

FUJIFILM Holdings Corporation commissioned SGS Japan Inc. to conduct an independent assurance of the environmental and social data contained in its Sustainability Report 2016. Please refer to our website for further details.

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



ASSURANCE STATEMENT

SGS Japan's Report on Sustainability Activities in the FUJIFILM Holdings Corporation Sustainability Report 2016.

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 2016. 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 1 of Scope 3), amount of water emission and disposal, waste, VOC emissions, personnel and labor (FUJIFILM Corporation and Fuji Xerox Co., Ltd.), and the management systems supporting the reporting process. The data regarding GHG emissions, amount of water emission and disposal 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 2016 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 2016.

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 (Toyama Center of Fuji Xerox Manufacturing Co., Ltd., FUJIFILM Corporation Yoshida-Minami Factory and FUJIFILM Holdings Corporation head office), 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.

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

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

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

CONCLUSIONS, FINDINGS AND RECOMMENDATIONS

he viewpoints of various media such as GRI guidelines, the business segments are also extracted. These stakeholders through external experts dialog, regional others. Additionally, the appropriateness of the issues y with external experts. The identified issues are reflected riance and inevitability. The CSR division consists of staff stantial training and experience.

Activities aimed at achieving social balance and erts are implemented even in this process. Additionally, d with external experts to check whether they are The issues reflected on the medium-term CSR plan are set

Responsiveness
 The organization has disclosed the corresponding status to the identified issues through various media such as sustainability report and website. A system that facilitates discussion of the disclosed information with stakeholders is built and utilized. The disclosed information is not only limited to that which is highly important for the organizations, but also includes a wide range of information that is disclosed by considering the GRI guidelines or corporate surveys. Efforts to use the unified indexes for information disclosure to as great a degree as possible are made. As a result, there is a certain amount of undisclosed information due to the difficulties in unifying the indexes in the global company with various business segments and organizational scale. The relevant divisions monitor progress toward target achievement of the issues reflected on the medium-term CSR plan under their own responsibility.



For and on behalf of SGS Japan Inc.
 Senior Executive & Business Manager
 Certification and Business Enhancement
 22nd June, 2016



AA1000
 Licensed Assurance Provider
 000-8



Masahiko Kawamura

Director of ESG Research & Senior Research Fellow, NLI Research Institute

Profile

Master's degree from the Faculty of Engineering, Kyushu University, 1976. After working in Mitsui Ocean Development & Engineering Co., Ltd. (MODEC), entered NLI Research Institute in 1988. Specialist in environmental management, CSR management, environmental business, and integrated reporting. Vice Chairman of Sustainable Management Forum of Japan, Fellow of BEREC, and Principal of CSR Members School, Alterna Research Institute. Publications include *The Perfect Guide to CSR Management*, *New Trends of Disclosure in Integrated Reporting* (co-author), *Carbon Disclosure* (editor), etc.

This report starts with a clearly defined commitment towards realizing a sustainable society. Next, the Group's Medium-Term CSR Plan, Sustainable Value Plan 2016 (SVP 2016) is presented together with details from the PDCA-cycle viewpoint using a number of diagrams and charts.

The practical application of SVP 2016 is then presented alongside *Social Issues (Risks in international society)* and the Group's *Basic Approach* to such issues. Next, an *Outline of Activities in FY2015 and Future Prospects* are described in a concise manner, before concluding the report with *Data and Information*.

I can see the efforts that have been made to communicate the Group's activities to readers. However, the total volume of information makes it somewhat difficult to grasp the progress and results of all the activities. I think it would be beneficial to insert a table that summarizes the targets, results, and prospects, or utilize a bullet style instead of a purely descriptive format.

Also, in *Main Issues and Areas of Responsibilities in Communications with Stakeholders* (page 58), the overall CSR management could be better understood if some links to the Priority Issues and Targets in SVP 2016 were included.

Top Commitment describes how the Group regards 2015 as a year of historic importance due to the agreements concerning Sustainable Development Goals (SDGs) and the Paris Agreement. The report states that the Group will make an active contribution to the sustainable development of society through its business. Such an advanced recognition of the times and social issues by senior management is still rare in Japanese corporations and this should be noted as a model.

