an input control system by FY2016, such as setting indices per unit and verifying the efficacy)
(3) Maintain water usage per sales (water input per unit) at FY2012 levels

Basic Approach

The Fujifilm Group has always been aware of the importance of effective use of natural resources, as the main raw material for photographic film, the main product at the time of our establishment, is the precious natural resource, silver, and to which lots of clean water and fresh air are essential in manufacturing. Since our establishment, we actively continue with our efforts to reduce the amount of virgin resources, such as by reducing water usage, recycling and reusing water, recovering and reusing silver, and establishing a resource recycling system for multifunction devices and copiers, etc. We are conducting efforts to use resources effectively and reduce waste through measures which take into account the total lifecycle of a product, by considering the 3Rs (reduce, reuse, recycle) in the product design, reducing loss at the manufacturing stage, collecting, reusing and recycling used products, and recycling or converting into valuables.

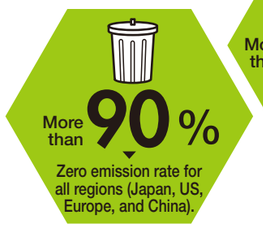
Outline of Activities in FY2014

Related Data and Information Environmental Aspects Page 65

Measures to Reduce Waste

The Fujifilm Group is making comprehensive efforts to use resources effectively and reduce waste throughout the entire lifecycle of its products, from design to manufacturing and disposing. We think carefully about the most effective ways to use resources and reduce waste as much as possible, by considering reduction of resources in products and recycling after use in the design stage, and reducing losses at the manufacturing stage. Meanwhile, we are concerned about waste emitted necessarily in manufacturing too, and since FY2011 we have been involved in project as Fujifilm Group to convert waste in manufacturing into valuables and raise the value of these valuables. In addition to activities at production sites, we have expanded to wastes in office and warehouse for transportation, promoted our measure in the scope of our business activities overall.

Regarding waste in office, we have improved used paper recycling by roughly 20% in the Tokyo metropolitan and Kanto regions through consolidated management by the Group's shared company. At distribution warehouses, plastics used for packaging have previously been disposed of as waste due to the low volume and wide variety. Starting at the end of October 2014, these plastics have been gathered by area for sorting and collecting by a contractor service. Such efforts are expected to generate value for roughly half of the plastics collected, thus cutting down waste output. With these activities, we were able to cut down waste by 9% in FY2014, achieving the Medium-Term Target of reducing volume of waste generated by 8% compared to FY2012 by FY2016 two years early. Outsourced waste disposal cost had also been reduced by 28% by end of FY2014 (compared to FY2010). Reduction of waste to be disposed of by simple incineration/landfill (zero emission) is underway on a global scale. In FY2014, the Group achieved zero emissions of over 90% for all regions (Japan, US, Europe, and China).



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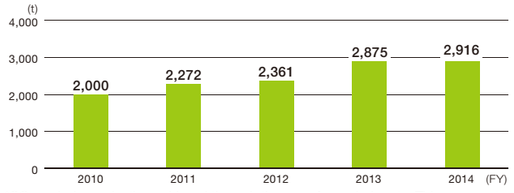
▼Outline of Measurements for Waste Reduction in Fujifilm Group

Product development	[Design for Environment] **Design products which generate minimal waste** Consider the 3Rs, "Reduce, Reuse and Recycle"
Manufacturing	[Reduce loss in production] **Reduce waste to minimum in production** Reduce loss in production and reduce the occurrence of defects
Treatment of emissions	[Promotion of effective use of resources] **Recycle and reuse** Improving the quality of recycling (Heat recovery ⇒ Material recycling), and the reusing of resources in products

Comprehensive efforts to promote waste reduction and effective use of resources

▼Fuji Xerox Reduction of New Resource Input through the Reuse of Parts* (Total for Japan, the Asia-Pacific Region, and China)



*CO_2 emission reduction achieved through the use of recycled parts. This represents the amount of CO_2 emissions that would have been generated at the production stage with the manufacture of new parts, if recycled parts had not been used.

Future Prospects

We are progressing continual waste reduction and utilization of resources, following cost reduction through group-wide optimization. We are also considering a higher targets for waste output.

Measures to Zero Landfill from Products

At Fuji Xerox, based on the approach that "used products are not waste products but valuable resources," we have been introducing resource recycling activities aiming for Infinite Zero Landfill*1 through the maximum use of resources by collecting used products and reusing and recycling*2 them. We have achieved Zero Landfill from the collected used products in Japan by recycling them as a part of other products. We also established resource recycling systems equivalent to that in Japan in China and the Asia Pacific region based on the idea that we have same responsibility to reduce environmental impact in all the regions where we conduct business as a global corporation. As a result of such efforts, we have been maintaining more than 99.5% of resource recycling rate, which is the target rate for Zero Landfill, in all of our business areas*3 since FY2010.

As for new resource inputs, we managed to reduce these by 41 tons in FY2014 from the previous year. However, we expect that it will be more difficult to retain such a reduction rate of these inputs against the increase in the amount of products and parts due to advancements in downsizing and weight reduction in products and consumables.

Future Prospects

We are progressing with the further utilization of resources and reductions in environmental impact to enhance the "quality" of recycling, such as by improving the working environment in dismantling processing bases while maintaining Zero Landfill in all of our business operation areas.

*1 Definition of "Zero Landfill": Reduction of simple incineration or landfill to under 0.5% of total waste output.

*2 Reusing: Either parts are reused as they are, or their materials are reused. Recycling: Components that could not be reused are recycled as a resource for other purposes.

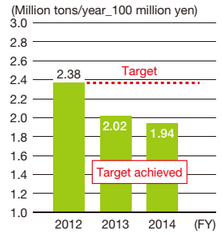
*3 Japan, China and the Asia Pacific

Response to Water Risks

Since our establishment, the Fujifilm Group has been working toward water usage reduction and water recycling. In FY2013, we set the medium-term target of "maintaining water usage per sales (water input per unit)* at FY2012 levels" in order to address the water risk, which is now of growing concern and achieved the target of FY2014. We believed that our water risk was low as our production sites with high water usage are all located in Japan, where water is abundant. However, in FY2014, we identified our group sites with relatively higher water risk through visualization using a matrix with two indices: "water stress" and "impact on company business in terms of water usage."

*=Water usage/revenue

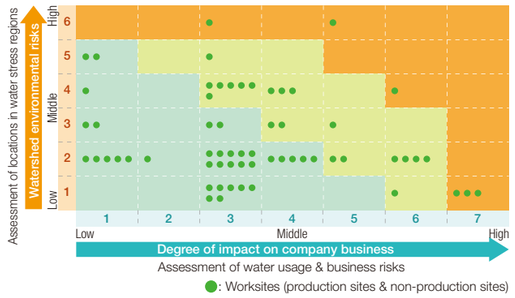
▼Water Usage per Unit (usage/revenue)



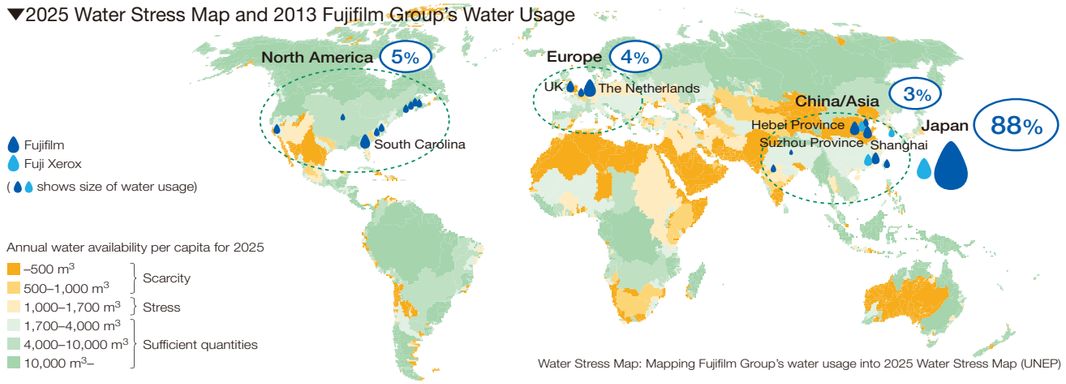
Future Prospects

We are pursuing our efforts in water usage reduction and water recycling by maintaining the level of water usage per unit set as the medium-term target and implementing water risk countermeasures in our group sites according to their water risk levels and actual business operations. We are also planning to survey and reduce water usage in our suppliers and customers.

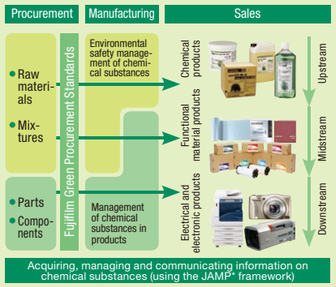
▼Assessment Map of the Impact of Water Resources on Company Business



▼2025 Water Stress Map and 2013 Fujifilm Group's Water Usage



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



Priority issue 3 Ensure Product and Chemical Safety

Target

Contribute to "Minimization of adverse effect to environment and human health from chemical substances in production and usage by FY2020"

* Joint Article Management Promotion-consortium (JAMP): A cross industry organization established in 2006 to ensure smooth communication and management of information on chemical substances contained in products throughout the supply chain.

Basic Approach

Because the Fujifilm Group manufactures a wide range of products such as chemical products, functional materials, optical devices, office equipment, and medical equipment, etc., we have established and implement management rules according to the respective composition and manufacturing processes of our products, from the perspective of management of the handling of chemical substances and management of information on chemical substances. Since 2010, in our Medium-Term CSR Plan, we have been making efforts for the priority issues of establishing and disseminating the framework to acquire, manage, and communicate information on chemical substances contained in products along the supply chain and enhancing our system to acquire information on laws and regulations in each country and region around the world accurately, and to ensure response efficiently.

Outline of Activities in FY2014

Management of Chemical Substances

Fujifilm classifies and manages the chemical substances used in its business according to applicable laws and regulations, as well as their hazard and the company's management policies. For chemical substances identified as possessing a certain hazard level, it is mandatory to assess the risks from the substance prior to its use and according to how it is to be used. The revised Industrial Safety and Health Act will be enforced in Japan in Spring 2016, and this will make an assessment of human health risks mandatory when using substances specified by the Order for Enforcement of the Industrial Safety and Health Act (as Dangerous or Harmful Substances Subject to Labeling, etc.), which is currently only a recommended effort. With this institutional change in sight, in FY2014, we enhanced our current methods to assess risks from chemical substance use in production, and developed them into a method to quickly provide assessment results that take into account a wider scope of chemical substance usage—not only in production, but also in research and development.

Based on the chemical substance information system installed in Fujifilm in 2009, Fuji Xerox also started using the information management system that centrally tracks the chemical substance information from all affiliated companies in order to comply with increasing chemical-related laws in a definite and efficient manner. Fuji Xerox is in the process of installing the system at its domestic and overseas sites in FY2014.

Future Prospects

We will plan to utilize this new risk assessment method in FY2015 after making adjustments to ensure its consistency with details of the revised Industrial Safety and Health Act.

Management of Chemical Substances in Products

As a part of the reinforcement of our efforts to appropriately manage chemical substances in products, Fujifilm is making progress in spreading use of a system to manage chemical substances in products across its supply chain utilizing the information communication tools provided by the Joint Article Management Promotion-consortium (JAMP)*. In FY2014, we expanded this system from Japan to other Asian countries (see page 37).

To ensure compliance to related laws, in FY2012 Fuji Xerox revised the chemical substance audit method so that we could learn how chemical substances are managed by business partners and they could understand the problems, if any. In FY2013, this new auditing system was enforced at all Fuji Xerox business partners. In FY2014, the company started offering support and instructions to business partners that do not achieve the required standard to improve chemical management levels across the entire spectrum of business partners.

Future Prospects

Fujifilm will expand this system JAMP provided to the Group companies in Asia. In FY2015, we plan to implement the system across the supply chain through regular briefings for our business partners and offering various forms of support that take account of individual partners' actual situation, aiming to continue supplying products that boast highly-managed chemical substance usage.

▼Classification Criteria for Chemical Substances and Management Practice Based on the Classification

(Classification criteria: Hazard, laws and regulations in Japan and overseas, and management policy)

Classification	Classification criteria	Management practice
C0	Prohibited by laws and regulations and management policy	(Prohibited)
C1	Discontinue usage, reduce amount of usage or reduce emissions based on management policy (hexavalent chromium, formalin, and dichloromethane, etc.)	Discontinue usage, or reduce amount of usage or emissions
C2	● Notifications and/or approval is required by laws and regulations ● Particularly hazardous (carcinogen, explosive, etc.) ● Limited handling based on management policy (lead compounds, etc.)	Enclose or restrictive management
C3	Specified laws or regulations applied, or having specified hazards	Management based on risk assessment
C4	Classification other than C0 to C3	General management (management based on SDS and laws and regulations)
S	Specially managed substances: No relevant laws, regulations or hazards data but potential risk is concerned.	Start research for replacement or reduction of usage amount, emission or exposure

Priority Issue 1 Achieving zero CO_2 emissions in four major office buildings by utilizing Carbon Neutral Certification

Fujifilm Holdings was selected as one of the businesses for the FY2014 Carbon Neutral Certification Model Project, and eventually received the Carbon Neutral Certification in its headquarters building and three other major office buildings. The company's carbon neutral* status (zero CO_2 emissions) was achieved by the Clean Development Mechanism defined in the Kyoto Protocol, offsetting the entire amount of FY2013 CO_2 emissions (13,043 tons) including those derived from fuel and electricity usage (Scope 1 and 2), as well as from paper usage, waste emissions, business travel, and employee commuting (Scope 3).

We have actively installed a number of energy-saving measures in offices, such as usage of LED desk lights along with the activities to raise environmental awareness among employees.

Acquirement of Carbon Neutral Certification offsets the remaining CO_2 emissions by utilizing Certified Emission Reductions (CER) credits gained from hydroelectric power generation in developing countries and other contributions. Such CO_2 emissions offset also helps anti-global warming measures in developing countries. We will further accelerate the global warming countermeasures to achieve the FY2020 CO_2 emissions reduction target through the united effort of all group companies.

* Carbon neutral: A scheme that can offset the entire amount of GHG emissions from the activities of a business or other organization with the amount of the organization's GHG emissions reduction made in other areas. The Carbon Offset refers to the system that can offsets a part (or all) of GHG emissions. Japan's Ministry of the Environment started the Carbon Offset Scheme in 2012 to promote and support offsetting or neutralizing GHG emissions.

Priority Issue 2 US plant promotes conversion of waste into valuable substances and recycles 169 tons of waste solvents

Fujifilm Electronic Materials USA, Inc. responsible for the manufacturing and sale of materials for semiconductor devices has made great success in the reduction of waste output and conversion of waste into valuable substances. By recycling a number of waste solvents that had been disposed of in the past, the company was able to provide them as a product used in semiconductor manufacturing processing . Waste solvents from the factory in Mesa, Arizona, were recycled and commercialized in cooperation with its client company. This process converts what was basically waste into an application that generates value. Furthermore, the company uncovered a market for mixed solvents as another byproduct, which were previously waste solvents. At present, roughly 90% of the waste solvents are being sold as products or secondary products.

This resulted in the recycling of 169 tons of waste solvents that had undergone waste treatment and at the same time a reduction in cost of more than US$16,000 (¥1.76 million*) in 2014.

Fujifilm consolidated all of its waste treatment contractors for its US plants in 2013 and taken other actions towards zero emission in the US, where action in this area lagged behind efforts in Japan and Europe. The company plans to engage in various other recycling activities towards the global implementation of resource recycling.

* Converted at the rate of ¥110 to the US dollar

Priority Issue 3 Management of chemical substance usage information across the supply chain started in China

Many countries are currently reinforcing their laws and regulations concerning chemical substances used in products, such as the RoHS directives and REACH. To ensure compliance with such laws and regulations, Fujifilm uses the information communication tools offered by the Joint Article Management Promotion-consortium (JAMP). Utilizing the chemical substance management system also offered by JAMP in conjunction with the information communication tools, we share information on the chemical substances used in our products with overseas subsidiaries. We are also enlarging the scope of the system and tool usage throughout the supply chain.

Briefing on the chemical substance management tool to business partners

This expansion was made to Asian countries in 2014. FUJIFILM Imaging Systems (Suzhou) Co., Ltd. which is our largest production site in China, held a briefing session for local business partners. With the agreement of the partners attended the meeting, we started gathering chemical substance information using the JAMP system and tools with common information sharing formats. We are now working together with our business partners to collect and publish this chemical substance information.

FUJIFILM Sustainable Value Plan 2016

Promotion policy 3

Enhance the CSR framework supporting the corporate activities across the value chain.

page 40

1. Raise compliance awareness and ensure risk management

page 45

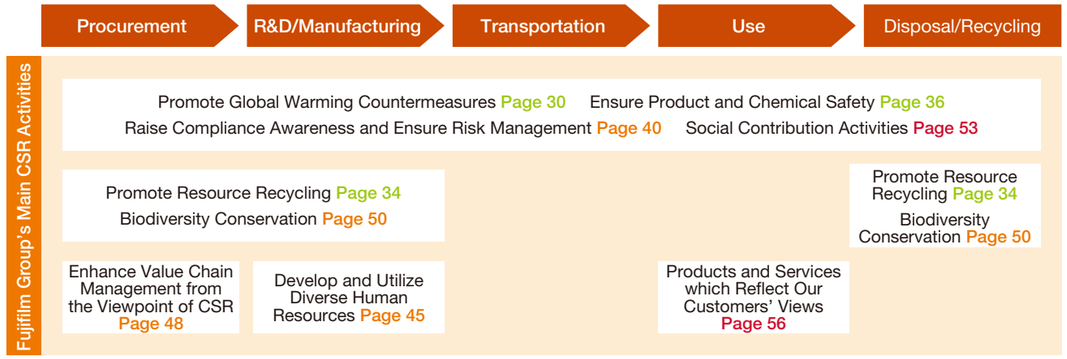
2. Develop and utilize diverse human resources

page 48

3. Enhance value chain management from the viewpoint of CSR

For continuing and sustainable growth, a business corporation is required to not only fulfill its economic and legal responsibilities but also regard its responsibilities toward various stakeholders. In the Sustainable Value Plan 2016, "Compliance and Risk Management," "Human Resources," and "Value Chain Management" are identified as priority issues for maintaining Fujifilm Group's sustainable corporate activities.

▼CSR Activities Promoting throughout the Value Chain



The Fujifilm Group established its Charter for Corporate Behavior, Code of Conduct, and Approach to CSR and promotes CSR through sincere and fair business activities. In order to expand and strengthen our activities, it is necessary to collaborate all processes, procurement, manufacturing, transportation, use, and disposal throughout the value chain.

In March 2015, the Fujifilm Group revised the Procurement Policy and presented the "Requests to Suppliers" in an effort to enhance value chain management. We will keep recognizing social effect through our business activities and our responsibilities, and aspire for establishing a sustainable value chain with mutual growth through understanding and implementation of these activities not only within the Group but also by our business partners.

Fujifilm Group Procurement Policy
[Basic]

The Fujifilm group will conduct its procurement based on the basic concepts listed below, while building mutual trust and respect with suppliers.

1. We will engage in ethical trading in compliance with laws, regulations and social norms, paying full considerations to perspectives including human rights, environment, occupational health and safety.
2. We will treat all bidders with fairness and ensure that they are given the same level of information when preparing quotations. We will provide trading opportunities to all domestic and overseas suppliers, and actively consider procurement from newcomers.
3. We will conduct procurement activities with reputable and reliable suppliers which are selected from comprehensive perspectives including quality, price, delivery time, technical capabilities, CSR activities and business continuity.

   Note that 'procurement' under this policy covers not only the procurement of parts and materials for products, but also various trade activities such as procurement of indirectly related materials, maintenance and management service of facilities.

Requests to Suppliers
[Important 28 CSR items in four categories]

Respect for human rights	Respect for basic human rights, elimination of discrimination, prohibition of non-humanitarian treatment, workers' rights, prohibition of forced and child labor, restraint on extended work hours, wages, privacy, and occupational safety and health
Open, fair and clear business activities	Active communications, information disclosure, fair trade, prohibition of abuse of superior status, prohibition of corruption, offer of unfair benefits, severance of ties with antisocial forces, compliance with export/import laws and regulations, quality & product safety, protection of confidential information, intellectual property rights protection and preservation of personal information environment
Preservation and protection of the environment	Promotion of green purchasing, prevention of global warming, waste control, prevention of environmental pollution and preservation of natural resources
Development of management systems and schemes	Management system and internal/external communication

Manuals

Fujifilm Group CSR Procurement Guidelines

Charter for Corporate Behavior and Code of Conduct

Priority issue 1

Raise Compliance Awareness and Ensure Risk Management

Targets

(1) Maintain 100% awareness of major risks and full-scale performance of awareness-raising schemes
(2) Ensure offering health promotion opportunities to employees
(3) Be aware of risk of human right issues across the Fujifilm Group

Basic Approach

The Fujifilm Group interprets compliance as "more than simply not breaking the law and acting correctly in the light of common sense and ethics." We believe that we achieve compliance by responding flexibly with a keen sensibility to the needs of society. A lack of awareness of compliance often leads to increased risk. Consequently, compliance and risk represent two sides of the same coin. A dedicated department in each operating company of the Fujifilm Group manages risks in a comprehensive and integrated manner, recognizing that promoting compliance and managing the risks associated with business operations is a single continuum. We steadfastly advance compliance and risk-management activities across the Group, with our two operating companies, Fujifilm and Fuji Xerox, overseeing their respective affiliates in Japan and overseas.

The Fujifilm Group ensures compliance with laws and regulations, including those related to respect for basic human rights, which is the most fundamental compliance item, as well as for occupational health, the basis for all business activities.

Fujifilm Group Code of Conduct/Compliance Statement http://www.fujifilmholdings.com/en/about/philosophy/law/

Outline of Activities in FY2014 Compliance

Related Data and Information Compliance and Risk Management Page 60

Fujifilm Group

As a set of fundamental policies, we have formulated the Fujifilm Group Charter for Corporate Behavior and Code of Conduct. We have also established the Fujifilm Group Code of Conduct to better guide each employee to act and behave in compliance with laws, regulations and social ethics and make it clear that we give the first priority to compliance in our business activities. We have established a division that is exclusively responsible for promoting compliance and instilling a compliance based mindset throughout the Group within each of our principal operating companies: FUJIFILM Corporation and Fuji Xerox Co., Ltd.

We also maintain offices to provide consultations and support communications regarding infringement issues both within and outside the operating companies. This effort is meant to facilitate the early detection of illegal or improper behavior and ensure prompt and appropriate response measures. All the communications and information are kept confidential and reported to the CSR Committee chaired by the president of FUJIFILM Holdings.

<About the anti-corruption matters>
The Fujifilm Group has never been investigated by administrative authorities concerning any anti-corruption matters.

▼Measures Implemented for Compliance and Risk Management

FY1997 to FY2005
Establishment of foundation at each company
- Formulation of a Code of Conduct for Employees
- Launch of body (committee) in charge of issue
- Opening of helpline/consulting facility
- Start raising employees' awareness, education, and monitoring through awareness surveys and briefing sessions

FY2006 to FY2008
Establishment of foundation for the entire Fujifilm Group
- Foundation of FUJIFILM Holdings CSR Committee
- Revision of Group's Corporate Philosophy and Charter for Corporate Behavior, and formulation of Vision and Code of Conduct and raising awareness
- Expansion of initiative to Group companies outside Japan

FY2009 to FY2013
Responses to individual priority issues
- Introduction of anti-corruption rules
- Review of risk issues against large earthquakes and a possible eruption of Mt. Fuji
- Establishment of a system to ensure no relations with antisocial forces
- Introduction of information security measures and guidelines

etc.

FY2014 to FY2016
Implementation of the Sustainable Value Plan 2016
- Review and clarification of serious risks for the Fujifilm Group
- Strengthen measures to raise awareness on rules and regulations

etc.

Fujifilm

Fujifilm regards the promotion of compliance and risk management as a single activity and centrally manages and conducts related efforts through the Compliance and Risk Management Division (CP&RM), which is dedicated solely to the activity.

The company provides managers of its Group companies with compliance education concerning information security, harassment, export matters, and other items every year, and what the managers have learned is then communicated at their workplaces to raise awareness among all Group employees. Also, for its bases outside Japan, Fujifilm fosters compliance in consideration of the actual local situation.