Also, the Fujifilm Group's CSR approach and structure are reasonable and easy to understand. The link between SVP 2016 and the Medium-Term Management Plan is also visible.

SVP 2016 states that "solving social issues through business activities" is an opportunity for growth (opportunities) that is equivalent to the "creation of shared value (CSV)," and "conscious on environmental and social impact within business processes" is equivalent to "social impact from the business (risks) in the CSR approach defined in ISO 26000 (international CSR standards)."

SVP 2016 focuses on social issues and integrates CSR and CSV at the management level. This is a new business model for the 21st century, which creates both economic and social value at the same time, as well as matching the model of "CSR Management 2.0" that I have proposed.

This year's report is remarkable in terms of presenting the background and procedure of creating SVP 2016, and it also revises CSR materiality from the SDGs viewpoint (169 targets) associated with the comparison table. This is a wonderful CSR action plan.

I also note the awareness of human rights in overseas procurement, which has recently been in international focus. In particular, "elimination of product line stops caused by CSR risks at suppliers" in China is a result of efforts seldom made by Japanese companies. In the future, I would like to see reports on the status and issues concerning the primary suppliers in each region. The Group is now considering the establishment of a Human Rights Policy, and I believe that it is necessary for the Group to create its own global rules that can address the "soft laws" across the world as a part of risk management, in addition to being compliant with "hard laws" in each country or region as a prerequisite.

It seems that the next Medium-Term CSR Plan is already being discussed but the target year of the SDGs is 2030 and this cannot be achieved by a conventional three-year plan. As 2015 was the "first year of world sustainability," major trends and social issues across the globe may change significantly. Therefore, the Group should create a long-term strategy and vision that keeps even 2050 in sight.

The Fujifilm Group has achieved the 2016 target, a 10% reduction of CO₂ emissions from the product lifecycle compared to FY2005, as a part of its anti-global warming measures, and continues to make progress in its energy strategy towards the 2020 targets. In this sense, the Group needs to immediately create a super long-term vision in its aims to become a leader of the "non-carbon society" in the 21st century.

One point that concerns me is that there is no independent topics about climate change risks and "adaptation." When the impact from climate change becomes more obvious, the Group's own measures to adapt to this rising situation has the potential to be an "adaptation business." As for global water risks, the Group has made a clear analysis of the current status and established a direction as shown in the CDP water program. I hope that the Group aims to become "water neutral" across the value chain in the medium to long term.

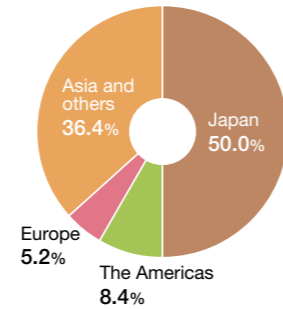
I anticipate that the Fujifilm Group will continue to make concrete actions as one of Japan's representative companies.

Fujifilm Group Organization and Business Overview

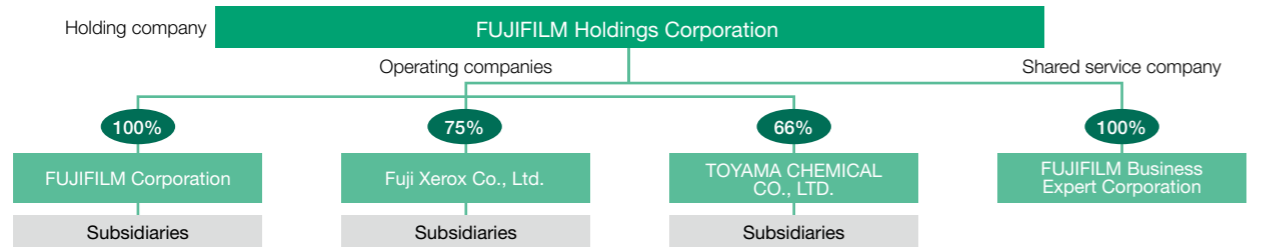
Holding Company: FUJIFILM Holdings Corporation

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, 2016)
 Employees: 112 (as of March 31, 2016)
 Consolidated employees: 78,150 (as of March 31, 2016)
 Consolidated subsidiaries: 271 (as of March 31, 2016)