In response to the recent enhancement of anti-corruption laws across the globe, Fujifilm introduced anti-corruption rules to its Group companies in April 2014 and has since been regularly carrying out in-house audits to ensure compliance with these rules.*

Future Prospects

Fujifilm will conduct onsite compliance audits also at its bases outside Japan and increase transparency regarding compliance. In FY2015 the company plans to conduct an opinion survey targeting all employees, with a view to checking the level of their compliance awareness and identifying the compliance-related problems faced by employees.

Fuji Xerox

At Fuji Xerox, we have laid down our Action Guidelines relating to ethics and compliance, and we are working to enhance the system and its mechanisms in order to embed it in the actions of each and every executive officer and employee. With worldwide action to strengthen and implement laws on the prevention of corruption, the company and all domestic subsidiaries established related regulations in FY2013. In FY2014, implementation was completed for the entire Group, including overseas companies.

In compliance training, we annually conducted the web-based training aimed at the prevention of misconduct and harassment, as well as the "Legal Risk Assessment Test," which is an educational tool concerning general legal affairs for employees, jointly developed by FUJIFILM Holdings, Fujifilm and Fuji Xerox. Rank-based compliance training is also being upgraded. In addition to group training for newly appointed managers, we have developed a web-based training program (educational video) in FY2014 for all managers.

Future Prospects

For the further implementation of effective training, programs covering the laws essential for new businesses and global business activities are being upgraded to improve legal awareness and ensure a full understanding of basic legal knowledge among all employees, including those in overseas subsidiaries.

▼Compliance and Risk Management Promotional Organization (Fujifilm and its affiliates)

Total Risk Management Committee
Roles:
1. Prevention of the actualization and expansion of risks
2. Undertaking preparatory measures
3. Implementation of preventive activities

Chairman: Chairman
- Vice chairman: President
- Regular committee members:
  Executive officer responsible for CSR management
  Executive officer responsible for consolidated corporate management
  Executive officer responsible for general administration
  Executive officer responsible for legal affairs
  Executive officer responsible for PR

Secretariat: General Manager of Compliance and Risk Management Division

CSR Division
Compliance and Risk Management Division
General Manager of Compliance and Risk Management Division

Compliance Committee
Roles:
1. Dissemination of the Fujifilm Group Charter for Corporate Behavior and Code of Conduct
2. Follow-up to the dissemination of the Code of Conduct
3. Response to violations to the Code of Conduct

Chairman: President
- Vice chairman:
  Executive officer responsible for CSR management
- Regular committee members:
  Executive officer responsible for consolidated corporate management
  Executive officer responsible for personnel
  Executive officer responsible for general administration
  Executive officer responsible for legal affairs

Secretariat: General Manager of Compliance and Risk Management Division

Prompt decisions and responses made by seven study groups for:
(1) Serious complaints about products (including PL issues)
(2) Environmental risks
(3) Safety risks outside Japan
(4) Export-related risks
(5) Risk of personal information leaks
(6) Risk of corporate attacks
(7) Disaster-related risks

Responses to major priority issues
- **Information security and protection of personal information**
  Formulation and implementation of advanced safety management measures
- **Compliance with laws concerning antimonopolies and subcontracting**
  Establishment of in-house rules and regular in-house auditing
- **Strict export control**
  Improvement of in-house system for steady and efficient export control
- **Anti-corruption measures**
  Introduction of in-house rules to ensure appropriate business activities
- **Measures to ensure transparency in relationships with medical facilities and others**
  Formulation of guidelines to ensure transparency in business activities and disclosure of related information (since FY2014)
- **Bioethics**
  Fostering bioethics through ethical examinations on life science-related research and business

▼Corporate Ethics and Compliance Promotion System (Fuji Xerox and its affiliates)

Board of Directors — Board of Corporate Auditors
Business execution (President) — Internal Audit & Analysis Department
CSR Council
Ethics and Compliance Committee
General Affairs Department | Human Resources Department | Legal Affairs Department
Organization of Fuji Xerox and its affiliates
Ethics and Compliance Committee

Ethics and Compliance Management Rules
Purposes/Roles/Responsibility
Management tools: Business rules, Guidelines
Communication/Education: Training on laws, Prevention of misconduct
Monitoring: Job function, Designated department
Risk management/Information disclosure
Problem presentation/Whistle-blowing
Audit/Correction
Domestic Sites
Overseas Sites

Outline of Activities in FY2014 Risk Management

Related Data and Information Compliance and Risk Management Page 60

Fujifilm Group

Each operating company establishes and maintains its own appropriate risk management systems. Following prescribed procedures, the operating companies report their risk management activities, including preventive measures and countermeasures against materialized risks to the CSR Committee secretariat. With regard to significant risks in Group operations, the CSR Committee takes a group-wide perspective in examining appropriate countermeasures and effecting their implementation. As a holding company, FUJIFILM Holdings supervises business execution by subsidiaries from the standpoint of its shareholders, while also conducting operations common to the Group in a unified, efficient and appropriate manner.

Fujifilm

Fujifilm has been implementing countermeasures against companywide risks, which we identified based on the risks faced by each division and set as common issues. In FY2011, in response to the Great East Japan Earthquake and the disaster scenarios envisioned in the event of an eruption of Mount Fuji, an earthquake occurring directly under the Tokyo Metropolitan Area or a massive interrelated earthquake (Tokai, Tonankai and Nankai earthquakes along the Nankai trough), we reviewed its companywide risks to supplement and strengthen its countermeasures.

In FY2014, we conducted training for the risk managers in each Group organization to raise our risk management awareness and capabilities to deal with such risks. We are also enhancing the measures for employees visiting or living in developing countries on business as part of our effort to strengthen risk management for the safety of employees outside Japan (see page 51). Further, all employees were given E-learning opportunities to maintain and increase their information security levels and deepen their understanding of information security rules and guidelines on specific activities to be undertaken.

Future Prospects

Fujifilm will continue to identify priority risk issues through the PDCA cycle and formulate and implement specific action plans.

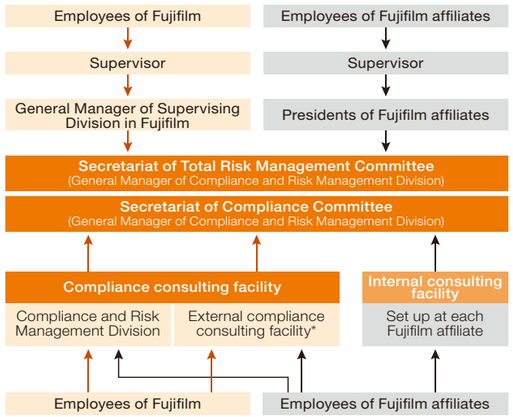
Fuji Xerox

Fuji Xerox places a priority on actively managing risk, not just in emergencies, but also in its daily business operations, based on ALL-FX Risk Management Rules. Potential risks are managed based on occurrence frequency and impact on management. Responsibilities and authority, formulation and implementation of countermeasures are set out to each risk. In risk management, we select priority issues, with attention given to changes in social and business conditions, the status of our business operations, the occurrence frequency, impact on management, etc. Since the Great East Japan Earthquake, we have developed emergency response policy for major natural disasters and are continuously working on BCP reinforcement activities. As for the pandemic outbreak, the measures to the spread of contagious diseases are being implemented based on emergency response guidelines. In information security, we will focus on measures to targeted attacks and enhancement of the security management system of our service contractors.

Future Prospects

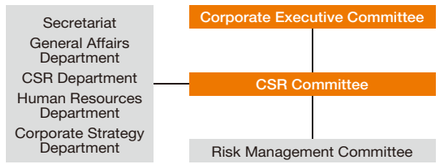
We will work on improving the initial response to prepare for the occurrence of large-scale natural disasters and will continually enhance risk response to prevent information security risk.

▼System of Collect Information on Risk and Compliance Consulting (Fujifilm)

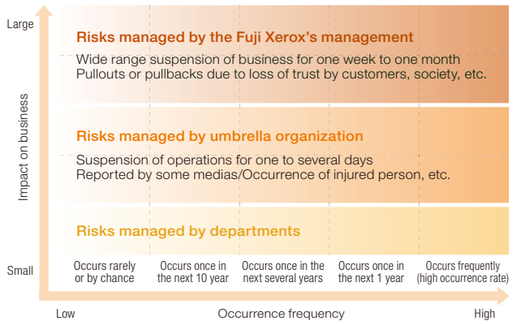


*External compliance consulting facility is set up for employees in case where, for whatever the reason, they feel they cannot directly report to company or supervisor, even if they find risk-related information.

▼Risk Management System (Fuji Xerox)



▼Risk Map for Risk Management (Fuji Xerox)



Outline of Activities in FY2014 Occupational Health and Safety/Promotion of Health

Related Data and Information Sustainability Accounting Page 69

Fujifilm Group

In order to implement its vision of maintaining its position as a leading company by Creating New Value, the Fujifilm Group deems it important to ensure that employees can work with vigor and in good health both physically and mentally at their workplaces. In the Group, however, we suffered further cases of decrease labor productivity and an increase in medical costs, and in response we established a group-wide health promotion council composed of the Group companies' personnel departments, industrial doctors, and the Fujifilm Group health insurance association in July 2013. The council has since been conducting activities focusing on four areas: prevention of serious lifestyle-related diseases; quitting smoking; mental health; and prevention of overwork. KPIs were set for each area and we are fostering collaboration between the related organizations.

In FY2014, based on the results of the continued Not Smoking Campaign, we established a permanent stop-smoking assistance program in April 2015. We also added "measures against cancers" to our priority areas for health promotion and opened the Nishiazabu Medical Center (see page 51) to raise the cancer detection rate among employees as part of further enhancements to our health promotion activities.

Fujifilm

Fujifilm is working to provide employees with safe and comfortable workplaces based on the safety policies and plans set out for each business site. Specifically, the members of the Occupational Safety and Health Committee, including factory managers, make regular patrols of the facilities, assess risks to ensure the inherent safety of equipment at the design stage, conduct emergency drills against fires and earthquakes with the participation of all employees, and provide employees with education on hazard prediction (KY) and risk assessment concerning chemical substances. We also provide employees with safety education and expands the target of hands-on risk seminars to include the employees of our affiliates. In the seminars, participants have a virtual experience of what it would be like to "get caught by a machine" and "getting an electrical shock" to increase their sensitivity to risks.

From FY2015, in consideration of the fact that flammable materials are often in use, Fujifilm is now preparing a hands-on seminar on the prevention of explosions to have virtual experience of fires and explosions caused by flammable materials. Moreover, for the prevention of similar accidents at its affiliates, we developed an initiative to centrally manage all accident-related information horizontally and gave important tips to all affiliates to help them prevent similar accidents.

Hands-on Risk Seminars

Fuji Xerox

Fuji Xerox and its affiliates and sales companies are conducting activities with an aim for realization of safe and pleasant workplace, and health of employees both physically and mentally. To prevent work accidents, each factory investigated the cause of the accidents through the activity of safety and health committee, examined preventive measures of recurrence and continuously raised employee awareness. As a result, in fiscal 2014, the number of work accidents per 1,000 employees was 1.01 cases (decreased 1.64 cases compared with the previous fiscal year) for Fuji Xerox (unconsolidated) and the number of work accidents was 10 cases (decreased 15 cases) which included 0 cases of accident that required absence from work (decreased 11 cases).

As health-promoting action, we introduced ban on smoking during working hours and are improving the medical examination system which will lead to the early detection of cancer.

Future Prospects

We plan to implement the Group employees' medical and health data integration project launched in January 2014 at Fujifilm and Fuji Xerox in FY2015, and then at our affiliates and sales companies in Japan in FY2016. We expect that integrating the data managed separately by each business site, industrial doctor, and the health insurance association into one database will foster more appropriate use of the data and have a positive effect on our health promotion measures, health instructions by industrial doctors, and self-care activities by employees.

At Fujifilm, we will also deploy the group-wide measures to share important tips for accident-related information to overseas factories in FY2015. And at Fuji Xerox, to prevent serious work accidents that requires absence from work, we will continuously boost greater risk awareness and heighten sensitivity to work accidents prevention through safety and health committee of each factory.

Outline of Activities in FY2014 Respect for Human Rights

We believe that respect for basic human rights is a fundamental aspect of our compliance and we have clearly stated our commitment to it in the "Fujifilm Group's Charter for Corporate Behavior and Code of Conduct." Group company employees are required to sign their names on a declaration found at the end of the Code of Conduct. At the same time, to deepen their understanding of human rights, we have training programs aimed at engendering respect for human rights and eliminating discrimination.

In consideration of due diligence in human rights, FUJIFILM Holdings has been participating in the Japan CSR Consortium, managed by the Caux Round Table Japan since 2012. We are studying on human rights risks within the company, in response to deliberations at international conferences and public comments. In the workshop held in FY2012, Fujifilm identified important human rights issues in the industry with other participants, in accordance with "identifying the human rights issues and expectations relevant to business" under the Human Rights Guidance Tool created by the United Nations Environment Programme Finance Initiative (UNEP FI).

In FY2013, the important human rights issues in each business identified during the previous year were explored from the perspective of the value chain, to foster an understanding on what particular human rights issues are likely to be connected to the activities of each business division. In the third year FY2014, in response to the public comments in the previous year, we worked on the assessment of the potential connection between human rights issues and business choosing the 16 global risks that have a very close inter-relationship and highly likely to impact business, from among the 31 global risks that the World Economic Forum*1 had been identified in the Global Risk Report. Through this, greater understanding was achieved concerning the reasons for the importance of human rights issues in each business and the deep connection between social issues and environmental issues.

With participants of the 2014 Conference on CSR and Risk Management

Furthermore, in FY2014 Fujifilm continued to participate in the Conference on CSR and Risk Management*2 for the second year to engage in discussions with various other corporate participants concerning CSR risks that business corporations must recognize in human rights due diligence. Discussions were made referring to existing management tools and based on case studies of business enterprises facing human rights risks in their supply chains.

In FY2014, Fujifilm has implemented annual self-assessment questionnaire related to business activities for all Japanese and overseas affiliates, which has included items related to human rights issue and our future activities in the Group.

Future Prospects

For a greater understanding of human rights due diligence, Fujifilm will continue to actively adopt outside opinions and joint studies with other companies, in addition to our own opinions and continue our activities to raise awareness of the importance of human rights issues within the Group.

*1 World Economic Forum: Nonprofit foundation established in 1971 in Geneva, Switzerland. It is an international organization working on the improvement of the global situation in close cooperation with all major international organizations, as an independent and impartial body not tied to any special interests.

*2 Conference on CSR and Risk Management: Organized by the Caux Round Table – Japan and the UN Working Group on the Issue of Human Rights and Transnational Corporations and Other Business Enterprises. This conference was the fourth workshop that the Global Corporate Community of Practice (GCOP) held around the world. GCOP is an intercompany global platform formed to develop and share best practices in human rights due diligence and risk management. Seventeen companies participate, including a think tank and others involved in chemicals, automotives, heavy industries, trading, information communications, printing, apparel and textiles, and logistics.

▼Key Human Rights Issues in the Chemical and Pharmaceutical Sectors

Human rights issues considered important for the chemical industry	Concrete issues
Core operation/Supply chain Health and safety in the workplace	● Risks of skin injuries and cancers posed by the use of chemical materials.
Community Use of natural resources	● Progressive increase in discharge and leak of hazardous materials, water and air pollution at manufacturing sites as well as during transportation.
Community Voluntary relocation consultation and compensation	● Inadequate compensation on relocation may create tensions with local communities when developing sites, which may endanger the safety of both corporate and community members.

Key human rights issues in pharmaceutical sector	Concrete issues
Core operation/Supply chain Labor conditions	● The use of chemical compound or/and pharmaceutical products is likely to endanger the health and safety of employees. ● During the clinical development stage of pharmaceutical production, the health and safety of study participants may not be managed properly at contact research organizations.
Community Use of natural resources	● Sourcing natural compounds may possibly heighten tensions between companies and local communities.
Community Community investment	● Having positive impacts on public health such as rising awareness on diseases and ensuring access to medicine.
Society and government Relations with poor human rights record	● Support for public health in state/local community may be misused for their political purposes such as propaganda
Consumer issues Health and safety of patients	● Taking positive actions towards the fight against counterfeit medicines ● Report delay on adverse drug reactions and delay in recall may endanger health and safety of patients.

FUJIFILM Global Leadership Seminar

Priority issue 2 Develop and Utilize Diverse Human Resources

Target

Build a working environment with diversity*1 that enable all workers*2 to exert their individuality

*1: Create systems to develop human resources and utilize them to the most suitable positions
*2: Domestic and foreign workers, and female, elderly, or disabled employees

Basic Approach

The Fujifilm Group aims at realizing its corporate slogan "Value from Innovation" by challenging the dramatic changes occurring in the business environment with courage. Further, to accelerate the creation, development, and global expansion of prospective businesses listed in the Medium-Term Management Plan, VISION 2016, it is important to create an environment to develop the human resources to drive such acceleration and enable them to exert their diverse capabilities to the maximum. For these purposes, we are giving a top priority to developing global and executive talent with high level of skills in thinking and acting on their own in global society, and are actively reforming and expanding our businesses for the next generation. We are now implementing the systems to identify, develop, and promote human resources based on an international viewpoint across the Group.

Outline of Activities in FY2014 Human Resources Development

Related Data and Information Personnel and Labor Pages 61, 62
Sustainability Accounting Page 69

Fujifilm

Fujifilm is working on human resources development strategically in order to cultivate each employee's strengths and characteristics and maximize their abilities. In such training, "strengthening the mind" and "strengthening work processes" are particularly valued. For young employees in their first three years in the company, senior staff members play roles as mentors to support them to set their action targets to acquire self-reliant action skills and learning through experiences from repeatedly attaining their targets. For more experienced employees and managers, training is given to encourage their self improvement and enhance their ability to complete projects by closely involving the others. In FY2014, a variety of training was held under the themes of "reinforcing key management talent," "reinforcing careers," "reinforcing young human resources," "training for promotion candidates," "functional reinforcement (R&D, production, sales, and staff)," "career design for female workers," "diversity management," and "enhancing communication skills."

The efforts in cultivating global talent, which started full operations in FY2011, focus on scheduled training to develop global skills and mindsets, and creating opportunities for employees to work globally under the concept of "Development and use of talent regardless of nationality or gender, etc." Other training offers practical contents, including organized training for those employees appointed to overseas positions, and overseas onsite training to learn from the actual experience in local workplaces. For employees of overseas subsidiaries, we are conducting the FUJIFILM Global Leadership Seminar for management level employees and other programs to disseminate the FUJIFILM WAY. The Regional Leadership Seminars, programs for regional management level employees, were provided in China in FY2014, in addition to North America and Europe. The FUJIFILM WAY training program was also offered in the Asia Pacific areas, and the trainings were conducted in the six countries of Germany, Netherland, the U.S., Brazil, China, and Singapore in FY2014.

Future Prospects

We continue establishing the system to identify, develop, and promote excellent talent worldwide in FY2015.

▼Fujifilm's Training for Overseas Subsidiaries

FY		2010	2011	2012	2013	2014
Training for overseas subsidiaries	Global	1st GLS	2nd GLS	3rd GLS	4th GLS	Hold once a year →
	Regional				Europe and North America 1st RLS	Company-wide implementation in China/Asia Pacific region
FUJIFILM WAY				FUJIFILM WAY Training for management level in North America and China	FUJIFILM WAY Training for directors in North America and China	Start training for managers and general employees
					FUJIFILM WAY Training for management level in Europe	Continuous measures
						Start training in Asia Pacific region

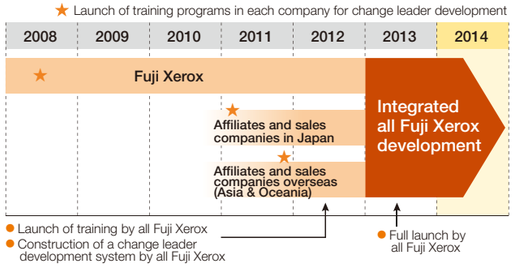
*GLS: Global Leadership Seminar *RLS: Regional Leadership Seminar

Fuji Xerox

The human resources that Fuji Xerox is seeking are those who can "think and act on their own" with the ability to adapt to changes and generate revolutions. To ensure that each employee can develop their competencies in a self-reliant, self-directed way and create careers in which they can sense their own growth, Fuji Xerox as a company implements a range of measures, including personnel training and education. Following on from the previous year, Fuji Xerox held problem solving training in FY2014 across the Company and domestic affiliated companies in order to foster a workplace climate conducive to resolving issues based on a consistently scientific approach. We also continued reform of the education systems for job type training (research, development, production, SE, CE, and sales) and rank-based training (new graduates, young workers, leaders, and managers).

Fuji Xerox is also working on acquiring and educating human resources who can lead our business globalization to accelerate business expansion in the Asia Pacific market and beyond. Concretely, we employ and utilize human resources of many different nationalities, and provide programs to reinforce the global competence of the next generation of leaders. In FY2014, overseas job training was reinforced. Such changes included increasing the number of temporary staff members in training, setting up long-term courses, expanding the conditions for domestic affiliate company employees to apply for training programs, and accepting trainees for overseas work training.

▼Development of the Global Leaders and Change Leaders



Future Prospects

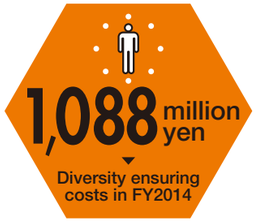
In FY2015, we are focusing on reinforcement of management skills, problem solving skills to address business challenges, and global business skills in order to continue our efforts in developing human resources who contribute to Fuji Xerox's sustainable growth.

Outline of Activities in FY2014 — Realization of Diverse Ways of Working

Related Data and Information Personnel and Labor Pages 61, 62
Sustainability Accounting Page 69

Fujifilm

We continue to engage in efforts to facilitate diverse ways of working. In 2007, we implemented the F-POWER Project aimed at creating an environment where female employees can demonstrate their maximum capabilities. Holding seminars and arranging a system for balancing work and childcare, we established a base to support female employees to participate actively. We enhanced the work-life balance support systems, including nursing care leave and family care leave in 2010, exceeding the legal requirements. Some measures were introduced to encourage the smooth return to the workplace for female workers who took childcare leave in 2013. One of them was the rule to ensure the principle that female workers would be able to return to their previous workplace after their childcare leave so that their career is not interrupted by their life event and continue to utilize their established experience and special skills. Other measures include online courses for employees on childcare leave to acquire knowledge and skills at home, and a special online program to provide the information necessary for returning to work. We also introduced a company re-entry system to enable employees with established careers and experience to return to the company after they had left the company for unavoidable circumstances.



In 2014 we promoted the Work Style Innovation campaign across the company aiming to encourage diverse employees to exert their abilities (see page 52), and held training on career design for female employees, as well as a diversity management training for the managers of female staff.

Career Design Seminar held mainly for female workers as a part of the Work Style Innovation campaign

Future Prospects

We continue to offer human resources development, enhance work-life balance support systems, and foster a workplace culture where female staff can pursue long-term careers and develop themselves through their jobs, and work without worry of interruption from life events such as marriage, birth, and childcare, exerting their abilities to the maximum.

Fuji Xerox

Fuji Xerox aims to be a company where all can deliver their full potential regardless of gender, nationality, disability, or age. To realize this, the company adopts an employment strategy that values diversity and offers a flexible working style to enable such diverse human resources to exercise their skills to the optimum.

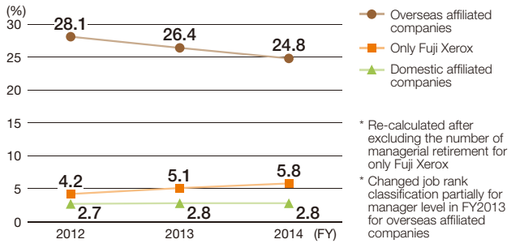
We have been including the opinions of female employees in our systems to ensure a good work-life balance, and encouraging them to come back to work after marriage or childbirth since our foundation. As a result, this has become a company standard for employees to continue their work utilizing all available support schemes. In FY2014, the job return rate of female workers who took childcare leave reached 97.5%, and difference in the lengths of service between male and female employees became smaller showing 20.3 years for male and 16.0 years for female. Further, the total number of users taking fertility-treatment leave introduced in 2012 reached nine, showing that the employees are now actively using the innovative flexible working environment available to them. As for the promotion of female job advancement, we established a plan to boost the ratio of managerial positions held by women from 5.8% in FY2014 to 14.0% and are working actively to achieve this target (see page 51). Our efforts in FY2014 included selecting female advancement promotion officers from each of the domestic affiliate companies, sales companies, and Fuji Xerox Korea, where female participation in decision making (percentage of women managers) is insufficient, to accelerate female advancement across the Fuji Xerox Group.

Fuji Xerox is also working hard on the employment of people with disabilities and the advancement of older employees.

Future Prospects

Fuji Xerox understands that the essence of achieving a good work-life balance is not only providing "support for employees to fulfill both work and family life," but also the "work style reforms" based on "productivity improvement across the entire organization through preparing resources to improve employees' morale and empower their ability to the maximum," as well as the "realization of flexible working styles to support the diverse values of each employee." Founded on this understanding, we continue to reform employees' mindsets and encourage new actions.

▼Ratio of Women in Executive and Managerial Positions (Fuji Xerox and affiliated companies)



OPINION — Third-Party Opinion on "Develop and Utilize Diverse Human Resources"

Mr. Mitsuo Ogawa
President
Craig Consulting

Profile
A specialist in organizational theory, Mr. Ogawa offers CSR consultations to create corporate value. His recent publications include, *CSR—Increase Your Corporate Value—* and *Changes Brought by ISO26000 to Business* (both published in Japanese by Nikkei Inc.). He is a member of the Human Resources Development Committee hosted by Ministry of Health, Labour and Welfare.

Great Expectation for Further Promotion on Work Style Innovation with Appropriate Target Setting and Acceleration on Expanding Global Measures

The Fujifilm Group lists "Effective Utilization and Training of Human Resources" as one of its priority CSR issues. In concrete terms, they are actively promoting female employees to higher positions and reorganizing their employment system to suit the aging society through the activities including Work Style Innovation.

At the same time, I would like to point out two issues to be addressed in their CSR activities. One is that the company should establish a way to track the progress of its targets for the activities by setting appropriate KPIs. Disclosing this level of activity data is very advanced. This is why I would like the Fujifilm Group to push another step to announce their commitment and publish their future plans concerning how to connect their CSR activities to its corporate value utilizing these KPIs.

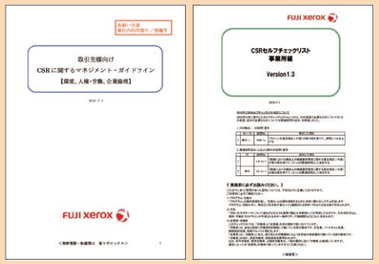
The other point is that I would like the Group to accelerate their overseas CSR activities at the same speed as the global expansion of their business. For example, the Fujifilm Group is keen on its group-wide health management. I would like the Group to expand this activity to include their overseas subsidiaries. A global-scale health management should reduce sick leaves by employees, as well as the companies' healthcare costs. I believe that this will produce a win-win result for both the business and its employees.

Response to the third-party opinion

In order to continue to offer high value to customers in this fast-moving social environment. It is important to increase productivity by enabling our diverse employees to work happily and effectively utilizing their individual strengths. The Fujifilm Group has been reinforcing its human resource development system to empower each and every employee, and we appreciate your positive comment on our efforts.

As you pointed out, we agree that it is important to visualize the progress of our activities to gain feedback to help us proceed even more effectively. We also plan to enhance our employees' health and business growth from the global viewpoint as a new challenge. We are keeping our focus on human resource development so that diverse employees can continue their skills development to exert their professionalism to the fullest extent, aiming to lead this towards solutions to various social issues.

(Human Resources Division, FUJIFILM Holdings)


Fuji Xerox's CSR Management Guidelines for Suppliers and CSR Self-Check List

Priority issue 3

Enhance Value Chain Management from the Viewpoint of CSR

Targets

(1) Identify the CSR status of major suppliers and notify FH's expectation and improvement requirements
(2) Ensure compliance with legislation concerning biodiversity in procurement

Basic Approach

The Fujifilm Group is implementing the Fujifilm Group Procurement Policy to ensure procurement from the viewpoint of CSR based on a recognition of the importance of CSR and corporate ethics.

The Group aims to achieve growth along with its suppliers through business activities, and to this end deals with suppliers in a fair and appropriate manner, while helping them deepen their understanding of the importance of promoting CSR activities across the supply chain. We are thus enhancing partnerships with our suppliers' understanding to fulfill our CSR.

Fujifilm Group Procurement Policy http://www.fujifilmholdings.com/en/sustainability/vision/procure.html

Outline of Activities in FY2014 — Enhancement of CSR Procurement Activities

Fujifilm Group

Reviewing the procurement activities conducted from viewpoint of CSR since 2000, we revised the Fujifilm Group Procurement Policy strengthening in the point of CSR to respond the increasing social demand (see page 39). In addition, we summarized the activities that we expect our suppliers to conduct from viewpoint of CSR in the "Requests to Suppliers" and disclosed the document to the public.

Fujifilm

In FY2014, self-evaluations were undertaken at 35 affiliates in Japan and 61 overseas concerning human rights and labor management (prohibition of child labor and forced labor, working hours, wages, respect for the freedom of association and the right to bargain collectively), occupational health and safety, environmental preservation, and business ethics (information security and whistle-blowing and so on). Based on the results, Fujifilm checked the progress of CSR activities conducted by the Group as a whole. We also responded to requests for CSR audits from our customers and sincerely worked on the improvements according to the customers' comments.

For suppliers, Fujifilm checked the CSR situations of 58 suppliers to our major procurement division, who had kindly responded to the request for CSR self-check at the end of FY2013, and of other 59 companies in Japan and overseas who supply parts, materials, and OEM products to the division of Fujifilm. Based on the results, we asked some of the suppliers to make improvements in their CSR activities. Fujifilm is thus enhancing management from the viewpoint of CSR across the supply chain through the communication with our Group companies, and suppliers.

Future Prospects

Fujifilm plans to introduce our Procurement Policy and other materials to our suppliers in Japan and overseas and ask them to perform CSR self-checks with new items added to encourage them to conduct CSR activities in line with the Policy.

Fuji Xerox

Fuji Xerox is working to foster procurement from the viewpoint of CSR regarding not only production materials but also paper and transportation, in consideration of the environment, human rights and corporate ethics.

In FY2014, we continued reinforcing procurement from the viewpoint of CSR in the countries where our major production sites are based. We focused particularly on communicating with the management of our business partners, and presented the Business Partner Top Seminar in Japan, China, and Vietnam.

In the field of production materials, where we have been promoting the CSR approach since 2007, the effectiveness has been established particularly in China. At Fuji Xerox Shenzhen, assessment visits were conducted by a team of specialists, including procurement, HR management, general affairs, legal affairs, and CSR, in order to give advice on the performance level of the CSR activities of business partner in their workplaces. We have confirmed that such advice has now started to make a contribution to their stable business operations. To further this positive effect, Fuji Xerox Shenzhen has enhanced a structure of the specialist team to increase the number of visiting partners.

In the field of logistics, we strengthened instructions to overseas business partners who showed low assessment scores in their self-check of the previous fiscal year. As a result of this reinforcement, the percentage of partners who indicated 90% or more matching ratio in the priority issues in the checklist now exceeded 90%, which is our target figure. Also, in the indirect materials field, we dispatched a specialist team to service providers that operate the Fuji Xerox sites. Finally, the FY2014 CSR performance in paper procurement was assessed in the meeting attended by the paper procurement and sales managers inside and outside Japan, and confirmed 100% compliance with paper procurement rules, as was achieved in the previous year.

Future Prospects

Demand for reinforcement from the viewpoint of CSR (particularly on human right issues) by NGOs and international organizations based in the U.S. and Europe is now increasing.

Start Examination in Response to Conflict Minerals 2010

Revision of the Fujifilm Group Procurement Policy 2015

Considering this global backdrop, we are reassessing the actual situation in our production sites in the aspects of environment, human rights, labor, and corporate ethics, and are amending any problems identified. We also intend to increase opportunities for our business partners to learn from our CSR activities in the labor, environmental management, and HR development areas at production sites through CSR procurement. We build a robust supply chain by reinforcing CSR procurement based on the mutual trust with our business partners. Through CSR management at production sites and the CSR procurement approach applied to business partners, we will establish stable production and procurement that is firmly rooted in each production site.

Response to Conflict Minerals

Fujifilm has declared that it will not use any minerals mined or refined by illegal practices or take any part, directly or indirectly, in supporting such illegal activities. The company also participates in the working group on Responsible Procurement of Minerals formed by JEITA*1 to help the industry to resolve the issue of conflict minerals.

Further, Fuji Xerox has clearly declared in the basic policy for procurement transactions that we are sincerely addressing the issue of conflict minerals. Although Fuji Xerox is not registered with the U.S. Securities and Exchange Commission (SEC), we participate in the working group on Responsible Procurement of Minerals organized by JEITA and conduct surveys in order to cooperate with the survey conducted by customer companies which registers SEC, as well as clarifying the absence of any involvement of armed groups in our supply chain by investigating the origins of all the minerals used. In the FY2014 survey, the response rate to the questionnaire to our primary partners increased from the previous year to 92.4% and no involvement of any armed group was identified.

Future Prospects

Also, in FY2015, based on the internal guidelines and through receiving support from suppliers, Fujifilm will continue to work on obtaining information on conflict minerals and increase the information accuracy by using the conflict mineral reporting template provided by CFSI*2 (former EICC/GeSI template), enabling us to make more precise reports on the issue to customers.

Fuji Xerox will aim to improve the response rate and accuracy of the survey in FY2015.

*1 Japan Electronics and Information Technology Industries Association (JEITA): This industry organization aims to foster the sound production, trade, and consumption of electronic devices and components, thereby contributing to economic development and cultural promotion in the country.

*2 Conflict-Free Sourcing Initiative (CFSI): This international private sector organization supports companies in addressing the issue of conflict minerals.

▼Progress in Procurement from the Viewpoint of CSR

	FY2007-FY2008	FY2009-FY2010	FY2011-FY2012	FY2013-FY2014
FUJIFILM Holdings		FY2009 ● Establishment and announcement of Fujifilm Group Procurement Policy ● Review of details of the survey on the greenness of companies	Follow-up and monitoring in line with the progress of the implementation process	● Revision of the Fujifilm Group Procurement Policy
Fujifilm	● Survey on the situation of each procurement department, and launch of taskforce by relevant staff	● Awareness-raising about the Fujifilm Group Procurement Policy ● Implementation of first pilot survey ● Collection of replies to the survey, and tabulation, evaluation, and feedback of the results, and improvements/corrections (using PDCA)	● Implementation of second pilot survey	● Survey based on new web system and review of survey details ● Expansion of survey targets ● Establishment of internal guidelines to deal with the issue of conflict minerals
Fuji Xerox	● Launch of procurement activities from the viewpoint of CSR targeting major suppliers in Japan, China, and South Korea, starting with the procurement of materials ● Start of visiting suppliers by a specialist team for procurement from the viewpoint of CSR, and expansion of survey targets to include transportation companies	● Launch of CSR seminars for senior executives of suppliers ● Establishment of PDCA cycle in the field of material procurement at domestic and overseas suppliers and for working with transportation companies in Japan	● Establishment of Paper Procurement Regulation Standards ● Start of visiting by those responsible for procurement to all supplier sites in China	● Expansion and enhancement of procurement measures from the viewpoint of CSR outside Japan (in China and transportation companies overseas) ● Launch of procurement from the viewpoint of CSR in Vietnam ● Launch of measures concerning the issue of conflict minerals

Outline of Activities in FY2014 Biodiversity Conservation

Related Data and Information Environmental Aspects Page 65

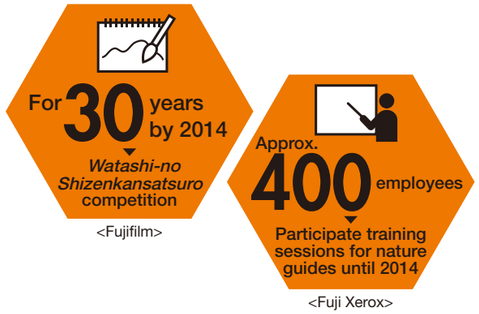
Guidelines for Biodiversity
http://www.fujifilmholdings.com/en/sustainability/vision/creature.html

Since its foundation, the Fujifilm Group has engaged in a wide range of environmental protection activities for the conservation and protection of biodiversity, based upon philosophy of "environmental consciousness and environmental protection are at the core of our corporate activities," as we have needed lots of water and clean air to produce photographic films. In 2009, we clarified our guideline for cross-group efforts to biodiversity conservation and introduced the "Fujifilm Group Basic Concepts and Action Guidelines for Biodiversity Conservation" (hereafter, "Guidelines for Biodiversity"). Based on this policy, Fujifilm and Fuji Xerox independently work on a number of biodiversity conservation activities related to their respective businesses.

More concretely, Fujifilm included biodiversity conservation in the Rule for Design for Environment (DfE), while Fuji Xerox started surveys on land use for purpose of biodiversity conservation at production and product development sites. In 2012, we reviewed our biodiversity approach under the four key elements of factories, products, social contribution, and communication, in order to secure implementation of biodiversity conservation activities linked with our businesses. (See page 65.)

In FY2014, for the Nagoya Protocol on Access and Benefit Sharing for Genetic Resources (ABS), Fujifilm participated in the Taskforce Committee led by the Ministry of Economy, Trade, and Industry in Japan to obtain the latest information on related topics.

At Fuji Xerox, where paper is an essential commodity, the Committee for Socially Responsible Paper Procurement was held annually as it was last year, and reconfirmed the provision system for paper that customers can use with peace of mind. Fuji Xerox has also started the review for its overseas paper supplier audits.



Rice Paddy Assistance Team, the Fujifilm Kyushu's activities since FY2010

Future Prospects

We will promote the construction of reliable measures for the domestic procedures toward the enforcement of Nagoya Protocol in Japan, and strengthen the management for paper procurement to our suppliers.

Main activities for biodiversity conservation

- **Activities to conserve the water source at each factory**
- **Co-sponsoring training courses for Nature Conservation Educators**
  Since FY2001, Fuji Xerox has been holding training courses jointly with the Nature Conservation Society of Japan, which have been attended by more than 400 employees in total.
- **Support to the Monitoring Site 1000**
  We have been providing high sensitivity negative film for sensor cameras used in surveying mammals since 2007.
- **Rice Paddy Assistance Team**
  Regional collaboration activities to preserve groundwater in Minami-Aso village. FUJIFILM Kyusyu has been participating in these activities since FY2010.
- **Support to projects by NPOs and NGOs involved in education on biodiversity conservation for the next generation**
  Kikigaki Koshien, *Watashi-no Shizenkansaturo* Competition, *Kankyo Nikki*, *Midorino komichi* etc.
- **Support to the Biodiversity Action Award Japan**
  We have been providing digital camera for the prize winners as "Fujifilm Award" through the Japan Committee for UNDB (United Nations Decade on Biodiversity) that host the Award.

▼History of Biodiversity Conservation Measures

FF: Fujifilm FX: Fuji Xerox

2005 to 2008
Confirming level of own and others' awareness and sharing perspectives on the issue
- Conducting a questionnaire within the Group
- Holding study groups and dialogue with stakeholders, etc.

2008 to 2009
Clarification of the Fujifilm Group's stance and strategy
- Formulation and enactment of the Fujifilm Group's policy on biodiversity conservation
- Activities to enlighten and raise awareness among employees

2010 to 2011
Launch of concrete measures
- Incorporation of "Biodiversity Conservation" into the Fujifilm Group's Design for Environment for all products (FF)
- Survey on land use for biodiversity conservation (FX)

2012 to 2014
Formulation of targets for the next level
- Constructing measures to the Nagoya Protocol
- Expanded procurement criteria for its paper supplier in an aim to conserve biodiversity (FX)

Priority Issue 1 Overseas safety risk management reinforced by sharing public security information via communication networks

Along with the Fujifilm Group's global business expansion, more and more employees are making overseas business trips or be dispatched to emerging countries in Asia, South America, Middle East, and Africa. At the same time, a number of terrorist incidents targeting Japanese people have also occurred, and now we are facing the serious issue of how we can secure the safety of our employees working overseas.

In order to reinforce safety risk management for overseas employees, we have clarified the roles of the Compliance and Risk Management Division, HR Division, and local subsidiaries in cases of emergency and their related communication routes. This allows us to act flexibly according to the type of incident. Based on public news, warnings from Ministry of Foreign Affairs and local consulates, we submit our own travel alerts for employees in advance. If any incident that may cause some risk occurs, we keep on track with local safety information and give a high priority to securing the safety of Japanese employees—who may have a relatively low sense of risk—in such areas.

Prior to appointment to overseas positions, we provide safety training to employees depending on the destination in order for them to learn the skills to "protect themselves through their own judgment," as well as raising their safety awareness. We continue to reinforce employees' response skills to emergencies by enhancing our action manuals and providing emergency drills.

Priority Issue 1 Nishiazabu Medical Center opened for employees' health enhancement and cancer screening

The decreasing productive population and increase in the costs of social security are becoming a social issue in Japan. Thus, maintaining and enhancing employees' health are one of the most important issues for a corporation.

The Fujifilm Group opened the Nishiazabu Medical Center in the Fujifilm Nishiazabu Headquarters in July 2014. The center is equipped with the company's latest medical systems and equipment, including transnasal endoscopes, mammography equipment, and colonoscopes. Endoscopy can directly inspect the inside of the digestive system and take tissue samples if necessary. It is more accurate than an X-ray screening and is effective for the early identification of cancer in the stomach, esophagus, and colon. The transnasal endoscopes that Fujifilm has developed minimize the discomfort of examinees compared to oral endoscopy. The highest cause of death among the Japanese is cancer and it is very important to identify it in its early stage for effective treatment. The opening of this medical center offers an easy-to-access opportunity for employees who require endoscopic examinations, contributing to increasing the cancer discovery rate and early treatment.

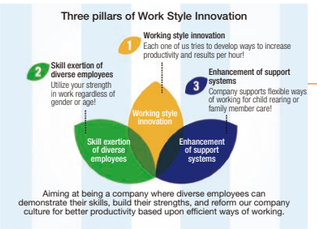
The center is equipped not only with endoscopic systems but also with our cutting-edge medical systems, and also functions as a show room.

Fujifilm's latest medical systems are installed, including endoscopy systems, mammography equipment, and an ultrasound diagnosis system.

Priority Issue 2 Fuji Xerox works on several measures to promote female job advancement

Fuji Xerox established a plan to boost the ratio of managerial positions held by women from 5.8% in FY2014 to 14.0% in FY2020 and is working actively to promote female job advancement. Our promotional measures included the Diversity Forum, designed to identify obstacles to female workers achieving advances in their jobs from the viewpoint of actual female workers in the frontline. The forum identified four issues: (1) working hours, (2) flexible working styles, (3) awareness among female workers, and (4) awareness in the work place, and formulated appropriate countermeasures for each issue. In FY2013, as countermeasures for obstacles (1) and (2), the entire company worked to implement a highly productive working method (maximizing the work results within the standard working hours), as well as home-working and remote-working systems.

In FY2014, the Female Business Leader Advancement Promotion Program, a seminar for female candidates for executive positions, was held to encourage them to advance into even higher job rank classifications and was attended by 35 managers. We have implemented the programs such as exchanges with roll models inside and outside of the company, development of mindset for senior management through mentors, and commitment of carrier planning. We will expand these programs to nominate female management candidates and offer educational programs for them.



Priority Issue 2 The Work Style Innovation campaign to become a corporation where diverse employees work to the fullest extent

It is said that the productive population in Japan will be halved due to aging, the low birth rate, and the overall population decrease. For a Japanese company to maintain and reinforce its competitiveness against this severe backdrop, it is important to create an environment where people eager to work can exert their strength dynamically—regardless of their gender or age. To become a company that promotes each employee's potential, Fujifilm started the company-wide Work Style Innovation campaign to create a corporate culture in which diverse employees can develop their own strengths and produce results through efficient ways of working.

Concretely, we continuously act on the following three principles: (1) Working style innovation (individual employees make their own arrangements to increase their productivity and results per hour); (2) Skill exertion of diverse employees (utilize employees' strengths in their work regardless of gender or age); and (3) Enhancement of support systems (to enable flexible ways of working in order to support their child care or caring other family members). We aim to create a synergy effect through fully utilizing these three principles.

(1) Working style innovation

- Regularly hosted discussions and seminars for those in leading positions to reinforce their team management skills.
- Hosted facilitation seminars to make meetings more efficient.
- Hosted a Google Festa to promote usage of Google Apps, the company's shared software, from the viewpoint of IT tool utilization in business.
- For the purpose of increasing productivity and controlling long hour working, increased the no-overtime day from one day per week to two days.

(2) Skill exertion of diverse employees

- Hosted lectures by experts on topics concerning working style reforms and business management involving female employees.
- Hosted a seminar for employees in their 10th year in the company to identify their strengths and plan their future contribution areas.
- Hosted Career Design Seminar for female workers as their fifth-year career training program. Also, hosted a Diversity Management Seminar for supervisors of such female staff.

(3) Enhancement of support systems

- Conducted trials of home working system (introduced in Summer 2015)
- Increase of nursing care consultation hotlines
- Conducted questionnaire on nursing care

Priority Issue 3 FUJIFILM Electronic Materials (FFEM) advancing procurement from the viewpoint of CSR in electronics equipment and material industry

In recent years, a responsible supply chain management has been regarded as an important part of CSR activities. Particularly in the electronics industry, the Electronic Industry Citizenship Coalition (EICC) Code of Conduct* is becoming an international standard of supply chain management.

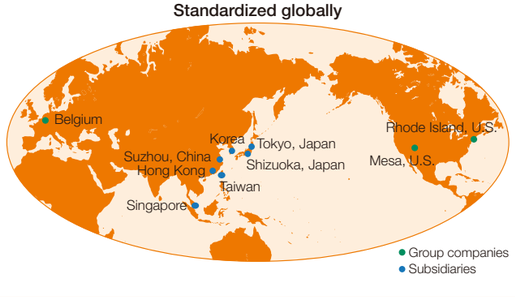
FUJIFILM Electronic Materials Co., Ltd. (FFEM) operates businesses related to semiconductor manufacturing processes across the world. The company has manufacturing and sales networks in Japan and other Asian countries as well as in the U.S. and Europe. This means that over the last several years the company has received an increasing number of audit requests, particularly from customers outside Japan. Such audit requests are mainly document-based and sets of self assessment questionnaires are used as tools. Some tools are not compatible with the EICC auditing tool, and there have been cases consisting of nearly 700 questions. We struggled to respond to these audits, especially in the early stage, as we could not understand the purpose of some of the questions due to the different employment practices and labor systems inherent in a Japanese corporation, which do not necessarily match with global standards. Now, however, we have gained a better understanding of such audit questionnaires after experiencing numerous audits, and this has helped us to improve the audit response procedure and reduce the burden of such auditing. In FY2014, we managed seven onsite audits (six overseas and one domestic) and 66 document audits concerning product/service quality and CSR .

FFEM is a supplier, and at the same time, the company is in a position of its supply chain management, which is an important EICC audit item. FFEM has over 120 domestic material suppliers that are subject to auditing. In FY2014, FFEM standardized its supplier auditing tool from varied tools among different manufacturing sites, and 15 onsite audits were undertaken using the tool. The standardized auditing tool reduces the audit response burden on suppliers, and enables more efficient auditing. For example, the onsite audit of an overseas supplier can now be managed by our overseas group companies.

We plan to share the know-how and information acquired by FFEM across the Fujifilm Group in order to achieve procurement activities from the view point of CSR that take account of both suppliers and customers.

* EICC (Electronic Industry Citizenship Coalition) Code of Conduct: A set of standards to ensure that the labor environment in the global electronics supply chain is safe; workers in the chain are treated with respect and dignity; and that businesses within the chain operate with proper environmental responsibility and corporate ethics.

▼FFEM's Global Supplier Management



Social Contribution Activities

Pink Ribbon Movement spreads all over the world. (Photo: Campaign in the US)

Basic Approach

The Fujifilm Group is committed sincerely to contributing to the sustainable development of society in aspects of working together with local communities as a good corporate citizen and responding sincerely to the demands and expectations of those communities. In 2008 we formulated the Fujifilm Group Social Contribution Policy, based on which we are conducting activities focusing on the fields of research and education, culture, arts and sports, health and environmental conservation through cooperation and collaboration with NGOs/NPOs, local communities and others and in active support of volunteer activities conducted by employees.

Fujifilm Group Social Contribution Policy
http://www.fujifilmholdings.com/en/sustainability/vision/society.html

Outline of Activities in FY2014

Approx. 9 hundred million yen
Cost for social contribution activities*

*Cost for future generations, communities, international communities, and NPOs and NGOs

	(million yen)
Education for future generations	3
Harmony with the local community	62
Promote culture and the arts in society (in Japan)	813
Consideration for the international community and international cultures	8
Cooperation with NGOs and NPOs	19
Total	905

The Fujifilm Group contributes to society through its business operations while interacting proactively with local communities as a corporate citizen, thereby contributing to the sustainable development of society. In addition to distinctive activities utilizing the unique characteristics of the Group, such as creation of archives of cultural assets and artistic works (record storage), education aid in emerging nations, restoration of historical manuscripts and production support in publishing of large-font textbooks, we continuously implemented various activities in an environmental and other education assistance and in promoting coexistence with local communities. There are workshops for children to learn the pleasures of taking photo and photography, Pink Ribbon Movement to raise awareness of the importance of early detection, diagnosis and treatment of breast cancer and others being organized in Asia, Europe, the United States and other parts of the world.

Moreover, internal schemes have been developed, such as volunteer leave, to create an environment and systems for raising the volunteer spirit among each and every employee.

We also continued these activities in FY2014. In addition, Fuji Xerox began providing educational materials in the Philippines to help correct disparities in child education in emerging countries. We will expand this activity to the Asia-Pacific region, including Myanmar, aiming to distribute educational materials to a total of 100,000 children over 10 years (see page 54). Also, to support recovery from the Great East Japan Earthquake, the Fujifilm Group held the Marche for Tohoku Recovery (see page 55) to encourage the revival of Tohoku, the Tono Mirai Zukuri College (see pages 22, 55), and other innovative activities. We will continue to conduct activities to contribute to solve social issues through our business operations, attributing importance to communications and partnerships with a range of our stakeholders.

▼Social Contribution Activities Continued by the Fujifilm Group

Social contribution through business operations

- Connecting Photo Project (Fujifilm)
- Creating digital archives of cultural assets (Fujifilm)
- "PHOTO IS"—30,000 person Photo Exhibition (Fujifilm)
- Album Café (Fujifilm)
- Restoring Ancient Manuscripts (Fuji Xerox)
- Pink Ribbon Campaign (Fujifilm)

Support for the education of the future generation

- Photo class for young people (Fujifilm)
- Support for the publication of large-font textbooks (Fuji Xerox)
- Support for the education in emerging countries (Fuji Xerox)
- Fuji Xerox Co., Ltd. Setsutaro Kobayashi Memorial Fund (Fuji Xerox)
- Fuji Xerox Print Collection (Fuji Xerox)
- Special Olympics (Fuji Xerox)

Environmental conservation and biodiversity conservation

- *Kikigaki Koshien* (Fujifilm)
- *Midori-no-komichi Kankyo Nikki* (environmental diary) (Fujifilm)
- "Kids' ISO 14000" program (Fuji Xerox)
- Charitable Trust Fujifilm Green Fund (Fujifilm)
- *Minamiaso Suiden Otasuke-tai* (planting rice project) (Fujifilm)
- Volunteer tree planting activity in China (Fujifilm's labor union)
- Training sessions for nature guides (Fuji Xerox)

▼Social Contribution Activities Continued by the Fujifilm Group

Themes (targets)

- Social contribution through business operations
- Support for the education of the next generation
- Environmental conservation and biodiversity conservation

Major fields

- Research and education
- Culture, arts and sports
- Health
- Environmental conservation

Cooperation and collaboration

• NGOs/NPOs • Charity organizations • Local communities
• Educational institutions • Public organization • Employee/family

Germany
[Culture, Arts, and Sports]

Support in activities to record testimonies on historic tragedies for the future

FUJIFILM Recording Media Germany GmbH supports the activities of Gedachtnis der Nation, a German organization recording testimonies of historic tragedies in Germany and other European nations. The company provides LTO tapes on a continuing basis and without charge as recording media for the valuable interviews with survivors.

Liberia
[Health]

Donation of portable diagnostic ultrasound system for improved medical care in Africa

FUJIFILM SonoSite, Inc., donates portable diagnostic ultrasound systems to the nonprofit organization PURE for its diagnostic ultrasound training program in Rwanda, Uganda, Kenya, and other African nations. The photo shows Dr. Henwood of PURE, engaged in training at a Liberian Ebola treatment unit.

Korea
[Research and Education]

Starting education for future generations through industrial & academic sector collaboration utilizing business activities

In partnership with Seoul Technical High School, the only high school in South Korea with a Graphic Arts Course, Fuji Xerox Korea Co., Ltd. has become involved in educating young people through its production service business. The company is involved in the joint development and implementation of educational programs and has donated digital printers for this purpose. 26 members of students and the persons concerned from the school visited some sites including Fuji Xerox's Customer Co-Creation Laboratory in Japan.

Malaysia
[Culture, Arts, and Sports]

Workshop for developing the talents of autistic children through photography

FUJIFILM (Malaysia) Sdn. Bhd. is participating in workshops for the "Through the Eyes of the Autistic" project aimed at uncovering and nurturing the latent talents and creativity of autistic children through photography. The company provided instructions on basic photography and on outdoor photography, as well as photo exhibitions.

China
[Environmental Conservation]

Joint efforts of Chinese and japanese staff in tree planting in Chinese deserts

Fujifilm Labor Union first started greening activities in the Horqin Desert of the Inner Mongolia Autonomous Region of China in 1998. Employees of Fujifilm (China) Investment Co., Ltd., along with those from affiliated companies and sales agencies in China joined the activity in 2006 and now more people are involved. Both Chinese and Japanese staff put upon full efforts to this greening activity.

Philippines and Myanmar
[Research and Education]

Educational material supply project aimed at supporting the correction of the education gap for children in impoverished regions

Fuji Xerox started an educational material supply program aimed at supporting the correction of the education gap for children in emerging nations in 2014, beginning with the Philippines. In June 2015, teaching materials were provided in Myanmar. Support is expected to continue for 100,000 schoolchildren in the countries of the Asia-Pacific by 2023, maximizing the effect in corporation with other companies and NGOs.

Japan
[Research and Education]

Education on "what it means to work" through cooperation with government authorities, schools and local businesses

Fuji Xerox Osaka is involved in a program to educate young people through examining "what it means to work," in cooperation with Nishinari Ward Office, local elementary schools and customers. In fiscal 2014, children from Koji Elementary School took part in a project to create articles with strips of real leather, in cooperation with a leading shoe manufacturer.

Japan
[Culture, Arts, and Sports]

Assistance in the "Special Olympics" for the intellectually challenged

Tennis club members of TOYAMA CHEMICAL Co., Ltd., are supporting the activities of the international sports organization, "Special Olympics," which provides venues for persons with intellectual disabilities to experience various training programs in sports and to demonstrate the result of their efforts, as well as presenting tennis as an enjoyable sport for everyone.

U.S.A.
[Health]

Support for military veterans transitioning back into civilian life, as sponsor of Warrior Hike and its "Walk Off the War" program

The Fujifilm Group companies in the US sponsor Warrior Hike, a non-profit organization and its "Walk Off the War" program supporting combat veterans transitioning from their military service back into civilian life by hiking America's National Scenic Trails. As sponsor, the companies provide digital cameras, and employees also make donations.

Japan
[Culture, Arts, and Sports]

Japan's largest participative photo exhibition held for the 10th year in 2015

Fujifilm's "PHOTO IS," a 30,000 person Photo Exhibition held with the scale being expanded since 2006, is a participation-based exhibition to present the thoughts and emotions of the participants through their photos. The number of entries for the past nine exhibitions totaled 157,762, and the total number of visitors to the exhibitions, held at 29 sites aroud Japan in 2015, is approaching 2.91 million.

This photo exhibition was authorized as one of the corporate mécénat activities in "This is MECENAT 2014" by the Association for Corporate Support of the Arts.

Activities to Support Recovery from the Great East Japan Earthquake

Marché for Tohoku Recovery supports disaster-struck areas through merchandise sales

The Marché (market) for Disaster Recovery is organized as a part of support activities for disaster areas, through the presentation and sale of local merchandise at company offices in Japan. It was originally started by the Fuji Xerox CSR Division in cooperation with the Ishinomaki Market Expansion Support Center, aimed at expanding markets and boosting sales for business enterprises that have lost sales channels through the earthquake and tsunami disaster.

In FY2014, this support was expanded beyond Ishinomaki to include Tohoku as a whole, through partnerships with seven organizations in the three Tohoku prefectures of Iwate, Miyagi, and Fukushima.

The market was also opened at the Tokyo Midtown head offices jointly by FUJIFILM Holdings, Fujifilm, and Fuji Xerox. As a support program in which employees can easily participate, there are plans for the markets to be held in many more business offices in the future.

Addressing regional community issues through the "Tono Mirai Zukuri College," created as part of disaster recovery support activities

Fuji Xerox has organized various support activities in cooperation with the city of Tono, providing lateral support to areas struck by the Great East Japan Earthquake. One example, the "Tono Mirai Zukuri College," was opened in April 2014 through a collaboration with Tono City. The college is involved with the development and management of programs that study the future of local communities (see page 22 for details).

In FY2014, various programs were undertaken, such as the "Research Program on Emergency Logistical Support Bases" (photo at top) and the "Joint Future Creation Program" (photo at bottom), in an effort to resolve the issues faced by local communities and to co-create value through cooperation between the industrial, academic, and governmental sectors.

Products and Services which Reflect Our Customers' Views

Basic Approach

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

ASTALIFT GINZA reopened after renovation in February 2015

Outline of Activities in FY2014 — Efforts to Raise Customer Satisfaction (CS)

Fujifilm

Since Fujifilm deploys its businesses in a wide range of fields, it has a wide variety of customers, from companies and hospitals to regular consumers, and it responds to their views according to the special characteristics of each product respectively. Each customer center reports our customers' proposals and requests to the respective product departments, and they appraise the contents and consider them in the development and planning of new products and in improvements to existing products and services.* Fujifilm also conducts a CS survey targeting customers who made inquiries to the Customers Communication Center, Net Print Service Support Center, and FinePix Support Center, and in the survey conducted in FY2014 received about 1,300 replies. The company will make serious efforts to resolve the problems identified through the survey.

In FY2014, Fujifilm relocated its Tokyo Service Station from Ikebukuro to Roppongi as a part of enhancements to the service (page 58), and also relocated ASTALIFT Ginza, the flagship store for its skincare series, ASTALIFT. The freshly reopened store provides customers with a new counseling service based on a 3-D skin image diagnosis system to meet more customer needs. Fujifilm is thus improving direct contact points with customers to communicate with them more deeply.

* Efforts on usability
http://www.fujifilm.co.jp/corporate/environment/preservation/design/healthcare.html

<Fujifilm>

<Fuji Xerox>

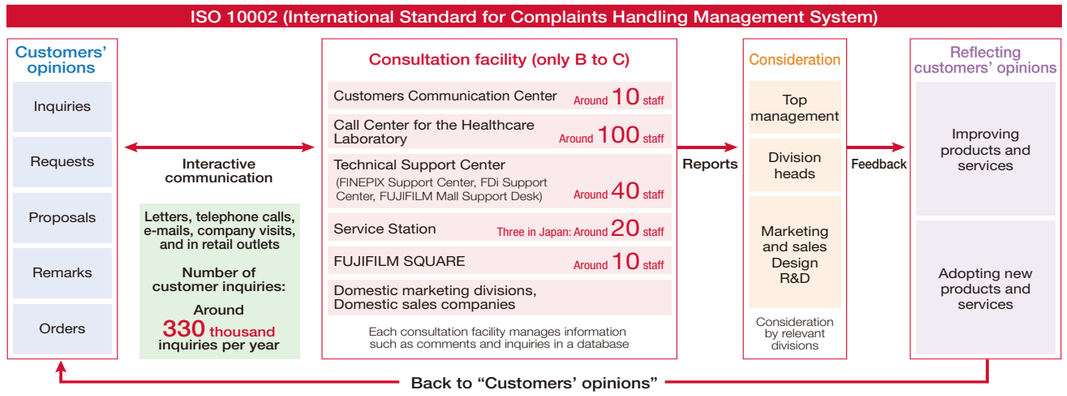
*J.D. Power Asia Pacific Japan Color Copier Customer Satisfaction Study℠ and Japan Color Printer Customer Satisfaction Study℠

Fuji Xerox

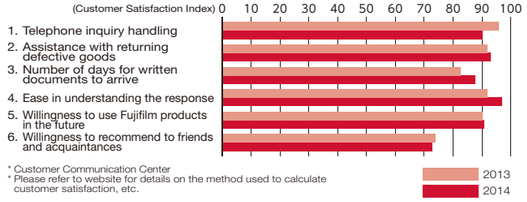
At Fuji Xerox, we believe that customer satisfaction (CS) is fundamental to all our corporate activities. It is important to know the demands and expectations of customers in order to enhance customer satisfaction. For this reason, we place emphasis on creating opportunities and points for communication with customers, and centrally manage the direct opinions of customers through the iVOC system, which collects, analyzes, and stores communications from customers (All VOC) provided through the following five sources: (1) the integrated customer support center (the main contact point for customers); (2) the Voice of Customer (VOC) collection system; (3) official website; (4) various market researches; and (5) the CS programs to make improvements based on the CS survey results. Fuji Xerox also collects customer opinions through the Customer Co-creation Laboratory, which provides the company with many opportunities to listen to the opinions of customers' executives on their management challenges. Furthermore, within the company, we have organized a 3-layer CS system comprising 'CS improvement committee,' 'CS Improvement at Customer Contact Points Committee and the Quality Review Committee' and 'CS Executive Meeting,' to promote our CS activities and incorporates the opinions of customers in the design of products and services and in marketing activities.

In FY2014, Fuji Xerox machine-translated overseas' CS information stored in the iVOC system into Japanese to help the marketing and development departments in Japan deepen their understanding of the needs and requests of their overseas customers, while increasing the convenience of the system by making it possible to search for both domestic and overseas data regardless of the date of creation. In addition, as a result of making a concerted effort across the company to earn even greater trust from customers, the company received high evaluations from major external rating organizations.

▼System for Responding to Customers (FUJIFILM Corporation and its domestic affiliates)

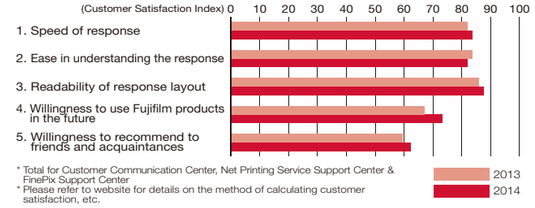


▼Customer Satisfaction Questionnaire Survey Results (based on telephone & written questionnaires*)



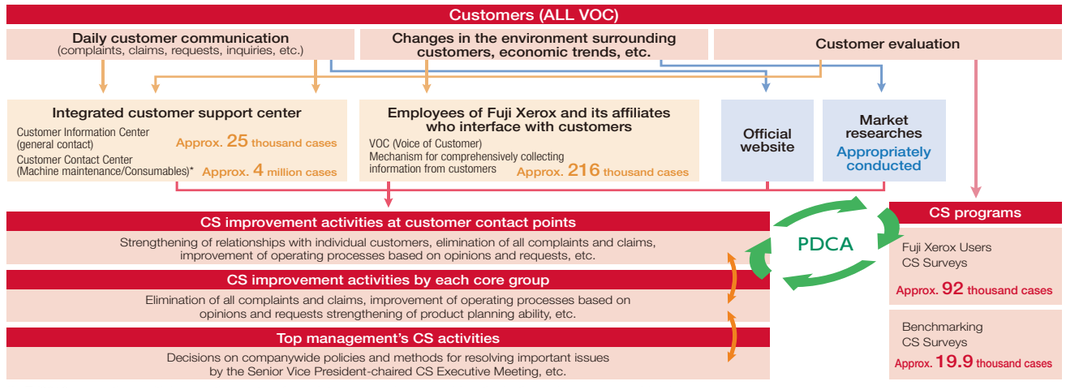
* Customer Communication Center
* Please refer to website for details on the method used to calculate customer satisfaction, etc.

▼Customer Satisfaction Questionnaire Survey Results (based on email questionnaires*)



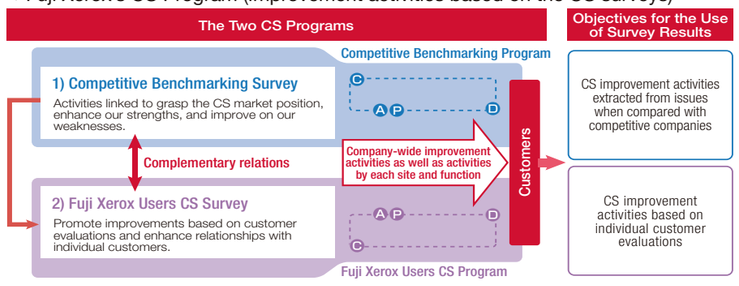
* Total for Customer Communication Center, Net Printing Service Support Center & FinePix Support Center
* Please refer to website for details on the method of calculating customer satisfaction, etc.

▼Mechanisms for Communicating with Customers (Fuji Xerox and its affiliates)



*In FY2013, promoting multiple reception system for maintenance and consumables, the both numbers were combined.

▼Fuji Xerox's CS Program (Improvement activities based on the CS surveys)



▼FY2014 External Appraisals (Fuji Xerox)

J.D. Power Asia Pacific	
The document equipment service provider segment of the 2014 Japan IT Solution Provider Customer Satisfaction Study℠	Highest for the three consecutive years
The 2014 Japan Color Copier Customer Satisfaction Study℠ and the 2014 Japan Color Printer Customer Satisfaction Study℠	Highest for the five consecutive years
Nikkei Computer	
The IT Consulting/Upstream Design Services category of Customer Satisfaction Survey 2014-2015 (August 21, 2014 issue)	Top ranking

Outline of Activities in FY2014 — Manufacturing Which Responds to the Needs to a Wide Variety of Customers

Fujifilm

In order to provide easier products to the customers, the Usability Design Group which is responsible for product design has been assessing products based on their usability, from the perspective of "ease of use" since 2001. As well as selecting multiple assessments by users based on consideration of the target and intended usage, etc. of the product, this group also conducts verification, etc. in the workplace of use. In cases of products which we plan to deploy globally, we conduct verification by country based on the differences in culture and environment, etc. and use the results of this analysis in product design. In 2014 too, we conducted usability evaluation centered on medical systems, such as X-ray diagnostic imaging systems, etc. We intend to continue to pursue "ease-of-use" for customers and are proceeding with product development.

Fuji Xerox

For us, "accessibility" refers to putting something that cannot be used in a state so that it can be used, while "usability" refers to making a part that is difficult to use more usable. We think of expanding the target customers to enable "user diversity" as being "universal design," and we are currently developing products that aim to enable "anyone and everyone to use them by themselves." For example, when copying, it is important that a customer can conduct a series of operations such as authentication, setting the manuscript to be copied, selecting functions, output, and replacement of paper. If someone is unable to do even just one of these, they will have to give up or ask someone else for help. In developing our products, we have collected information from listening to and visiting customers, etc. We design, develop and conduct evaluations in operability testing of products based on various internal guidelines that reflect or are in collaboration with JIS or the ISO, and enabling designers to experience for themselves simulations of operating a product from a wheelchair or with poor eyesight.

Stakeholder Communication

The Fujifilm Tokyo Service Station meets customer needs in both of before and after purchasing digital camera products.

In response to the opinion of customers, "far from the station," we moved the Fujifilm Tokyo Service Station operated in Ikebukuro to the second floor of the Fujifilm head office building located in Tokyo Midtown (Roppongi). On the first floor of the building is the FUJIFILM SQUARE, which comprises the Photo History Museum, a photo salon, and a "hands-on" space where visitors can experience the company's latest products. We provide customers with a wide range of services at this facility.

In the relocated Tokyo Service Station, we provide customers with repair/maintenance services, consulting services, seminars on how to use our products, and a rental service for camera bodies and lenses. More than 1,000 people visit the place each month. In particular the rental service is very popular as it provides customers with the opportunity to use high-end lenses on a trial basis, and some users who enjoyed the service have later purchased the lenses they tried. The Service Station is thus helping us find new customer needs and increase their satisfaction.

Consulting services by our special staff (free of charge), and delivering guidebooks made by the staff

Upper: The Open Innovation Hub opened in the U.S.A.
Lower: The Chicago Technology Center introducing innovative products and solutions

Fostering stakeholder communication in the United States

In January 2014, Fujifilm opened the Open Innovation Hub in its head office building in Tokyo, where visitors can gain hands-on experience for a range of products and research themes of the Fujifilm Group. We use this facility as an interactive communication forum to identify the various types of problems faced by our stakeholders and to understand their ideas for the application of our technologies to meet their needs. In April 2015 we opened a similar facility in Santa Clara, California, located in the center of Silicon Valley, which is beginning to function as a hub for creating new businesses and partnerships.

In October 2014, FUJIFILM North America Corporation substantially refurbished its Chicago Technology Center located in Hanover Park, Illinois, where innovative products and solutions in the field of printing are presented to visitors to foster communications with customers.

Data and Information

Data and Information chiefly presents fundamental data on the Fujifilm Group's CSR activities and quantitative data in the areas of personnel and general affairs, the environment, and so forth, promoting an objective and concrete understanding of our activities.

Compliance and Risk Management 60
Personnel and Labor (FUJIFILM Corporation) 61
Personnel and Labor (Fuji Xerox) 62
Environmental Aspects 63
- Priority Targets 63
- Anti-Global Warming Measures 64
- Energy-Saving Measures 64
- Environment Conscious in Logistics 64
- Conserving Resources Measures 65
- Activities on Biodiversity Conservation 65
- Reducing Chemical Substances Emissions 66
- Pollution Prevention Measures 66
- Legal Compliance Measures 66

Domestic and International Appraisals 67
Sustainability Accounting (Labor Environment and Social Benefit Accounting, Environmental Accounting) 68

Compliance and Risk Management

Compliance

Compliance education (Fujifilm in Japan)

Intended audience	Details	2014 results
Executive officers (Fujifilm and its affiliates)	Overall compliance (by external instructors)	Once, 80 participants
Managerial personnel (Fujifilm and its affiliates)	Examples of corporate misconduct, punitive actions, consulting facility, risk reporting system, etc. (by CP & RM*)	70 times, 3,300 participants
New managerial personnel (Fujifilm and its affiliates)	Overall compliance (Discussions based on case studies)	7 times, 175 participants
All employees (Fujifilm and its affiliates, including agency contracted employees)	Discussions based on compliance case studies (by managerial personnel)	All divisions
New employees (Fujifilm)	Basic knowledge of compliance, employee code of conduct, corporate rule, consulting facility, etc. (by CP & RM*)	Once, 70 participants

*CP & RM: Compliance & Risk Management Division of FUJIFILM Corporation

Compliance education (Fuji Xerox in Japan)

Intended audience (Fuji Xerox and its affiliated companies)	Details	2014 results
All managerial staff	Importance of Labor Management for business (Web-based training to disseminate the importance of Labor Management that is the foundation of business management)	Once, 5,600 participants
All executive officers and employees	Training on general legal knowledge (Web-based training for fraud/harassment as well as basic legal knowledge)	Once, 24,073 participants
All employees (including contract/temporary employees)	Risk Management Training (Web-based training on risk management including information security)	Once, 30,000 participants
New executive officers	New executive officer training (Group training on general risk management for executives including directors' management duties and responsibilities, corporate laws, and risk concerning general affairs, human resources, etc.)	Once, 18 participants
New managerial staff	New managerial staff training (Group training such as lectures about disciplinary action and group discussions using examples to obtain general compliance knowledge that managerial staff should know)	5 times, 338 participants
New employees	New employee training (Group training for legal compliance that maintain the Basic Corporate Quality by understanding the basic CSR policies and activities)	Once, 437 participants

Risk Management

Acquisition of P-Mark and ISMS

Certification	Certified affiliates
P-Mark*1	FUJIFILM Medical Co., Ltd. FUJIFILM Imaging Systems Co., Ltd. FUJIFILM Techno Service Co., Ltd. Fuji Xerox System Service Co., Ltd. Fuji Xerox Learning Institute Inc. FUJIFILM Imaging Protec Co., Ltd. FUJIFILM Media Crest Co., Ltd. Fuji Xerox Service Link Co., Ltd.

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

Certification	Certified affiliates	
ISMS*2	FUJIFILM Global Graphic Systems Co., Ltd. FUJIFILM Software Co., Ltd. FUJIFILM Imaging Systems Co., Ltd. FUJIFILM Imaging Protec Co., Ltd. FUJIFILM Business Expert Corporation Fuji Xerox Co., Ltd. (Global Service Sales) Fuji Xerox domestic sales representative and sales companies Fuji Xerox InterField Co., Ltd. Fuji Xerox System Service Co., Ltd.	Fuji Xerox Information Systems Co., Ltd. Fuji Xerox Prefectural Dealers 11 companies (12 offices) Fuji Xerox of Shanghai Limited Fuji Xerox Korea Company Limited Fuji Xerox of Shenzhen Ltd. Fuji Xerox Service Creative Co., Ltd. Fuji Xerox Eco-Manufacturing (Suzhou) Co., Ltd. Fuji Xerox (Thailand) Co., Ltd. Fuji Xerox Co., Ltd. (Headquarters)

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

Personnel and Labor (FUJIFILM Corporation)

Employment

Composition of the Fujifilm workforce

As of March 31, 2015

Regular employees	5,524	<Breakdown> General employees: 4,179 (Male: 3,225, Female: 954) Managerial personnel: 1,211 (Male: 1,185, Female: 26) Senior expert: 134 (Male: 134 , Female: 0)
Non-regular employees	215	<Breakdown> Temporary employees: 155, Part-timers: 8, Employees re-employed after retirement: 7, Other (Contract employees, etc.): 45

Status of regular employees

As of March 31, 2015

Average age	Average length of employment (years)	Average number of dependents	Average annual salary*1	Utilization of paid leave*2	Turnover rate*3	Returning rate from childcare leave*4
Total: 41.8 Male: 42.0 Female: 40.8	Total: 17.6 Male: 17.3 Female: 18.9	1.39	8.5 million yen	56.7%	Total: 2.97% Male: 2.98% Female: 2.97%	Total: 91.5% Male: 0.0% Female: 93.5%

*1 Average annual salary is calculated for the period from January 1, 2014 to December 31, 2014.
*2 Data on utilization of paid leave is calculated based on data for the period from October 1, 2013 to September 30, 2014.

*3 Turnover rate = $\frac{\text{Attrition + Retirement + Voluntary + New start for senior employees program}}{\text{Annual average number of employees at FUJIFILM Corporation (non-consolidated)}}$

*4 Returning rate from childcare leave is calculated with the expiration date falls on April 1, 2014 to March 31, 2015.

Recruitment

New graduate recruitment (FY2015)	67*1	<Technical positions> Male 27, Female 6 <Administrative positions> Male 24, Female 7 <On-site recruitment> Female: 3
Mid-career recruitment	2*2	Male 2

*1 As the number of new graduates recruited for the fiscal year is confirmed at the beginning of April, 2015.
*2 Number of mid-career recruitment represents those from April 2014 to March 2015.

Employment of the challenged and re-employment

	FY2010	FY2011	FY2012	FY2013	FY2014
Employment of the challenged*1	1.77%	1.81%	1.96%	2.01%	2.12%
Re-employment*2	24	33	29	10	13

*1 Data up to April 30 for each fiscal year
*2 Re-employment refers to employees re-employed after retirement during the relevant fiscal year (April 1 to March 31).

Number of employees taking a leave of absence*

	FY2010	FY2011	FY2012	FY2013	FY2014
Leave of absence for nursing care	5 (Male 0, Female 5)	2 (Male 1, Female 1)	2 (Male 2, Female 0)	5 (Male 1, Female 4)	3 (Male 1, Female 2)
Leave of absence for childcare	55 (Male 1, Female 54)	34 (Male 2, Female 32)	52 (Male 5, Female 47)	42 (Male 1, Female 41)	43 (Male 1, Female 42)
Leave of absence for volunteer work	0 (Male 0, Female 0)	0 (Male 0, Female 0)	0 (Male 0, Female 0)	0 (Male 0, Female 0)	0 (Male 0, Female 0)

*Number of employees who began a leave of absence during the relevant fiscal year.

Number of employees taking a care leave and volunteer work leave*

	FY2010	FY2011	FY2012	FY2013	FY2013
Nursing care leave	3 (Male 1, Female 2)	5 (Male 3, Female 2)	13 (Male 6, Female 7)	16 (Male 9, Female 7)	13 (Male 9, Female 4)
Childcare leave	4 (Male 2, Female 2)	2 (Male 1, Female 1)	2 (Male 0, Female 2)	9 (Male 6, Female 3)	6 (Male 4, Female 2)
Child medical care	63 (Male 10, Female 53)	55 (Male 5, Female 50)	71 (Male 11, Female 60)	108 (Male 27, Female 81)	48 (Male 9, Female 39)
Volunteer work leave	0 (Male 0, Female 0)	35 (Male 26, Female 9)	1 (Male 1, Female 0)	0 (Male 0, Female 0)	0 (Male 0, Female 0)

*Number of employees who began a leave during the relevant fiscal year.

System for a good work-life balance

- In response to the 2010 amendment to Child Care and Family Care Leave Law, programs for supporting a balance between work and childcare or family care have been improved, and programs that exceed legal requirements are now in place, such as the improved child medical care leave program and the newly introduced family care leave program.
- Stock leave is a system enabling employees to accumulate unused leave time up to 60 days. Accumulated leave days may be used for treatment needed for personal health problems, rehabilitation, childcare, nursing care, and volunteer activities.

Giving birth and childcare	1. Systems catering for pre- and post-birth requirements 2. Leave of absence for childcare 3. Use of stock leave for childcare 4. Systems for employment while raising children 5. Three-person interview at the time of returning to work from childcare leave 6. Child medical care leave program (1 relevant child: 6 days per year; 2 or more children: 11 days per year) 7. Reduced work hour program (child in the third grade or lower) 8. Use of stock leave for fertility treatment 9. Leave of absence for fertility treatment 10. Exemption from restrictions on non-scheduled hours worked and from work on holidays 11. Reinstatement to same workplace after leave of absence for childcare
Nursing care	1. Leave of absence for nursing care program 2. Nursing care leave program (1 care recipient: 12 days per year; 2 or more care recipients: 24 days per year) 3. Use of stock leave for nursing care 4. Systems for employment while caring for a family member
Other	1. Leave of absence for volunteer work, Using of stock leave for volunteer work 2. Use of stock leave for self-development 3. Active Life Leave 4. Flextime 5. Discretionary labor system 6. Leaving the office on time (2 days per week) 7. Re-employment Program 8. Female Mentor Program

Labor

Composition of labor union membership

As of March 31, 2015

Union members	Proportion of union membership	Average age of union members
4,053	73.4%	39.6

*Based on the number of regular employees (5,524)

Work accident rate and work accident severity

Industry average in parenthesis

	FY2010	FY2011	FY2012	FY2013	FY2014
Work accident rate*1	0.31 (0.33)	0.00 (0.25)	0.09 (0.43)	0.11 (0.20)	0.00 (0.40)
Work accident severity*2	0.01 (0.15)	0.00 (0.13)	0.01 (0.12)	0.00 (0.01)	0.00 (0.13)

Target: 0

*1 Work accident rate = $\frac{\text{Number of employees involved in work accidents}}{\text{Gross number of hours worked}} \times 1{,}000{,}000$

*2 Work accident severity = $\frac{\text{Number of workdays lost}}{\text{Gross number of hours worked}} \times 1{,}000$

Revisions to systems operating in accordance with agreements between the labor union and the company

As of March 31, 2015

FY	Item
2007	• Revisions of the support system for encouraging a good work-life balance • Revisions of policy on providing condolence money
2008	• Revisions of the support system for encouraging a good work-life balance • Introduction of work regulations adapted to the citizen judge system
2009	• Transaction from approved retirement annuity system to defined-benefit corporate pension system • Revisions of retirement benefits • Revisions of some employee systems
2010	• Expansion of the childcare leave program • Creation of the family care leave program • Revisions of some employee systems • Expansion of the child medical care leave program • Increase in the upper limit on the number of times half-day leave can be taken
2011	• Revision of employees systems
2012	• Revision of travel expenses • Revision of employees systems • Revision of overseas working conditions • Revision of re-employment after retirement
2013	• Revision of work regulations, wage rules and other labor-related regulations
2014	• Extension of the period of nursing care leave • Flexible application for the flextime (for pregnant, childcare, and nursing care) • Expansion of the domestic affiliates for secondment • Revision of work regulations, wage rules and other labor-related regulations partly

Personnel and Labor (Fuji Xerox)

Employment

Composition of the Fuji Xerox workforce

As of March 31, 2015

Regular employees	8,961	<Breakdown> General employees: 6,539 (Male: 5,358, Female: 1,181) Managerial personnel: 2,334 (Male: 2,214, Female: 120) Executive officers: 23 (Male: 23, Female: 0) Contract employees: 65 (Male: 42, Female: 23)
Non-regular employees	736	<Breakdown> Temporary employees: 223, Part-timers: 7, Employees re-employed after retirement: 506

Status of regular employees

As of March 31, 2015

Average age	Average length of employment (years)	Average number of dependents	Average annual salary*1	Utilization of paid leave	Turnover rate*2	Returning rate from childcare leave*3
Total: 44.8 Male: 45.7 Female: 39.8	Total: 19.7 Male: 20.3 Female: 16.0	1.16	— million yen	62.3%	Total: 3.7% Male: 3.8% Female: 3.4%	Total: 98.0% Male: 100.0% Female: 97.5%

*1 Average annual salary is not publicly disclosed.

*2 Turnover rate = $\frac{\text{Attrition + Retirement + Transfer + New start for senior employees program}}{\text{Number of employees at Fuji Xerox (non-consolidated)+ annual average number of assigned employees}}$

*3 Returning rate from childcare leave is calculated with the expiration date falls on April 1, 2014 to March 31, 2015.

Recruitment

New graduate recruitment (FY2015)	88*1	<Technical positions> Male 33, Female 13 <Administrative positions> Male 23, Female 19
Mid-career recruitment	43*2	Male 37, Female 6

*1 As the number of new graduates recruited for the fiscal year is confirmed at the beginning of April, the number in the chart above represents new high school/junior college graduate recruitment (Male 0, Female 0) at the beginning of April 2015.
*2 Number of mid-career recruitment represents those from April 2014 to March 2015.

Employment and re-employment of persons with disabilities

	FY2010	FY2011	FY2012	FY2013	FY2014
Employment of persons with disabilities*1	1.86%	2.19%	2.08%	2.07%	2.06%
Re-employment*2	517	508	485	524	506

*1 Data up to March 31, 2015
*2 Number of re-employed workers revised to real figures up to the day following the end of each fiscal year (March 31)

Number of employees taking a leave of absence*1

* Data only for regular employees (non-regular employees are to be added actually)

	FY2010	FY2011	FY2012	FY2013	FY2014
Leave of absence for nursing care	1 (Male 0, Female 1)	2 (Male 0 Female 2)	7 (Male 4, Female 3)	4 (Male 1, Female 3)	3 (Male 1, Female 2)
Leave of absence for childcare*2	44 (Male 5, Female 39)	62 (Male 8, Female 54)	52 (Male 4, Female 48)	46 (Male 8, Female 38)	56 (Male 9, Female 47)
Leave of absence for volunteer work*3	0 (Male 0, Female 0)	0 (Male 0, Female 0)	0 (Male 0, Female 0)	0 (Male 0, Female 0)	3 (Male 2, Female 1)

*1 Number of regular employees (including contracted employees) who began a leave of absence during the relevant fiscal year (April 1 to March 31).
*2 As for leave of absence for childcare of the 2011 (Male), actual number was 7 because there were male employees who took leaves for the same children during the relevant fiscal year.
*3 Number of employees who used the social service program.

Number of employees taking a care leave*1, and total number of volunteer work leave

* Data only for regular employees (non-regular employees are to be added actually)

	FY2010	FY2011	FY2012	FY2013	FY2014
Nursing care leave*2	28 (Male 21, Female 7)	26 (Male 17, Female 9)	27 (Male 15, Female 12)	26 (Male 16, Female 10)	26 (Male 17, Female 9)
Childcare leave*3	226 (Male 89, Female 137)	237 (Male 86, Female 151)	197 (Male 72, Female 125)	284 (Male 97, Female 187)	298 (Male 86, Female 212)
Volunteer work leave*4 (total number of days)	27 (Male 18, Female 9) (83 days)	118 (Male 94, Female 24) (530 days)	50 (Male 38, Female 12) (135 days)	15 (Male 11, Female 4) (54 days)	18 (Male 12, Female 6) (47 days)

*1 Number of regular employees (including contracted employees) who began a leave during the relevant fiscal year (April 1 to March 31).
*2 Number of employees taking leave of nursing care leave under the "accumulated paid leave (nursing care for family members)," "nursing care for family members" and "one-day nursing care leave" programs
*3 Number of employees taking childcare leave under the "accumulated paid leave (child healthcare)" and "child medical care" programs
As a program equivalent to childcare leave, special leave (of 5 days at most) is granted for care of the eldest child at the time of birth of the second child. In fiscal 2014, 59 male employees took leave under this program.
*4 Volunteer work leave shows the number of employees who took "accumulated paid leave (volunteer activity)" and the number of days spent for such activities.

System for a good work-life balance

All those systems provide for generous leave beyond that required by law.

Giving birth and childcare	• Maternity leave (paid) • Leave of absence for childcare program (until two years old, including the housing cost support) • Program for rehiring former employees who left the company for reasons such as spouse's transfer or childcare • Accumulated paid leave*1 for healthcare of employees' family • Shortened working hours in pregnant and for childcare (from pregnancy to third grade of elementary school) • Limited off-hours work for childcare (until sixth grade of elementary school) • Limited late-night work for childcare (until six grade of elementary school) • Special leave for supporting the wife during her childbirth period (first child's birth: 2 days; second child's birth and thereafter: 5 days) • Leave of absence for birth support (one year leave system for fertility treatment)
Nursing care	• Leave of absence for caring for a family member (maximum 2 years) • Shortened working hours for caring for a family member • Limited off-hours work for caring for a family member • Limited late-night work for caring for a family member • One-day nursing care leave • Accumulated paid leave*1 for caring for a family member
Other	• Flextime • Homeworking system • Continuous service award special vacation; "refresh vacation" • Social service system (leave of absence program for employees participating in socially beneficial activities) • Accumulated paid leave*1 for volunteer activities • Leave of absence for education • Leave of absence for senior theme (support for senior employees' second career) • Flexible work schedules (support for senior employees' second career) • Double job program*2 (support for senior employees' second career)

*1 Accumulated paid leave: A system enabling employees to accumulate unused leave up to 60 days. Accumulated leave may be used for healthcare, childcare, nursing care, and volunteer activities.
*2 Double job program: This is not double duties by order, rather it is program, they are allowed engage in both their current work and work in another division through a system that matches the needs of divisions wanting to utilize senior workers' skills and experience with the will of senior workers who wish to use their special skills or to take on new challenges.

Labor

Composition of labor union membership

As of March 1, 2015

Union members	Proportion of union membership	Average age of union members
6,495	72.7%	42.1

*Based on the number of full-time worker excluding executive directors (8,938)

Work accident rate and work accident severity

Industry average in parenthesis

	FY2010	FY2011	FY2012	FY2013	FY2014
Work accident rate*1	0.19 (0.23)	0.55 (0.20)	0.31 (0.25)	0.11 (0.18)	0.00 (0.16)
Work accident severity*2	0.01 (0.00)	0.01 (0.01)	0.00 (0.01)	0.00 (0.00)	0.00 (0.13)

Target: 0

*1 Work accident rate = $\frac{\text{Number of employees involved in work accidents}}{\text{Gross number of hours worked}} \times 1{,}000{,}000$

*2 Work accident severity = $\frac{\text{Number of workdays lost}}{\text{Gross number of hours worked}} \times 1{,}000$

Revisions to systems operating in accordance with agreements between the labor union and the company

As of March, 2015

FY	Item
2007	• Implementation of comprehensive secondment system
2008	• Revisions to travel expense regulation
2009	• Introduction of work regulations adapted to the citizen judge system
2010	• Revision to the program for supporting childcare and family care
2011	• Revisions to work system on April 1, 2012 in accordance with agreements between the labor union and the company
2012	• Introduction of irregular working hours support system for developers and SEs • Revision of the employment and evaluation criteria for post-retirement re-employees
2013	• Introduction of on-site irregular working hours support system for SEs
2014	• Introduction of new work style (co-working hour system, homeworking system, remote working system for domestic sales)

Environmental Aspects

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

Priority Targets

Fujifilm FY2015 Priority Issues

Priority Issues	Strategies
1. Contributing to resolving environmental issues through products and services • Measures against global warming*1 • Water resource conservation • Energy *1 Target: Reducing CO_2 emissions by 20 million tons by FY2020	Develop and disseminate products and services that contribute to resolving environmental issues. (CO_2 emission reduction, water issues, energy issues) • Quantifying Fujifilm's contribution to CO_2 emissions reduction based on the Environmental Contribution Effectiveness Guidelines to convey our efforts to customers. • Quantifying the effects of Fujifilm's contribution to resolving water resource issues based on the Water Footprint Guidelines to convey our efforts to customers.
2. Promoting the reduction of energy costs through measures against global warming*2 and efficient energy use *2 Target: By FY 2020, reduce CO_2 emissions throughout the life cycle of products by 30% based on the standards set in FY 2005	① Continually promote CO_2 emission reduction at each of the stages of product lifecycle (procurement, manufacturing, transportation, use, disposal). ② Conserve energy so as to contribute to resolving energy issues and promote the reduction of energy costs. • Maximizing the use of in-house power generation facilities (by improving their operation efficiency and wheeling electricity generated in-house). • Achieving the optimal combination of various energy sources for regional and environmental conditions both inside and outside of Japan. • Continue to promote and deploy energy saving measures in production processes and at offices. ③ Draw up Fujifilm's policy on the promotion of measures against global warming from 2020 and beyond.
3. Promoting the efficient use of resources	① Use resource efficiently by promoting the 3Rs: Reduce-Reuse-Recycle. ② Reduce waste (by yield increase, reuse of manufacturing waste, conversion of waste into valuables etc.). ③ Promote the concept of Zero Waste Disposal at main production sites both inside and outside of Japan. ④ Promote the effective use of water resources (saving water to reduce the amount of water use per unit of production). ⑤ Determine main products' indices per unit, and verify their validity.
4. Ensuring product and chemical safety	① Continue dissemination of approaches and systems to the supply chain concerning management of chemicals in products. • Improve the systems for management of chemicals in products at production sites in Asia. ② Continue to improve the systems for ensuring product compliance to comform to diversification of products. • Standardize criteria and procedure to assess product compliance. • Conduct product compliance assessment from the early stage of product development. ③ Conduct safety assessment based on the product safety policy and relevant procedure. • Review the systems for acquiring and communicating information on product safety.
5. Value chain management from the view point of corporate social responsibility	① Improve Ethical Sourcing investigation for suppliers. ② Have each of the group companies carry out self CSR assessment and improve their CSR performance. ③ Continue appropriate response to survey concerning the conflict mineral issue. ④ Ensure procurement assessment on biological resources and meet requirements under the Nagoya Protocol on Access and Benefit-Sharing (ABS).
6. Environment and safety risk management	① Promote efforts for environmental and safety issues on a global scale. • Maintain systems for strict compliance to meet legal requirements and voluntary control limits. • Maintaining and strengthening waste management and waste processing governance. • Strengthening systems for promoting the occupational safety and health and increasing employees' awareness on health. ② Continue to control and maintain the level of VOC emissions generated from the production process.
7. Information disclosure and communication of relevant information	① Promote efforts for environmental and safety issues on a global scale. • Maintain systems for strict compliance to meet legal requirements and voluntary control limits. • Maintaining and strengthening waste management and waste processing governance. • Strengthening systems for promoting the occupational safety and health and increasing employees' awareness on health. ② Continue to control and maintain the level of VOC emissions generated from the production process.
8. Employee education	① Educate and train employees in the areas of environment, chemicals, product safety, occupational safety, etc. ② Continue implementing employee awareness campaigns on the need to reduce environmental burdens.

Fuji Xerox FY2015 Priority Issues

Priority Issues	Strategies
1. Controlling global warming *Greenhouse gas reduction target by 2020 (1) By FY2020, 30% reduction in CO_2 emissions during the company's overall lifecycle stage from the level in FY2005 (2) Reduce CO_2 emissions at customers by seven million tons by FY2020	① Contribute to help reduce CO_2 emissions from customers' office and factory by providing energy saving products & solutions ② Reduce CO_2 emissions by installing the new energy-efficient equipment and improving productivity in production process at the development and production sites ③ Reduce CO_2 emissions in office by reforming employees' work style ④ Reduce CO_2 emissions by improving efficiency in the product logistics
2. Preservation of natural resources	① Establish the next generation eco-friendly structural material technologies, such as biomass ② Reduction of resource input with lighter equipment ③ Curb use of new resources by recycling used parts ④ Reduction of waste output and recovery of valuable substances at production and product development sites ⑤ Reduce water usage in production and product development sites
3. Reduction in environmental risk from chemical substances	① Reinforce measures against laws and regulations to reduce chemical substance risks from products (observing RoHS, REACH, etc.) ② Reinforce management structure to expand chemical substance management system to overseas sites
4. Preservation of ecosystems and biodiversity	① Promote sustainable paper procurement concerning for forest ecosystems ② Participate in Japan Business Initiative for Biodiversity (JBIB)
5. Improvement of the infrastructure for promoting environmental targets	① Reinforce systems to grasp environmental performance data ② Reinforce measures to respond proactively to environmental regulation

Environmental Aspects

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

Anti-Global Warming Measures

CO_2 emissions*

(kt-CO_2/year)

	FY2005	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014
Japan/ Manufacturing	1,084	884	937	918	903	894	886
Japan/Non-manufacturing	28	29	28	24	25	31	28
Overseas/ Manufacturing	345	291	342	367	384	352	349
Overseas/Non-manufacturing	30	30	28	29	26	42	42
Group total	**1,487**	**1,233**	**1,335**	**1,338**	**1,338**	**1,318**	**1,305**

*Calculation method: Calculation of CO_2 emission by energy usage specified in the Act on the Rational Use of Energy. Emission coefficient by electric power utility used for purchased power.

2014 CO_2 emission by region* (manufacturing)

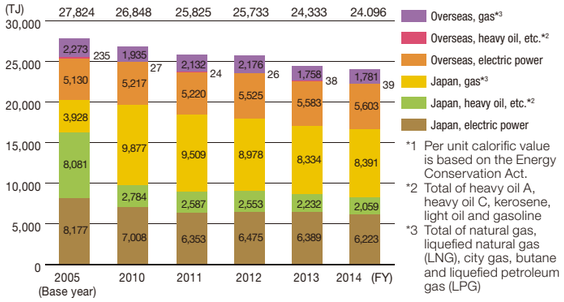
(kt-CO_2/year)

		CO_2 emission
Japan		914
Overseas	Americas (USA, Canada & Brazil)	157
	Europe (Netherlands, Germany, Belgium, UK & France)	90
	China	112
	Asia excl. China & Oceania (Australia, South Korea, Singapore, etc.)	33
Group total		**1,305**

*Calculation method: Calculation of CO_2 emission by energy usage specified in the Act on the Rational Use of Energy. Emission coefficient by electric power utility used for purchased power.

Energy-Saving Measures

Annual changes in energy consumption*1



*1 Per unit calorific value is based on the Energy Conservation Act.
*2 Total of heavy oil A, heavy oil C, kerosene, light oil and gasoline
*3 Total of natural gas, liquefied natural gas (LNG), city gas, butane and liquefied petroleum gas (LPG)

Breakdown of consumption of heavy oil, etc. (Fiscal 2014)*

(thousand kiloliters)

	Heavy oil	Kerosene	Light oil	Gasoline
Japan	48.4	1.5	0.1	0.0
Overseas	0.0	0.0	0.8	0.3
Group total	**48.4**	**1.5**	**0.9**	**0.3**

*Consumption in manufacturing only

Environment Conscious in Logistics

Annual changes in total CO_2 emissions in domestic logistics*

(tons of CO_2/year)

	FY2010	FY2011	FY2012	FY2013	FY2014
Total CO_2 emissions	40,936	41,450	44,278	47,075	45,633

*Total CO_2 emissions are calculated as the amount of CO_2 emitted by FUJIFILM Logistics Co., Ltd. in its logistics activities for the Fujifilm Group companies. Since FY2006, we shifted calculation method to the method based on revised Energy Conservation Law (travel distance of empty cars not included in calculations, etc.).

Annual changes in amount of CO_2 reductions and reduction rates through transportation efficiency improvements* (Domestic distribution)

	FY2010	FY2011	FY2012	FY2013	FY2014
Amount of CO_2 reductions (tons of CO_2/year)	7,004.0	6,969.9	7,753.6	6,353.7	11,403.5
CO_2 reduction rate (%)	14.8	14.4	14.9	11.9	20.0

$$CO_2 \text{ reduction rate (\%)} = \frac{\text{Amount of } CO_2 \text{ reductions}}{\text{Total } CO_2 \text{ emissions} + CO_2 \text{ reductions}}$$

*In the fiscal year 2014, we enforced our activities for CO_2 reductions in collaboration with a specified consigner. Major reduction initiatives, which proved effective, include starting modal shifts (road transport to sea transport) in FY2014, as well as improving carrying efficiency by double stacking during transport and enhancing gasoline mileage by eco-driving. The amount was a total figure of each facility's CO_2 reduction measure.

Annual changes in domestic transport volume*

(million tons/kilometer)

	FY2010	FY2011	FY2012	FY2013	FY2014
Transportation volume	164	175	194	186	181

*Range of transportation volume is calculated within the range of ownership in compliance with reporting under the Revised Act on the Rational Use of Energy.

Annual changes in reduction in export packaging material weight* (Cumulative total)

(%)

	FY2010	FY2011	FY2012	FY2013	FY2014
Packaging material reduction rate	5.7	3.4	10.1	15.5	9.3

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

*Total weight of export packaging materials handled by FUJIFILM Logistics in fiscal 2014 was 1,348,502.0 tons. Weight was reduced by 138,294.2 tons, with yearly reduction rate of 9.3%.

Annual changes in container and packaging material* used (Fujifilm non-consolidated)

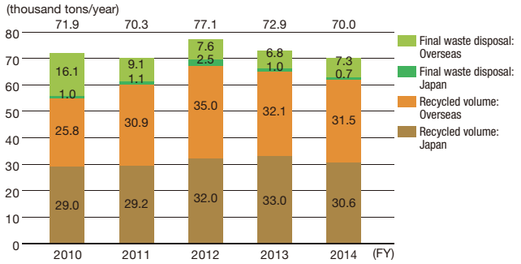
(thousand tons/year)

	FY2010	FY2011	FY2012	FY2013	FY2014
Total consumption	19.0	18.5	18.2	16.3	15.5

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

Conserving Resources Measures

Annual changes in waste generation*1, recycling & final disposal*2



*1 Processed by external service providers
*2 Simple incineration or landfill disposal

Annual changes in valuable resources*

(thousand tons/year)

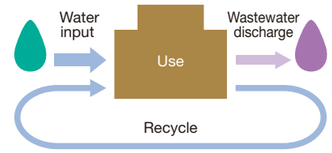
	FY2010	FY2011	FY2012	FY2013	FY2014
Japan	56.8	54.6	37.8	33.6	33.6
Overseas	21.2	21.3	28.4	27.2	30.1
Group total	**78.0**	**75.9**	**66.1**	**60.9**	**63.7**

*Valuable resources sold to the third party.

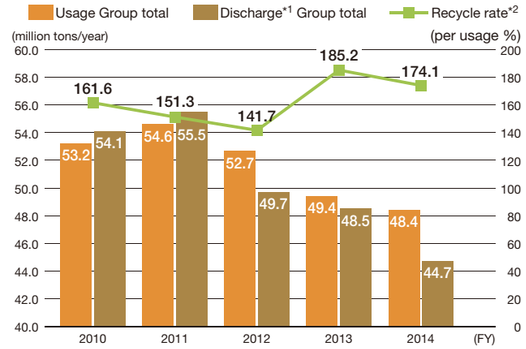
Main recycling methods for waste products

Waste product	Recycling method
Plastics (sorted)	Pallets, pipes, clothing, heat insulation materials
Plastics (mixed)/Filters	Blast furnace fuel
Magnetic tape	Blast furnace fuel, tatami mat material, heat insulation materials
Aluminum hydroxide	Aluminum sulfate (flocculant for water treatment)
Inorganic sludge, polishing agent	Cement, roadway material, construction materials
Organic solvent	Paint thinner
Acids and alkalines	Neutralizer
Mixed flammable waste products	Solid fuels, electricity and hot water production
Fluorescent lamp	Glass wool
Batteries	Zinc, smelt iron
Left over food, raw garbage, organic sludge	Fertilizer, animal feed
Documents, empty boxes	Recycled paper
Iron, aluminum, copper, etc.	Smelt metal

Fujifilm Group's water usage

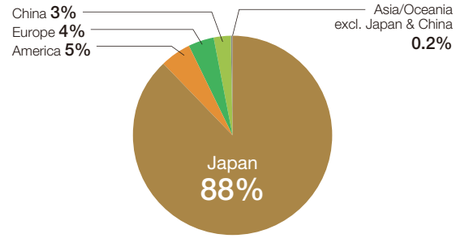


Annual trend in water usage, recycling and discharge as wastewater



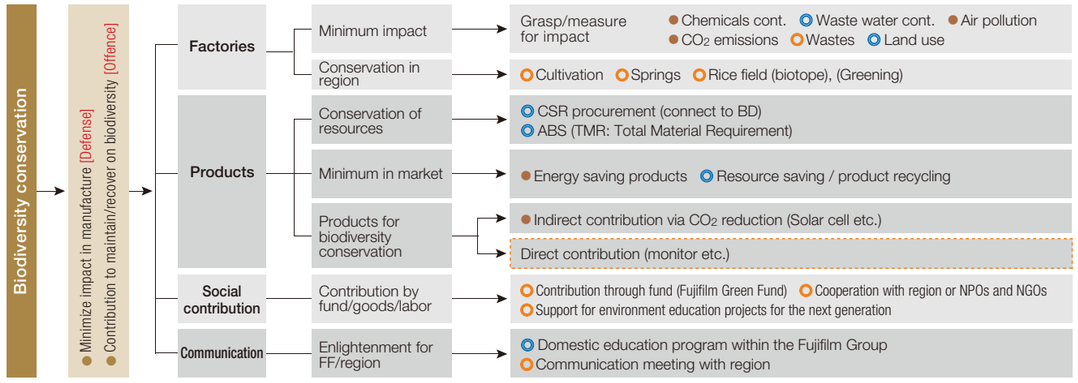
*1 Includes water, rainwater, etc. used in the business activities
*2 Recycle rate including cooling water usage

FY2014 water usage by region



Activities on Biodiversity Conservation

Activities on biodiversity conservation -online-



○: Measure related to biodiversity conservation (on going) ◎: Measure related to biodiversity conservation (middle target: plan) ●: Measure indirectly related to biodiversity conservation

Environmental Aspects

Reducing Chemical Substances Emissions

Response to the PRTR Law (Fujifilm and its domestic affiliates)

In addition to those substances that must be reported under the PRTR Law (Pollutant Release and Transfer Register Law), Fujifilm controls another 10 items on a voluntary basis, primarily substances specified by the Japan Chemical Industry Association as requiring autonomous monitoring, and has been endeavoring to reduce those emission on consolidated basis. Data (usage volume, atmospheric emissions volume, emission into public water, volume going into sewage water, volume moved outside of facilities, and volume recycled) on substances used in amounts of one ton or more per year by Fujifilm and its domestic affiliates may be found on the following Fujifilm website.

URL http://www.fujifilm.co.jp/corporate/environment/preservation/site/atmosphere/prtr.html
(in Japanese only)

Annual changes in atmospheric emissions of VOCs

(hundred tons/year)

	FY2010	FY2011	FY2012	FY2013	FY2014
Japan	10.3	10.1	7.6	6.9	6.9
Overseas	1.8	1.8	1.9	1.9	2.1
Group total	**12.1**	**11.9**	**9.5**	**8.8**	**9.0**

Storage and management of devices/equipment containing PCBs* (FY2014)

Types of equipment containing PCBs	Unit	Storing and managing amount	
		Japan	Group total
High voltage transformers	Quantity	18	32
High voltage condensers	Quantity	297	387
PCB oil waste, etc.	kg	188.1	188.1
Fluorescent lamp stabilizers	Quantity	14,225	14,225
Low voltage condenser excluding fluorescent lamps	Quantity	117,092	117,092
Low voltage transformer	Quantity	20	20
Rags, etc.	kg	914.4	914.4
Other devices	Quantity	14	14

*Based on the law related to PCB waste. Only materials containing the high concentrated PCBs

URL http://www.fujifilm.co.jp/corporate/environment/preservation/site/pcb.html
(in Japanese only)

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

Category	Name of substance	Reduction (tons)	Reduction rate in comparison to previous fiscal year (%)
Substances requiring reporting under the PRTR Law	Dichloromethane	4	5
Substances voluntarily controlled by the company	Methyl alcohol	28	11
	Ethyl acetate	–16	–31
	Methyl ethyl ketone	2	7
	Acetone	1	3

*Reduction in volumes in fiscal 2014 compared with actual levels in previous year

Pollution Prevention Measures

Annual changes in volume of atmospheric emissions

(tons/year)

		FY2010	FY2011	FY2012	FY2013	FY2014
SOx emissions	Japan	18	22	20	21	22
	Overseas	6	1	1	4	5
	Group total	**25**	**24**	**20**	**25**	**27**
NOx emissions	Japan	445	470	391	450	424
	Overseas	41	40	66	74	61
	Group total	**486**	**510**	**457**	**523**	**486**
Soot particle emissions	Japan	2.7	3.0	5.9	5.7	5.0
	Overseas	1.3	0.7	0.6	6.9	0.9
	Group total	**4.1**	**3.8**	**6.5**	**12.7**	**5.9**
Atmospheric emissions of specified CFCs*	CFC-11	1.13	0.10	0.20	0.00	0.21
	CFC-12	0.04	0.02	0.00	0.00	0.00

*Group total, below the limit of detection = 0

Annual changes in water contaminant burden & emissions*1

(tons/year)

		FY2010	FY2011	FY2012	FY2013	FY2014
Total amount of COD*2	Japan	84.1	93.2	85.0	85.2	82.3
	Overseas	15.3	21.7	24.4	31.3	57.0
	Group total	**99.4**	**115.0**	**109.5**	**116.5**	**139.4**
Total amount of BOD*3	Japan	45.5	46.7	43.6	43.3	38.3
	Overseas	5.5	6.2	2.9	1.6	10.1
	Group total	**51.0**	**52.8**	**46.5**	**45.0**	**48.3**
Total amount of nitrogen emissions	Japan	282.3	254.5	259.0	246.5	223.3
Total amount of phosphorous emissions	Japan	9.1	5.2	2.5	3.4	5.3

*1 Effluent release into public water bodies
*2 COD (Chemical Oxygen Demand): An indicator of water pollution. COD indicates the amount of oxygen consumed when water-borne pollutants (primarily organic contaminants) are oxidized upon the introduction of an oxidant.
*3 BOD (Biochemical Oxygen Demand): BOD is a way to measure the degree of water pollution, and indicates how much oxygen in the water is being used by organisms to decompose contaminants by looking at the reduction in oxygen in the water.

Surveying and remediating soil and underground water pollution
(FUJIFILM Corporation and its domestic affiliates/Fuji Xerox and its domestic affiliates)

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

URL http://www.fujifilm.co.jp/corporate/environment/preservation/site/leakage/
(in Japanese only)

URL http://www.fujixerox.co.jp/company/csr/stakeholder/environment/target.html
(in Japanese only)

Legal Compliance Measures

Legal compliance and reports on complaints in FY2014

In 2014, there were four violations of environment-related laws (of which three were overseas) and four customer complaints (of which two were overseas). The major issue involved in these violations was equipment installation without prior notification—the measures against this has already completed.

	Japan	Overseas	Group total
Number of legal violations (number of cases solved)	1 (1)	3 (3)	4 (4)
Number of complaints (number of cases solved)	2 (2)	2 (2)	4 (4)

Responses to environment-related complaints and legal violations in FY2014*

Company/site name: FUJIFILM Electronic Materials U.S.A., Inc., Mesa (USA)	
Description	Exceeded ammonia emissions
Response	Defects were found in the ammonia detection device, and replaced with new. Regular maintenance will be conducted.

*Relatively minor violations have been excluded.

Domestic and International Appraisals

Ranking and status of SRI audit

FUJIFILM Holdings has received the following evaluations by external organizations as a corporate group that proactively promotes CSR actions toward sustainable development. It is included in the Socially Responsible Investment (SRI) index listed below. Also listed right are evaluations of FUJIFILM Holdings in domestic and international ranking surveys.

Survey	Evaluation for FUJIFILM Holdings
9th CSR Corporate Ranking (2015, Toyo Keizai, Inc.)	1st out of 1,305 companies (576.4 points)
18th Nikkei Environmental Management Survey (sponsored by Nikkei Inc.)	10th out of 419 manufacturers; 1st in the petrochemical field for the eighth consecutive year
8th JUSE Quality Management Level Research (Union of Japanese Scientists and Engineers)	4th out of 192 companies; 1st in the machinery and precision equipment field
Nikkei Brand Survey	47th out of 560 companies
CDP (Carbon Disclosure Project)	Score of 94, Rank of B

Dow Jones Sustainability World Index

MEMBER OF Dow Jones Sustainability Indices
In Collaboration with RobecoSAM

RobecoSAM Sustainability Award 2015

ROBECOSAM Sustainability Award Bronze Class 2015

FTSE4Good Global Index

FTSE4Good

Morningstar Socially Responsible Index
(As of June 2015)

MS-SRI

Appraisals and awards in FY2014

See pages 21 24 25 57

Recipient	Name and description of the award	Awarding entity
FUJIFILM Holdings Corporation	The Selection Committee's Special Prize, the 18th Environmental Communication Awards, *FUJIFILM Holdings Corporation Sustainability Report 2014*	Ministry of Environment, Global Environmental Forum
FUJIFILM Holdings Corporation	6th best place, Randstad Award 2015 and 1st place in the university and post-graduate section	Randstad Japan
FUJIFILM Corporation/Fuji Xerox Co., Ltd.	Good Design Awards 2014 (Fujifilm's 9 major products such as A4 LED full-color printer)	Japan Institute of Design Promotion
FUJIFILM Corporation/Fuji Xerox Co., Ltd.	The Commendation for Science and Technology by the Minister of Education, Culture, Sports, Science and Technology Prizes for Science and Technology Development Category (Development of inkjet ink having excellent image fastness/Development of the induction heating (IH) fusing technology that delivers both convenience and energy conservation)	Ministry of Education, Culture, Sports, Science and Technology
FUJIFILM Corporation	Energy Conservation Grand Prize 2014, Reviewer's Prize of the Successful Case of Energy Conservation Category (Wheeling of electric power with in-house power system to reduce peak time electricity consumption)	The Energy Conservation Center, Japan
FUJIFILM Corporation	The 46th Ichimura Prizes in Industry—Main Prize (Development and mass production of a large capacity data tape that uses barium ferrite magnetic particles)	The New Technology Development Foundation
FUJIFILM Corporation	The Prize of invention (Invention of effective moisturizer containing human-type nano ceramides)	Japan Institute of Invention and Innovation
FUJIFILM Corporation	QuickSnap resistered as Essential Historical Materials for Science and Technology	National Museum of Nature and Science of Japan
FUJIFILM Corporation	The 61st Annual Okochi Memorial Grand Technology Prize, Mass (Production technologies of large capacity data tape cartridge that use barium ferrite magnetic particles)	Okochi Memorial Foundation
FUJIFILM Corporation	Fujinomiya Factory received Award for Excellence in green factory from the Director-General of the Kanto Bureau of Economy, Trade and Industry	Ministry of Economy, Trade and Industry
FUJIFILM Corporation	The 63rd Chemical Society of Japan Chemical Technology Award (Negative-Tone-Imaging (NTI) Process for the manufacture of semiconductor devices)	The Chemical Society of Japan
FUJIFILM Corporation	The 14th Green and Sustainable Chemistry Award Awarded by the Minister of Economy, Trade and Industry	Japan Association for Chemical Innovation
FUJIFILM Techno Products Co., Ltd.	2014 Environment Minister's Award for Global Warming Prevention Activity (implementation of countermeasures and dissemination)	Ministry of the Environment
FUJIFILM Electronic Materials Co., Ltd.	Excellent Performance Award	Taiwan Semiconductor Manufacturing Company Limited
Fuji Xerox Co., Ltd.	Minister's Prize, the Ministry of Economy, Trade and Industry at the 11th Eco-Products Awards	The Eco-Products Awards Steering Committee
Fuji Xerox Co., Ltd.	The 8th ASP-SaaS-Cloud Consortium (ASPIC) Chairman Special Prize at the 8th ASP-SaaS-Cloud Award 2014	ASP-SaaS-Cloud Consortium (ASPIC)
Fuji Xerox Co., Ltd.	The IT Consulting/Upstream Design Services category of Customer Satisfaction Survey 2014-2015	Nikkei BP
Fuji Xerox Co., Ltd.	Highest in 2014 IT Solution provider Customer Satisfaction Index Study℠ Highest in 2014 Japan Color Copier Customer Satisfaction Index Study℠ Highest in 2014 Japan Color Printer Customer Satisfaction Index Study℠	J.D. Power Asia Pacific, Inc.
Fuji Xerox Advanced Technology Co., Ltd.	WorldStar Award in the WorldStar Competition	World Packaging Organization (WPO)
TOYAMA CHEMICAL CO., LTD.	2014 Prize for Creativity	Ministry of Education, Culture, Sports, Science and Technology
FUJIFILM Manufacturing U.S.A., Inc.	2014 Gold Award	Greenwood Metropolitan District
FUJIFILM Manufacturing U.S.A., Inc.	2014 SC Industrial Water Quality Achievement Award	Water Environmental Association of South Carolina (WEASC)
FUJIFILM Electronic Materials U.S.A., Inc.	Preferred Quality Supplier Award	Intel Corporation
FUJIFILM Manufacturing Europe B.V.	Milieucafé award (Environment Café award)	Milieucafé (Environment Café)
FUJIFILM Belgium NV	RAY-CUP	Fost Plus
FUJIFILM Electronic Materials (Europe) NV	Preferred Quality Supplier Award	Intel Corporation
FUJIFILM Speciality Ink Systems Ltd.	Sustainable Innovation Awards 2014	British Coatings Federation (BCF)
FUJIFILM Speciality Ink Systems Ltd.	Manufacturing Champions Awards 2014	British Coatings Federation (BCF)
FUJIFILM Imaging Colorants Limited	Gold Medal for Occupational Health & Safety	The Royal Society for the Prevention of Accidents (RoSPA)
FUJIFILM Imaging Systems (Suzhou) Co., Ltd.	Green Company of Suzhou city	Suzhou Film Medical Equipment Technical Research and Engineering Center

Sustainability Accounting

(Labor Environment and Social Benefit Accounting, Environmental Accounting)

Labor Environment and Social Benefit Accounting

Overview of FY2014

- Expenditure on improving working conditions and for socially beneficial activities for different stakeholders is summarized.
- Efforts are made to create a worker-friendly environment through expanding educational seminars and supporting mental healthcare programs.
- For local communities, expenditure includes a donation to build the Japan Photographic Preservation Center and a product donation to the Nature Conservation Society of Japan. In the promotion of art and culture, expenditure includes Fujifilm Square as the base for preservation and communication concerning photographic culture, as well as for photo contests.

<Period of coverage>

FY2014 (April 1, 2014 to March 31, 2015)

<Scope of labor environment and social benefit accounting>

70 domestic companies in the Fujifilm Group (FUJIFILM Holdings, Fujifilm and 19 Fujifilm affiliates, Fuji Xerox and 47 Fuji Xerox affiliates, and TOYAMA CHEMICAL)

<Basic items>

● Objectives of labor environment and social benefit accounting

These accounts are prepared to allow the Fujifilm Group to keep up with its activities for improving the working environment of its employees and the amounts spent for social contributions by preparing data on these activities from an economic perspective.

● Accounting method

The expenditures (including investments) for the year have been added up to arrive at the figures shown. These figures do not include depreciation. Figures for personnel training and social contributions may overlap with figures in the Environmental Account as well.

Environmental Accounting

Overview of FY2014

● Environmental conservation costs

Overall costs were increased by 2%. Approximately 5% of total costs was for facility investment and 95% was expenditure. This ratio is almost the same as the previous year.

[Facility investments]
Reduced approx. 28% year-on-year. This is due to the drastic drop in investment into facilities related to plants.

[Expenditure]
Expenditure was increased by ¥1.8 billion or 4% year-on-year, through efficient measures in workplace. R&D costs occupy approx. 40% of the entire expenditure.

● Environmental conservation benefits

The economic effect grew 1% to ¥1.3 billion year-on-year internally an externally.

[Internal economic effect]
Reduced by 14% year-on-year.

[External economic effect]
Rise in benefits for customers led to a marked increase of ¥4.1 billion or 3% year-on-year.

Customer benefits

The customer benefits were calculated in amounts through comparing the use of a new product purchased by the client with the environmental burden when the customer uses an older product.

Total benefits to customers for FY2014 increased by ¥4.1 billion or 4% over the previous year. Greater use of energy-saving equipment, such as combination of EA-Eco Toners and IH Fusing, or high-density magnetic memory materials in office printers increased the power-saving effects.

<Period of coverage>

FY2014 (April 1, 2014 to March 31, 2015)

<Scope of environmental accounting>

72 domestic companies in the Fujifilm Group (FUJIFILM Holdings, Fujifilm and 19 Fujifilm affiliates, Fuji Xerox and 49 Fuji Xerox affiliates and TOYAMA CHEMICAL)

<Basic items>

● Objectives of environmental accounting

(1) To provide accurate quantitative information on volumes and economic effects to interested parties inside and outside the Group
(2) To provide numerical environment-related information useful for decision making by management and supervisors at the working level

● Accounting method

Based on the "Environmental Accounting Guidelines (2005 edition)" published by the Ministry of the Environment in Japan.

(1) Depreciation is calculated in principle according to the straight-line method over a three-year period.
(2) When costs include expenditures for both environmental and non-environmental purposes, the portion relating to non-environmental purposes has been excluded.
(3) Economic impact within the Group: The difference in value terms from the previous year in fines for polluting and usage of energy, raw materials, water, and other resources is accounted for, as well as the real impact of recovery, recycling, and other measures in value terms for the year in question.
(4) Economic impact outside the Group: The difference in value terms from the previous fiscal year has been shown for SOx, VOCs, and CO_2. For recycling, the anticipated benefit in value terms has been shown for the year in question.

(million yen)

Product	Amount		
	FY2012	FY2013	FY2014
1. High-density magnetic memory materials	5,597	3,987	7,710
2. Pre-sensitized aluminum plate not using plate-making film	65,212	75,333	74,967
3. Film for LCDs: WV films	14,797	11,769	9,605
4. Digital color multifunction device and printers	22,943	24,656	27,585
Total	**108,549**	**115,745**	**119,867**

Labor Environment and Social Benefit Accounting

Breakdown of labor environment and social benefit accounting (million yen)

Stakeholder	Goal	Cost totals	
		FY2013	FY2014
Employees	Work health and safety	1,643	1,567
	Personnel training	2,757	2,655
	Protect diversity	917	1,088
	Develop a workplace in which employees can work comfortably	1,210	1,323
Customers	Ensure appropriate customer response and safety	274	282
Future generations	Education for future generations	24	3
Communities (local society and government)	Harmony with the local community	116	62
	Promote culture and the arts in society (in Japan)	883	813
International community	Consideration for the international community and international cultures	42	8
NGOs and NPOs	Cooperation with NGOs and NPOs	14	19
Suppliers	Consideration for products	50	59
Total		**7,928**	**7,880**

Volunteer activities during working hours

	FY2012	FY2013	FY2014
Hours spent on volunteer activities	4,700	7,210	1,435
Volunteering cost	12 million yen	19 million yen	4 million yen

*Volunteer activities
Calculated based on the hours spent on volunteer activities, such as area clean-up, working hours, the salary equivalent to that of those hours, and cost of the activities.

Environmental Accounting

Environmental accounting for FY2014

(million yen)

Environmental conservation costs					Environmental conservation benefits					
	Capital investment		Expenses		Economic impact inside the Group			Economic impact outside the Group		
	FY2013	FY2014	FY2013	FY2014		FY2013	FY2014		FY2013	FY2014
1. Costs incurred within the business site	1,995	1,307	8,376	7,793						
(1) Environmental damage prevention	327	237	2,058	2,034	Reduced pollution levy	0	0	Reduction in SOx emissions*1 Reduction in volume of SOx emissions	0.000 -2 tons	0.000 -1 tons
								Reduction in volume of NOx emissions	-21 tons	40 tons
								Reduction in VOC emissions*2 Reduction in volume of VOC	18 53 tons	2 5 tons
(2) Global environmental protection	1,487	1,068	4,022	3,506	Energy conservation	1,654	505	Reduction in CO_2 emissions*3 Reduction in volume of CO_2 emissions	52 61 kilotons	9 10 kilotons
(3) Resource recycling	181	1	2,295	2,254	Reduced raw materials and resources used	9,832	8,590	Reduced waste materials through reuse and recycling*4 Reduced volume*6	16,900 169.0 kilotons	16,900 169.0 kilotons
					Reduced water resource consumption*5	628	882			
					Recovery and recycling					
					Silver	1,453	1,109			
					Polymeric materials	590	451			
					Aluminum materials	119	122	Reuse of aluminum materials	27	24
					Others	389	231	Reduced volume of CO_2 emissions	30 kilotons	20 kilotons
2. Upstream/downstream costs Recovery from the market	0	0	7,293	7,348	QuickSnap recovery, Parts recovered from used equipment	5,630	5,630			
3. Cost of management activities	50	71	7,894	9,134						
4. Research and development costs	617	592	15,964	17,464				Customer benefits are shown in the table on page 68.	115,745	119,867
5. Costs for social programs	55	6	486	61						
6. Costs for handling environmental damage Pollution levies	22	9	44	43						
Total	**2,739**	**1,985**	**40,057**	**41,845**		**20,295**	**17,521**		**132,742**	**136,802**

*1 SOx emissions reductions: ¥13/ton
Bidding price of SOx emissions credits offered by the United States Environmental Protection Agency in March 2015 (US$0.11/ton).
*2 VOC emissions reductions: ¥350,000/ton
From the "Economics Evaluation Report on Countermeasures for Harmful Atmospheric Pollutants" issued by Japan Environmental Management Association for Industry, February 2004.
*3 CO_2 emissions reductions: ¥907/tons
Trading price of EU emissions credit 2015 futures (€6.8/ton) at the end of March 2015.
*4 Landfill costs for the waste product (¥100/kg).
*5 Water resource consumption reduction: ¥200/ton for clean water supply, ¥200/ton for sewage water times the reductions amount.
*6 Volume of recycle and valuable resources in generated industrial waste

Independent Assurance Report

FUJIFILM Holdings Corporation commissioned SGS Japan Inc. to conduct an independent assurance of the environmental and social data contained in its Sustainability Report 2015. Please refer to our website for further details.

http://www.fujifilmholdings.com/en/sustainability/verification/index.html

SGS

ASSURANCE STATEMENT

SGS Japan's Report on Sustainability Activities in the FUJIFILM Holdings Corporation Sustainability Report 2015.

NATURE AND SCOPE OF THE ASSURANCE

SGS Japan Inc. was commissioned by FUJIFILM Holdings Corporation (hereinafter referred to as "the Organization") to conduct an independent assurance of its Sustainability Report 2015. The scope of the assurance, based on the SGS Sustainability Report Assurance methodology, included data on greenhouse gas(GHG) emissions (Scope 1, 2, and category 3 of Scope 3), water intake, waste, personnel and labor (FUJIFILM Corporation and Fuji Xerox Co., Ltd.), and the management systems supporting the reporting process. The data regarding GHG emissions, water intake and waste consisted of data from FUJIFILM Corporation, Fuji Xerox Co., Ltd., Toyama Chemical Co., Ltd. and other affiliated companies.

The information contained in the Sustainability Report 2015 and its presentation are the responsibility of the directors or governing body and the management of the organization. SGS Japan Inc. has not been involved in the preparation of any of the material included in the Sustainability Report 2015.

Our responsibility is to express an opinion on the text, data, graphs and statements within the scope of assurance with the intention to inform all the organization's stakeholders.

The SGS protocols are based upon internationally recognized guidance, including the Principles contained within the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines (2013) for accuracy and reliability and the guidance on levels of assurance contained within the AA1000 series of standards and guidance for Assurance Providers.

This report has been assured at a moderate level of scrutiny using our protocols for:

- evaluation of content veracity;
- AA1000 Assurance Standard (2008) Type 2 evaluation of the report content and supporting management systems against the AA1000 Accountability Principles (2008);

The assurance comprised a combination of pre-assurance research, interviews with the management and the person in charge of producing the report (FUJIFILM Holdings Corporation head office), onsite visits(FUJIFILM Holdings Corporation head office, FUJIFILM Corporation Fujinomiya Factory and Kanagawa Factory Ashigara Site), verification and confirmation of vouchers, review of related materials and records, and analytical procedures.

Financial data drawn directly from independently audited financial accounts has not been checked back to source as part of this assurance process.

STATEMENT OF INDEPENDENCE AND COMPETENCE

The SGS Group of companies is the world leader in inspection, testing and verification, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; and environmental, social and sustainability report assurance. SGS Japan Inc. affirms our independence from the organization, being free from bias and conflicts of interest with the organization, its subsidiaries and stakeholders.

nowledge, experience and qualifications of the each of the
uditors registered with lead auditors of environmental
and safety assessment systems(OHSAS), and lead

g the methodologies described above, nothing has come
rmation and data contained within Sustainability Report
n of the organization's sustainability activities from Apr 1,

can be used by the Reporting Organization's Stakeholders.
opriate level of assurance for this stage in their reporting.

ONCLUSIONS, FINDINGS AND RECOMMENDATIONS

sses have been established. The organization develops a
the issues by formulating a policy with a wider perspective.
overall group level, the corporate governance framework
fficient compared to the domestic framework. Further
any.

organization has incorporated the perspectives of both
ly identified and prioritized the importance of various issues
sed approach. This approach is considered to be useful for

nse to the stakeholders in a well-organized manner, and
d appropriately to the issues. However, the organization is
for improvement in the organaization's clarification of its
s.

For and on behalf of SGS Japan Inc.
Senior Executive & Business Manager
Certification Services Division
26th June, 2015

Yuji Takeuchi

AA1000
Licensed Assurance Provider
000-8

Third-Party Opinion

Toshihiko Goto
Chief Executive Officer,
Sustainability Forum Japan

Profile
Serves as Chairman of the Sustainable Management Forum of Japan, Board Member of Global Compact Network Japan, director and executive advisor of Japan Sustainable Investment Forum, Director of Green Finance Organization and directorships at various other organizations.
He is also a national committee member for ISO/TC207, SCI, SC4, a judge for the Environmental Communication Award and Chairman of the Workshop for the Information Disclosure Infrastructure Developing Project, and serves as chair or member of various other committees of the Ministry of the Environment (MoE). He had graduated from the Faculty of Law, the University of Tokyo.

At the beginning of Top Message, the chairman explained the necessity of achieving the 2016 targets of the Medium-Term Management Plan laid out last year and the activities organized from a new perspective in the Sustainable Value Plan (SVP) 2016. However, the world is presently undergoing dramatic changes, as he mentions in the latter half of his message.

Likewise, drastic changes are about to begin in Japan's business environment and in society. Though belated, the Japanese Version of the Stewardship Code has been established by the Financial Services Agency, and a Corporate Governance Code has been introduced by the Agency and the Tokyo Stock Exchange. I expect the way business enterprises deal with these will hugely affect their future.

In order to achieve the target of the G7 countries and of the Abe cabinet to cut GHGs by more than 80% in 2050 over the 1990 level and to comply with the political decision to curb the rise in global average temperatures to 2°C or less as agreed internationally, GHGs must be reduced by 100% or further to subzero emissions by 2100. In order to address this, I look forward to the development and announcement of a business vision for 2050 or targets for 2030, although they do not need to be numerical figures.

Although the announcement of targets for 2020 and later is commendable, I would like Fujifilm to commit itself to "targets" not as something that must be realized without fail. Many Western business enterprises are setting "goals" without any target year, expressing their commitment in their policy direction. I believe this is an alternative that should be considered in developing the medium- to long-term strategy expected under the Corporate Governance Code.

With global environmental regulations and restrictions being laid down today for society a few decades ahead, businesses will not be able to exist by merely conducting "business as usual." A change in the business model—in other words, innovation—is necessary. And this is what should be expected of an advanced business like Fujifilm. The company stands at the leading edge in Japan for establishing its 2020 target for CO_2 emissions reduction and announcing the results of its efforts. However, this approach is still rooted in the 20th century. Japanese businesses lag behind the top businesses in Western nations in terms of policy commitments to achieving zero CO_2 emission.

In SVP 2016, CSR is discussed in universal terms, not limited in time to three years. The activities putting this into practice are impressive. The various performance indicators demonstrate success. With this much achieved, I believe that Fujifilm will win high ratings from ESG* investors if the company introduces narrative to its longer-term strategy. It must be noted also that integrated thinking, combining financial data with non-financial information on the environment, etc., is important. With many institutional investors signing up to the Stewardship Code and ESG investment already a mainstream form in Europe, I believe the trend will take root in Japan in the near future. There will also be a growing risk of "not buying" the products and services by client companies from the ESG perspective. For this reason, I believe Fujifilm should deploy ESG aggressively as a source of competitiveness and make more dramatic progress in its effort to "integrate business and social issues."

In climatic change and biodiversity, two areas where humankind is causing serious problems, I believe the latter is an issue replaceable with the problem of resource circulation for a manufacturing business. In this respect, Fujifilm's activities in resource recycling and reusing, waste handling and in the value chain are impressive and should continue be at the vanguard in the development of a cycling society. The concept is being discussed in Europe with the term "Circular Society."

Fujifilm also speaks explicitly of the importance of diversity, aiming to become "a company where employees of diverse backgrounds are able to show their strengths," and of improvements in performance, which I evaluate highly as uncommon among Japanese businesses. However, I would like to see it in the data on performance, goals, etc., for the entire group.

The company's performance in the field of social contribution is also impressive. In the future, I hope that it will work on tie-ups with NGOs and consider engagement in the relevant SDG items to be adopted by the UN in September that would lead to business opportunities.

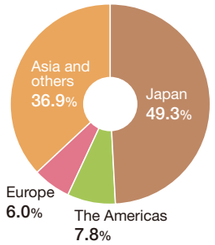
* ESG investment: A form of investment that places emphasis not only on financial data but also on non-financial data on the environment, society and governance as items in measuring corporate value. Investment takes place on the assumption that ESG are risk factors for business enterprises, but at the same time investment return factors that bring long-term advancement in corporate value. (Definition by the author)

Fujifilm Group Organization and Business Overview

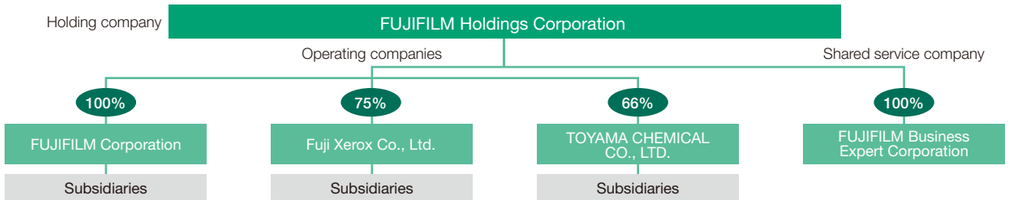
Holding Company: FUJIFILM Holdings Corporation

Company name: FUJIFILM Holdings Corporation
Representative: Shigetaka Komori
Head office: Tokyo Midtown, 9-7-3 Akasaka, Minato-ku, Tokyo 107-0052, Japan
Established: January 20, 1934
Capital: ¥40,363 million (as of March 31, 2015)
Employees: 120 (as of March 31, 2015)
Consolidated employees: 79,235 (as of March 31, 2015)
Consolidated subsidiaries: 273 (as of March 31, 2015)

■ Proportion of consolidated employees by region (FY2014) (as of March 31, 2015)

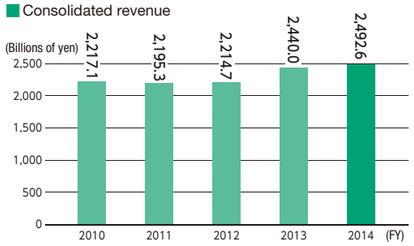


Fujifilm Group Organization Overview (as of March 31, 2015)

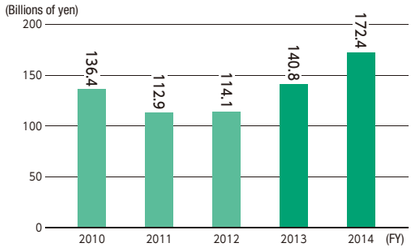


For information about the consolidated subsidiaries of FUJIFILM Holdings Corporation, please visit: URL http://www.fujifilmholdings.com/en/business/group/index.html

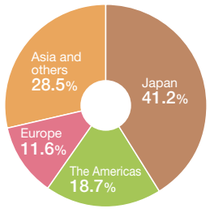
■ Consolidated revenue



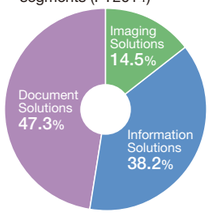
■ Consolidated operating income



■ Proportion of consolidated revenue by region (FY2014)



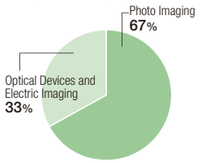
■ Proportion of consolidated revenue by operating segments (FY2014)



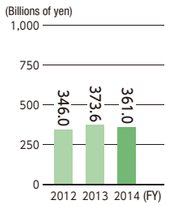
*Following organizational changes carried out in the first quarter of FY2013, the optical device business was moved from Information Solutions to Imaging Solutions. In accordance with this change, the numerical values for FY2012 has been restated.

Imaging Solutions

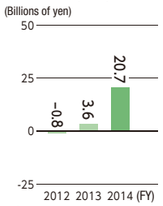
■ Proportion of revenue by business (FY2014)



■ Consolidated revenue*



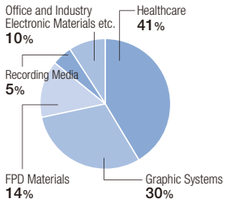
■ Consolidated operating income (loss)



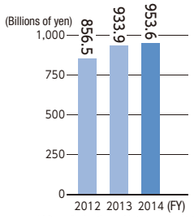
*After elimination of intersegment transaction

Information Solutions

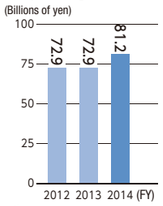
■ Proportion of revenue by business (FY2014)



■ Consolidated revenue*



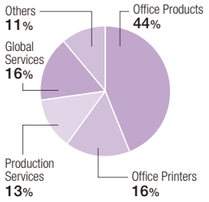
■ Consolidated operating income



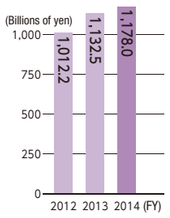
*After elimination of intersegment transaction

Document Solutions

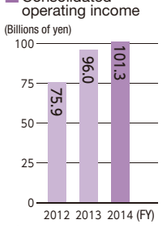
■ Proportion of revenue by business (FY2014)



■ Consolidated revenue*



■ Consolidated operating income



*After elimination of intersegment transaction

Editorial Policy

FUJIFILM Holdings Sustainability Report 2015 was edited with a major emphasis on our CSR activities, which have high relevance to both the Fujifilm Group and its stakeholders in the areas of environment and society among the three aspects generally involved in a corporation's activities. The main article in the Report concerns FUJIFILM Holdings' Medium-Term CSR Plan, Sustainable Value Plan 2016 (SVP 2016), which runs from FY2014 to FY2016 and was created based on "Value from Innovation," the Fujifilm Group's slogan.

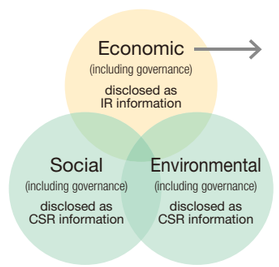
SVP 2016 is composed of three promotion policies. Policy 1 is "solving social issues through business activity," which is our new initiative. We have introduced active efforts under this initiative across the four areas of Health, Daily Life, Environment, and Work Style, which were chosen through a materiality assessment. Policy 2 concerns our continuing efforts in reducing environmental impact from our business processes; and Policy 3 involves CSR management enhancement across the entire value chain, which is the foundation of corporate activity. Not only describing our CSR activities in text, we have also paid attention to visual effects and layout to present the activity contents and their progress in an easy-to-understand manner by using icons to emphasize the important points, color codes to distinguish the articles related to each policy, and clear diagrams of activity progress.

Further, additional references and data for related activities are also covered for completeness. We also published a comparison table between ISO 26000 and GRI on our website to increase accessibility to CSR-related information through Internet searches. Finally, this year we requested the independent assurance on our environmental and social activity data, in addition to the conventional third party opinion, in order to ensure the accuracy of the reporting.

Each Fujifilm Group company, including Fujifilm and Fuji Xerox, has its own CSR website for active disclosure of information concerning their CSR activities. For more details of the Fujifilm Group's CSR activities, please refer to each company's official website.

URL http://www.fujifilmholdings.com/en/sustainability/index.html

We welcome your comments to improve our future reports. We would appreciate your participation in the questionnaire accessible from the following URL:
URL http://www.fujifilmholdings.com/en/sustainability/report/questionnaire/index.html

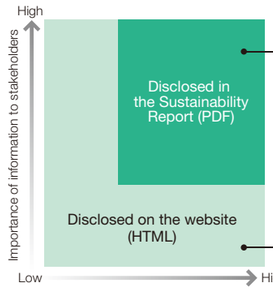


■ Report on economic aspects

Annual Report 2015
Online Version
URL http://www.fujifilmholdings.com/en/investors/annual_reports/2015/index.html

IR Site (website)
URL http://www.fujifilmholdings.com/en/investors/index.html

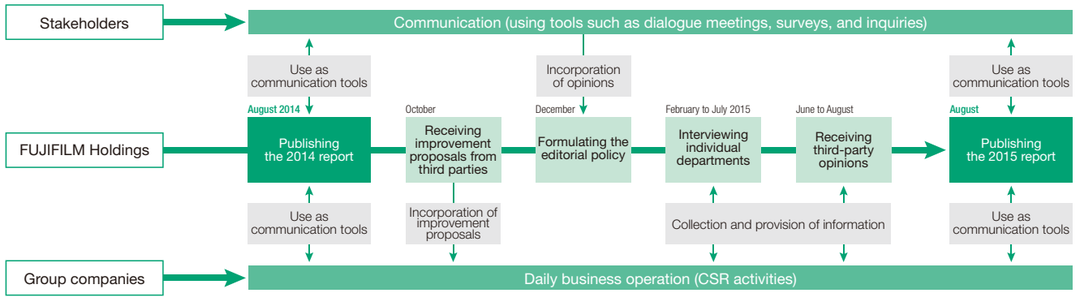
■ Report on social and environmental aspects



Sustainability Report 2015

CSR Site (website)
URL http://www.fujifilmholdings.com/en/sustainability/index.html

Process of creating the report



Period covered by the report
Fiscal year 2014 (April 1, 2014–March 31, 2015) is covered in the performance data. With regards to the contents of activities, wherever possible, we have conveyed the most recent trends, including activities in FY2015.

Organizations covered by the report
The Fujifilm Group (FUJIFILM Holdings, FUJIFILM Corporation and its affiliates, Fuji Xerox and its affiliates, TOYAMA CHEMICAL, and FUJIFILM Business Expert)
- Major consolidated companies are shown on page 72 and on our website.
  URL http://www.fujifilmholdings.com/en/business/group/index.html
- Quantitative information about personnel and labor affairs is nonconsolidated data for FUJIFILM Corporation and Fuji Xerox.
- The scope of Labor Environment and Social Benefit Accounting is shown on page 68. The scope of Environmental Accounting is shown on page 68.
- The scope of environmental aspects is shown on page 63.

Date of publication
August 2015 (next report: August 2016, previous report: August 2014)

Referenced guidelines
- Japan's Ministry of the Environment: Environmental Reporting Guidelines (2012 Version)
- GRI: Sustainability Reporting Guidelines (G4)
- Japan's Ministry of the Environment: Environmental Accounting Guidelines (2005 Version)
- ISO 26000: Social Responsibility

Supplemental information regarding reported matters
- The term "employees" refers to all employees, including managers, general employees, and part-time staff. The term "company employees" indicates employees (full-time staff). To further ensure the accuracy of the report, the terms "regular employees" and "non-regular employees" (temporary staff, part-time staff, others) have been used separately as required.
- The operating company, Fuji Xerox, issues a separate sustainability report. Please refer to that report for details on the activities of Fuji Xerox.

[GRI Guidelines (G4) Comparison Table] (In accordance-Core)
URL http://www.fujifilmholdings.com/en/sustainability/report/guideline/index.html

[ISO 26000 Comparison Table]
URL http://www.fujifilmholdings.com/en/sustainability/report/iso26000/index.html

◎ About the art works on the front cover

The Fujifilm Group is recording and storing cultural and artistic works in the form of photos and images to pass on to future generations. We do this as part of our social contribution through our business. Thanks to cooperation from the Nara National Museum, we are presenting works owned by the museum on the front cover of this report.

Senmen Gajō, Fan-shaped Paintings

Nara National Museum
Individual items from the top:
- Peonies and small birds
- Bamboo in snow
- Autumn plants and small birds
- Phoenixes on paulownia

In Japan, in the Heian period (794–1192), fans featuring beautiful paintings with motifs from popular stories of the day became widespread among the aristocracy. Such fans were also exported to the continent during the Heian period and Muromachi period (1336–1573). For the front page of this year's report, four such fans were chosen featuring the theme of "nature" from the numerous fan-shaped paintings owned by Nara National Museum.

Photo courtesy of Nara National Museum

Nara National Museum

50 Noboriojicho, Nara, Nara Prefecture 630-8213, Japan
Phone: 050-5542-8600
http://www.narahaku.go.jp/english/index_e.html

The establishment of Nara National Museum was first planned in May 1889 by the government of the day as one of three imperial museums, the others being in Tokyo and Kyoto; it actually opened in April 1895. Nara National Museum marks the 120th anniversary of its foundation in 2015.

■ Please address inquiries on this publication to:

FUJIFILM Holdings Corporation

CSR Group, Corporate Planning Division
Tokyo Midtown, 9-7-3 Akasaka, Minato-ku, Tokyo 107-0052
Tel.: +81-3-6271-2065 Fax: +81-3-6271-1190
http://www.fujifilmholdings.com/en/sustainability/contact/index.html

Date of publication: August 2015

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Attached Reference

Guideline Comparison Tables

ISO26000 / GRI Guideline

ISO26000 Comparison Table

FUJIFILM Holdings has created a comparison table to verify if the information is disclosed in accordance with the seven core subjects of “ISO26000 Guidance on Social Responsibility” published in November 2010.

ISO26000 Core Subjects	Issues	Pages in this Report 2015	
Organizational Governance	Organizational Governance	Top Commitment	P. 4-5
		Corporate Governance	P. 10
		CSR Management	P. 11-12
		《Promotion policy 3》[Priority issue 1] Raise Compliance Awareness and Ensure Risk Management	P. 40-44
		《Promotion policy 3》[Priority issue 3] Enhance Value Chain Management from the Viewpoint of CSR	P. 48-50
		◆Web Site http://www.fujifilmholdings.com/en/about/governance/index.html	—
		◆Annual Rrport http://www.fujifilmholdings.com/en/investors/annual_reports/2015/pack/pdf/Corporate-Governance.pdf	—
Human Rights	1. Due diligence 2. Human rights risk situations 3. Avoidance of complicity 4. Resolving grievances 5. Discrimination and vulnerable groups 6. Civil and political rights 7. Economic, social and cultural rights 8. Fundamental principles and rights at work	《Promotion policy 3》[Priority issue 1] Raise Compliance Awareness and Ensure Risk Management	P. 40-44
		《Promotion policy 3》[Priority issue 3] Enhance Value Chain Management from the Viewpoint of CSR	P. 48-50
		Social Contribution Activities	P. 53-55
		Personnel and Labor (FUJIFILM Corporation)	P. 61
		Personnel and Labor (Fuji Xerox)	P. 62
Labour Practices	1. Employment and employment relationships 2. Conditions of work and social protection 3. Social dialogue 4. Health and safety at work 5. Human development and training in the workplace	《Promotion policy 3》[Priority issue 2] Develop and Utilize Diverse Human Resources	P. 45-47
		《Promotion policy 3》[Priority issue 3] Enhance Value Chain Management from the Viewpoint of CSR	P. 48-50
		Personnel and Labor (FUJIFILM Corporation)	P. 61
		Personnel and Labor (Fuji Xerox)	P. 62
The Environment	1. Prevention of pollution 2. Sustainable resource use 3. Climate change mitigation and adaptation 4. Protection of the environment, biodiversity and restoration	《Promotion policy 1》[Environment]	P. 24-25
		《Promotion policy 2》Solve Environmental Issues within Business Processes Actively	P. 28-29
		《Promotion policy 2》[Priority issue 1] Promote Global Warming Countermeasures	P. 30-33
		《Promotion policy 2》[Priority issue 2] Promote Resource Recycling	P. 34-35
		《Promotion policy 2》[Priority issue 3] Ensure Product and Chemical Safety	P. 36
		《Promotion policy 3》[Priority issue 3] Enhance Value Chain Management from the Viewpoint of CSR	P. 48-50
		Social Contribution Activities	P. 53-55
		Environmental Aspects	P. 63-66
		Sustainability Accounting (Labor Environment and Social Benefit Accounting, Environmental Accounting)	P. 68-69
Fair Operating Practices	1. Anti-corruption 2. Responsible political involvement 3. Fair competition 4. Promoting social responsibility in the value chain 5. Respect for property rights	《Promotion policy 3》[Priority issue 1] Raise Compliance Awareness and Ensure Risk Management	P. 40-44
		《Promotion policy 3》[Priority issue 3] Enhance Value Chain Management from the Viewpoint of CSR	P. 48-50
		Compliance and Risk Management	P. 60
		Products and Services which Reflect Our Customers’ Views	P. 56-58
		◆Web Site: Approach to Intellectual Property http://www.fujifilmholdings.com/en/rd/property/index.html	—
Consumer Issues	1. Fair marketing, factual and unbiased information and fair contractual practices 2. Protecting consumers’ health and safety 3. Sustainable consumption 4. Consumer service, support, and complaint and dispute resolution 5. Consumer data protection and privacy 6. Access to essential services 7. Education and awareness	《Promotion policy 1》Contribute to Solving Social Issues Concerning the Environment, People’s Health, Daily Life, and Working Style through our Products and Services	P. 16-17
		《Promotion policy 1》[Health]	P. 17-20
		《Promotion policy 1》[Daily Life]	P. 21-23
		《Promotion policy 1》[Environment]	P. 24-25
		《Promotion policy 1》[Working Style]	P. 26-27
		Products and Services which Reflect Our Customers’ Views	P. 56-58
		◆Web Site: Application of Integrated Management System http://www.fujifilmholdings.com/en/sustainability/vision/activity.html	—
		◆Web Site: Quality Policy http://www.fujifilmholdings.com/en/sustainability/vision/quality.html	—
Community Involvement and Development	1. Community involvement 2. Education and culture 3. Employment creation and skills development 4. Technology development and access 5. Wealth and income creation 6. Health 7. Social investment	《Promotion policy 1》[Health]	P. 17-20
		Social Contribution Activities	P. 53-55
		Sustainability Accounting (Labor Environment and Social Benefit Accounting, Environmental Accounting)	P. 68-69

GRI Guideline (G4) Comparison Table (GRI Content Index for "In Accordance")

The Report is in accordance with the CORE of the GRI Sustainability Reporting Guidelines (G4).

GENERAL STANDARD DISCLOSURES	Indicators		Pages in this Report 2015	
Strategy and Analysis	G4-1	Statement from the most senior decision-maker of the organization	Top Commitment	P. 04-05
	G4-2	Description of key impacts, risks, and opportunities	Fujifilm Group's Corporate Social Responsibility (CSR) ◆Web: Medium-term Management Plan http://www.fujifilmholdings.com/en/about/vision/index.html	P. 08-09 —
Organizational Profile	G4-3	Name of the organization	Fujifilm Group Organization and Business Overview	P. 72
	G4-4	Primary brands, products and/or services	The Fujifilm Group's Business Fujifilm Group Organization and Business Overview ◆Web: Business Field http://www.fujifilmholdings.com/en/business/field/index.html	P. 06-07 P. 72 —
	G4-5	Location of the organization's headquarters	Fujifilm Group Organization and Business Overview	P. 72
	G4-6	Number and names of countries where the organization operates	Top Commitment The Fujifilm Group's Business ◆Web: Group Companies http://www.fujifilmholdings.com/en/business/group/index.html	P. 04-05 P. 06-07 —
	G4-7	Nature of ownership and legal form	Fujifilm Group Organization and Business Overview ◆Web: Group Companies http://www.fujifilmholdings.com/en/business/group/index.html	P. 72 —
	G4-8	Markets served	The Fujifilm Group's Business Fujifilm Group Organization and Business Overview	P. 06-07 P. 72
	G4-9	Scale of the reporting organization	Personnel and Labor (FUJIFILM Corporation) Personnel and Labor (Fuji Xerox) Fujifilm Group Organization and Business Overview ◆Web: Business Overview http://www.fujifilmholdings.com/en/about/factsheet/index.html	P. 61 P. 62 P. 72 —
	G4-10	Details of workforce	Personnel and Labor (FUJIFILM Corporation) Personnel and Labor (Fuji Xerox) Fujifilm Group Organization and Business Overview	P. 61 P. 62 P. 72
	G4-11	Percentage of total employees covered by collective bargaining agreements	Personnel and Labor (FUJIFILM Corporation) Personnel and Labor (Fuji Xerox)	P. 61 P. 62
	G4-12	Organization's supply chain	《Promotion policy 2》Solve Environmental Issues within Business Processes Actively 《Promotion policy 3》Enhance the CSR Framework Supporting the Corporate Activities across the Value Chain 《Promotion policy 3》[Priority issue 3] Enhance Value Chain Management from the Viewpoint of CSR	P. 28-29 P. 38-39 P. 48-50
	G4-13	Significant changes during the reporting period	Fujifilm Group Organization and Business Overview	P. 72
	G4-14	Whether and how the precautionary approach or principle is addressed by the organization	CSR Management 《Promotion policy 2》[Priority issue 2] Promote Resource Recycling 《Promotion policy 2》[Priority issue 3] Ensure Product and Chemical Safety 《Promotion policy 3》[Priority issue 1] Raise Compliance Awareness and Ensure Risk Management	P. 11-12 P. 34-35 P. 36 P. 40-44
	G4-15	Externally developed charters, principles, or other initiatives to which the organization subscribes or endorses	《Promotion policy 2》[Priority issue 1] Promote Global Warming Countermeasures (International Council of Chemical Associations (ICCA), Japan Chemical Industry Association) 《Promotion policy 3》[Priority issue 1] Raise Compliance Awareness and Ensure Risk Management (Joint Article Management Promotion-consortium (JAMP)) 《Promotion policy 3》[Priority issue 3] Enhance Value Chain Management from the Viewpoint of CSR (Japan Electronics and Information Technology Industries Association (JEITA))	P. 30-33 P. 40-44 P. 48-50
	G4-16	Memberships of associations and national or international advocacy organizations	《Promotion policy 2》[Priority issue 1] Promote Global Warming Countermeasures 《Promotion policy 2》[Priority issue 3] Ensure Product and Chemical Safety 《Promotion policy 2》Topics	P. 30-33 P. 36 P. 37

Identified Material Aspects and Boundaries	G4-17	All entities included in the organization's financial statements or equivalent documents	Fujifilm Group Organization and Business Overview ◆Web: Business Overview http://www.fujifilmholdings.com/en/about/factsheet/index.html	P. 72 —
	G4-18	Process for defining report content and Boundaries	CSR Management FUJIFILM Sustainable Value Plan 2016 Editorial Policy	P. 11-12 P. 14-15 P. 73
	G4-19	All the material Aspects identified in the process for defining report content	FUJIFILM Sustainable Value Plan 2016	P. 14-15
	G4-20	Report the Aspect Boundary within the organization	The Fujifilm Group's Business Fujifilm Group Organization and Business Overview Editorial Policy	P. 06-07 P. 72 P. 73
	G4-21	Report the Aspect Boundary outside the organization	The Fujifilm Group's Business Fujifilm Group Organization and Business Overview Editorial Policy	P. 06-07 P. 72 P. 73
	G4-22	The effect of any restatements of information provided in previous reports, and the reasons for such restatements	N/A	N/A
	G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries	N/A	N/A
Stakeholder Engagement	G4-24	Stakeholder groups engaged by the organization	CSR Management	P. 11-12
	G4-25	Basis for identification and selection of stakeholders	CSR Management	P. 11-12
	G4-26	Approach to stakeholder engagement	CSR Management Stakeholder Communication	P. 11-12 P. 13
	G4-27	Key topics and concerns raised through stakeholder engagement	CSR Management 《Promotion policy 2》Response to the Third-Party Opinion 《Promotion policy 3》Response to the Third-Party Opinion Third-Party Opinion	P. 11-12 P. 33 P. 47 P. 71
Report Profile	G4-28	Reporting Period for information provided	Editorial Policy	P. 73
	G4-29	Date of most recent report	Editorial Policy	P. 73
	G4-30	Reporting cycle	Editorial Policy	P. 73
	G4-31	Contact point for questions	Address inquiries on this publication to: ◆Web: Contact Sustainability http://www.fujifilmholdings.com/en/sustainability/contact/index.html	Back cover —
	G4-32	Report the 'in accordance' option chosen, content index, and external assurance report	Independent Assurance Report http://www.fujifilmholdings.com/en/sustainability/verification/index.html Editorial Policy GRI Guideline (G4) Comparison Table (GRI Content Index for "In Accordance")	P. 70 — P. 73 —
	G4-33	Organization's policy and current practice with external assurance of the report	Third-Party Opinion Editorial Policy	P. 71 P. 73
Governance	G4-34	Governance structure of the organization	Corporate Governance	P. 10
	G4-35	Process for delegating authority for sustainability topics from the board to senior executives and other employees	Corporate Governance	P. 10
	G4-37	Processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics	Corporate Governance ◆Web: Corporate Governance http://www.fujifilmholdings.com/en/about/governance/index.html	P. 10 —
	G4-38	Composition of the board and its committees	Corporate Governance ◆Web: Corporate Governance http://www.fujifilmholdings.com/en/about/governance/index.html	P. 10 —
	G4-39	Whether the chair of the board is also an executive officer	Corporate Governance ◆Web: Corporate Governance http://www.fujifilmholdings.com/en/about/governance/index.html	P. 10 —

Governance	G4-40	Nomination and selection processes for the board and its committees	CSR Management ◆Annual Report: Corporate Governance http://www.fujifilmholdings.com/en/investors/annual_reports/2015/pack/pdf/Corporate-Governance.pdf	P. 11-12 —
	G4-42	Board's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to sustainability impacts	Corporate Governance CSR Management ◆Web: Corporate Governance http://www.fujifilmholdings.com/en/about/governance/index.html ◆Annual Report: Corporate Governance http://www.fujifilmholdings.com/en/investors/annual_reports/2015/pack/pdf/Corporate-Governance.pdf	P. 10 P. 11-12 — —
	G4-43	Measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics	Corporate Governance	P. 10
	G4-44	Processes for evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics	CSR Management	P. 11-12
	G4-45	Board's role in the identification and management of sustainability impacts, risks, and opportunities, and in the implementation of due diligence processes	CSR Management	P. 11-12
	G4-46	Highest governance body's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental and social topics	CSR Management ◆Annual Report: Corporate Governance http://www.fujifilmholdings.com/en/investors/annual_reports/2015/pack/pdf/Corporate-Governance.pdf	P. 11-12 —
	G4-47	Frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities	Corporate Governance ◆Annual Report: Corporate Governance http://www.fujifilmholdings.com/en/investors/annual_reports/2015/pack/pdf/Corporate-Governance.pdf	P. 10 —
	G4-48	Highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material Aspects are covered	CSR Management FUJIFILM Sustainable Value Plan 2016	P. 11-12 P. 14-15
	G4-49	Process for communicating critical concerns to the highest governance body	Corporate Governance ◆Annual Report: Corporate Governance http://www.fujifilmholdings.com/en/investors/annual_reports/2015/pack/pdf/Corporate-Governance.pdf	P. 10 —
	G4-50	Nature and total number of critical concerns that were communicated to the highest governance body and the mechanism(s) used to address and resolve them	N/A	N/A
	G4-51	The remuneration policies for the board and senior executives, and the linkage between performance criteria and the organization's sustainability objectives	◆Annual Report: Corporate Governance http://www.fujifilmholdings.com/en/investors/annual_reports/2015/pack/pdf/Corporate-Governance.pdf	—
	G4-52	Process for determining remuneration	◆Annual Report: Corporate Governance http://www.fujifilmholdings.com/en/investors/annual_reports/2015/pack/pdf/Corporate-Governance.pdf	—
	G4-53	How stakeholders' views are sought and taken into account regarding remuneration	◆Annual Report: Corporate Governance http://www.fujifilmholdings.com/en/investors/annual_reports/2015/pack/pdf/Corporate-Governance.pdf	—
	G4-54	Ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees in the same country	◆Annual Report: Corporate Governance: Audit & Supervisory Board/ Internal Audit http://www.fujifilmholdings.com/en/investors/annual_reports/2015/pack/pdf/Corporate-Governance.pdf	—
Ethics and Integrity	G4-56	Organization's values, principles, standards and norms of behavior	Top Commitment The Fujifilm Group's Business Fujifilm Group's Corporate Social Responsibility (CSR) CSR Management FUJIFILM Sustainable Value Plan 2016	P. 04-05 P. 06-07 P. 08-09 P. 11-12 P. 14-15
	G4-58	Internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity	《Promotion policy 3》[Priority issue 1] Raise Compliance Awareness and Ensure Risk Management	P. 40-44

SPECIFIC STANDARD DISCLOSURES		Indicators		Pages in this Report 2015	
Economic	DMA			Top Commitment The Fujifilm Group's Business CSR Management FUJIFILM Sustainable Value Plan 2016 《Promotion policy 1》Contribute to Solving Social Issues Concerning the Environment, People's Health, Daily Life, and Working Style through Our Products and Services.	P. 04-05 P. 06-07 P. 11-12 P. 14-15 P. 16
	Economic Performance	G4-EC1	Direct economic value generated and distributed	Sustainability Accounting (Labor Environment and Social Benefit Accounting, Environmental Accounting) Fujifilm Group Organization and Business Overview	P. 68-69 P. 72
		G4-EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	《Promotion policy 1》[Environment] 《Promotion policy 2》[Priority issue 1] Promote Global Warming Countermeasures Sustainability Accounting (Labor Environment and Social Benefit Accounting, Environmental Accounting)	P. 24-25 P. 30-33 P. 68-69
	Indirect Economic Impacts	G4-EC7	Development and impact of infrastructure investments and services supported	The Fujifilm Group's Business Social Contribution Activities	P. 06-07 P. 53-55
Environmental	DMA			Top Commitment The Fujifilm Group's Business CSR Management FUJIFILM Sustainable Value Plan 2016 《Promotion policy 1》Contribute to solving social issues concerning the environment, people's health, daily life, and working style through our products and services 《Promotion policy 1》[Environment] 《Promotion policy 2》Solve Environmental Issues within Business Processes Actively 《Promotion policy 3》Enhance the CSR framework supporting the corporate activities across the value chain	P. 04-05 P. 06-07 P. 11-12 P. 14-15 P. 16 P. 24-25 P. 28-29 P. 38-39
	Materials	G4-EN1	Materials used by weight or volume	《Promotion policy 2》Solve Environmental Issues within Business Processes Actively Environmental Aspects	P. 28-29 P. 63-66
		G4-EN2	Percentage of materials used that are recycled input materials	《Promotion policy 2》[Priority issue 2] Promote Resource Recycling Environmental Aspects	P. 34-35 P. 63-66
	Energy	G4-EN3	Energy consumption within the organization	《Promotion policy 2》Solve Environmental Issues within Business Processes Actively Environmental Aspects	P. 28-29 P. 63-66
		G4-EN5	Energy intensity	《Promotion policy 2》Solve Environmental Issues within Business Processes Actively Environmental Aspects	P. 28-29 P. 63-66
		G4-EN6	Reduction of energy consumption	《Promotion policy 2》[Priority issue 1] Promote Global Warming Countermeasures Environmental Aspects	P. 30-33 P. 63-66
	Water	G4-EN8	Total water withdrawal by source	《Promotion policy 2》Solve Environmental Issues within Business Processes Actively 《Promotion policy 2》[Priority issue 2] Promote Resource Recycling Environmental Aspects	P. 28-29 P. 34-35 P. 63-66
		G4-EN9	Water sources significantly affected by withdrawal of water	《Promotion policy 2》[Priority issue 2] Promote Resource Recycling Environmental Aspects	P. 34-35 P. 63-66
		G4-EN10	Percentage and total volume of water recycled and reused	《Promotion policy 2》Solve Environmental Issues within Business Processes Actively 《Promotion policy 2》[Priority issue 2] Promote Resource Recycling Environmental Aspects	P. 28-29 P. 34-35 P. 63-66
	Emissions	G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	《Promotion policy 2》Solve Environmental Issues within Business Processes Actively 《Promotion policy 2》[Priority issue 1] Promote Global Warming Countermeasures Environmental Aspects	P. 28-29 P. 30-33 P. 63-66
		G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	《Promotion policy 2》Solve Environmental Issues within Business Processes Actively 《Promotion policy 2》[Priority issue 1] Promote Global Warming Countermeasures Environmental Aspects	P. 28-29 P. 30-33 P. 63-66

Environmental	Emissions	G4-EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3)	《Promotion policy 2》Solve Environmental Issues within Business Processes Actively 《Promotion policy 2》[Priority issue 1] Promote Global Warming Countermeasures Environmental Aspects	P. 28-29 P. 30-33 P. 63-66
		G4-EN18	Greenhouse gas (GHG) emissions intensity	《Promotion policy 2》Solve Environmental Issues within Business Processes Actively 《Promotion policy 2》[Priority issue 1] Promote Global Warming Countermeasures Environmental Aspects	P. 28-29 P. 30-33 P. 63-66
		G4-EN19	Reduction of greenhouse gas (GHG) emissions	《Promotion policy 2》Solve Environmental Issues within Business Processes Actively 《Promotion policy 2》[Priority issue 1] Promote Global Warming Countermeasures Environmental Aspects	P. 28-29 P. 30-33 P. 63-66
		G4-EN21	NOx, SOx, and other significant air emissions	《Promotion policy 2》Solve Environmental Issues within Business Processes Actively Environmental Aspects	P. 28-29 P. 63-66
	Effluents and Waste	G4-EN22	Total water discharge by quality and destination	《Promotion policy 2》Solve Environmental Issues within Business Processes Actively 《Promotion policy 2》[Priority issue 2] Promote Resource Recycling Environmental Aspects	P. 28-29 P. 34-35 P. 63-66
		G4-EN23	Total weight of waste by type and disposal method	《Promotion policy 2》Solve Environmental Issues within Business Processes Actively 《Promotion policy 2》[Priority issue 2] Promote Resource Recycling Environmental Aspects	P. 28-29 P. 34-35 P. 63-66
	Products and Services	G4-EN27	Extent of impact mitigation of environmental impacts of products and services	《Promotion policy 1》[Environment] 《Promotion policy 2》[Priority issue 1] Promote Global Warming Countermeasures Sustainability Accounting (Labor Environment and Social Benefit Accounting, Environmental Accounting)	P. 24-25 P. 30-33 P. 68-69
	Compliance	G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	Environmental Aspects	P. 63-66
	Transport	G4-EN30	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce	《Promotion policy 2》Solve Environmental Issues within Business Processes Actively	P. 28-29
	Overall	G4-EN31	Total environmental protection expenditures and investments by type	Sustainability Accounting (Labor Environment and Social Benefit Accounting, Environmental Accounting)	P. 68-69
	Supplier Environmental Assessment	G4-EN33	Significant actual and potential negative environmental impacts in the supply chain and actions taken	N/A	N/A
	Environmental Grievance Mechanisms	G4-EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms	Environmental Aspects	P. 63-66
Labor Practices and Decent Work	DMA			Top Commitment The Fujifilm Group's Business CSR Management FUJIFILM Sustainable Value Plan 2016 《Promotion policy 1》[Working Style] 《Promotion policy 3》Enhance the CSR Framework Supporting the Corporate Activities across the Value Chain	P. 04-05 P. 06-07 P. 11-12 P. 14-15 P. 26-27 P. 38-39
	Employment	G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	Personnel and Labor (FUJIFILM Corporation) Personnel and Labor (Fuji Xerox)	P. 61 P. 62
		G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	Personnel and Labor (FUJIFILM Corporation) Personnel and Labor (Fuji Xerox)	P. 61 P. 62
		G4-LA3	Return to work and retention rates after parental leave, by gender	Personnel and Labor (FUJIFILM Corporation) Personnel and Labor (Fuji Xerox)	P. 61 P. 62

Labor Practices and Decent Work	Occupational Health and Safety	G4-LA6	Type and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work–related fatalities, by region and by gender	Personnel and Labor (FUJIFILM Corporation) Personnel and Labor (Fuji Xerox)	P. 61 P. 62
		G4-LA7	Workers with high incidence or high risk of diseases related to their occupation	N/A	N/A
		G4-LA8	Health and safety topics covered in formal agreements with trade unions	《Promotion policy 3》[Priority issue 1] Raise Compliance Awareness and Ensure Risk Management	P. 40-44
	Training and Education	G4-LA9	Average hours of training per year per employee by gender, and by employee category	《Promotion policy 3》[Priority issue 2] Develop and Utilize Diverse Human Resources Sustainability Accounting (Labor Environment and Social Benefit Accounting, Environmental Accounting)	P. 45-47 P. 68-69
		G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	《Promotion policy 3》[Priority issue 2] Develop and Utilize Diverse Human Resources Sustainability Accounting (Labor Environment and Social Benefit Accounting, Environmental Accounting)	P. 45-47 P. 68-69
	Diversity and Equal Opportunity	G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	Personnel and Labor (FUJIFILM Corporation) Personnel and Labor (Fuji Xerox)	P. 61 P. 62
	Labor Practices Grievance Mechanisms	G4-LA16	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms	N/A	N/A
Human Rights	DMA			Top Commitment The Fujifilm Group's Business CSR Management FUJIFILM Sustainable Value Plan 2016 《Promotion policy 3》Enhance the CSR Framework Supporting the Corporate Activities across the Value Chain.	P. 04-05 P. 06-07 P. 11-12 P. 14-15 P. 38-39
	Investment	G4-HR1	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	N/A	N/A
		G4-HR2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	Sustainability Accounting (Labor Environment and Social Benefit Accounting, Environmental Accounting)	P. 68-69
	Non-discrimination	G4-HR3	Total number of incidents of discrimination and corrective actions taken	N/A	N/A
	Freedom of Association and Collective Bargaining	G4-HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights	《Promotion policy 3》[Priority issue 3] Enhance Value Chain Management from the Viewpoint of CSR	P. 48-49
	Child Labor	G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor	《Promotion policy 3》[Priority issue 3] Enhance Value Chain Management from the Viewpoint of CSR	P. 48-49
	Forced or Compulsory Labor	G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor	《Promotion policy 3》[Priority issue 3] Enhance Value Chain Management from the Viewpoint of CSR	P. 48-49
	Security Practices	G4-HR7	Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations	N/A	N/A
	Indigenous Rights	G4-HR8	Total number of incidents of violations involving rights of Indigenous Peoples and actions taken	N/A	N/A
	Supplier Human Rights Assessment	G4-HR11	Significant actual and potential negative human rights impacts in the supply chain and actions taken	《Promotion policy 3》[Priority issue 3] Enhance Value Chain Management from the Viewpoint of CSR	P. 48-49

Society	DMA			Top Commitment The Fujifilm Group's Business CSR Management FUJIFILM Sustainable Value Plan 2016 《Promotion policy 3》Enhance the CSR Framework Supporting the Corporate Activities across the Value Chain Social Contribution Activities	P. 04-05 P. 06-07 P. 11-12 P. 14-15 P. 38-39 P. 53-55
	Local Communities	G4-SO2	Operations with significant actual and potential negative impacts on local communities	N/A	N/A
	Anti-corruption	G4-SO4	Communication and training on anti–corruption policies and procedures	《Promotion policy 3》[Priority issue 1] Raise Compliance Awareness and Ensure Risk Management	P. 40-44
		G4-SO5	Confirmed incidents of corruption and actions taken	《Promotion policy 3》[Priority issue 1] Raise Compliance Awareness and Ensure Risk Management Compliance and Risk Management	P. 40-44 P. 60
	Anti-competitive Behavior	G4-SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	《Promotion policy 3》[Priority issue 1] Raise Compliance Awareness and Ensure Risk Management	P. 40-44
	Compliance	G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	《Promotion policy 3》[Priority issue 1] Raise Compliance Awareness and Ensure Risk Management Environmental Aspects	P. 40-44 P. 63-64
Product Responsibility	DMA			Top Commitment The Fujifilm Group's Business CSR Management FUJIFILM Sustainable Value Plan 2016 《Promotion policy 1》Contribute to Solving Social Issues Concerning the Environment, People's Health, Daily Life, and Working Style through Our Products and Services Products and Services which Reflect Our Customers' Views	P. 04-05 P. 06-07 P. 11-12 P. 14-15 P. 16 P. 56-58
	Customer Health and Safety	G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	Products and Services which Reflect Our Customers' Views	P. 56-58
	Product and Service Labeling	G4-PR5	Results of surveys measuring customer satisfaction	Products and Services which Reflect Our Customers' Views	P. 56-58

Regarding "Pages in this Report":

N/A: When those indicators have little relation with the Fujifilm Group's business or there is no need of management.