■ Proportion of consolidated employees by region (FY2015) (as of March 31, 2016)

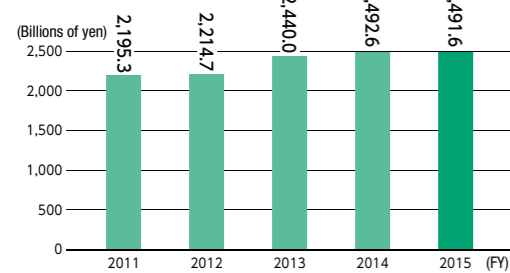


Fujifilm Group Organization Overview (as of March 31, 2016)



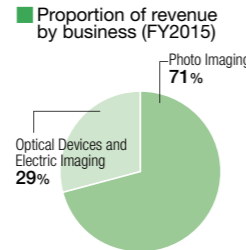
For information about the consolidated subsidiaries of FUJIFILM Holdings Corporation, please visit: <http://www.fujifilmholdings.com/en/business/group/index.html>

Consolidated revenue

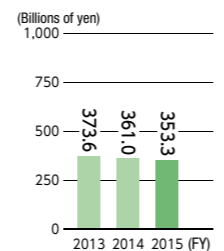


*Following organizational changes carried out in the first quarter of FY2013, the optical device business was moved from Information Solutions to Imaging Solutions.

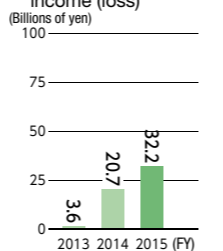
Imaging Solutions



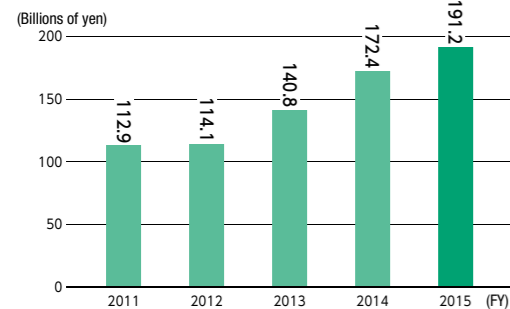
Consolidated revenue*



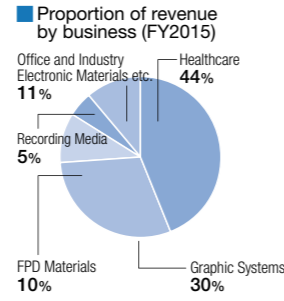
Consolidated operating income (loss)



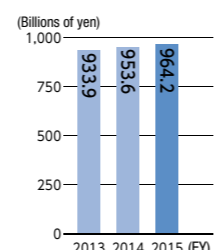
Consolidated operating income



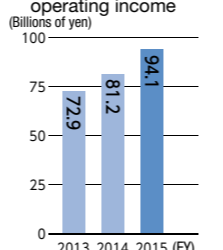
Information Solutions



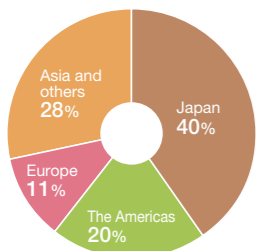
Consolidated revenue*



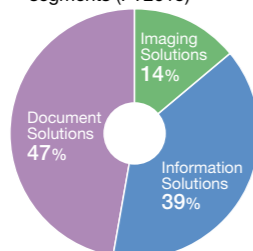
Consolidated operating income



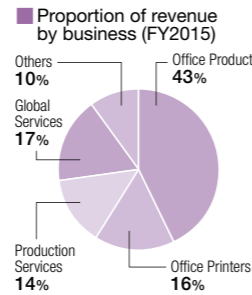
Proportion of consolidated revenue by region (FY2015)



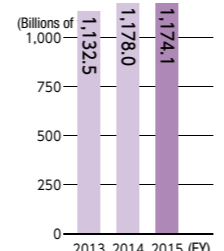
Proportion of consolidated revenue by operating segments (FY2015)



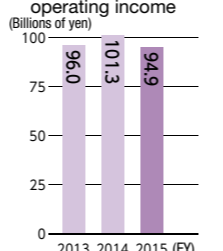
Document Solutions



Consolidated revenue*



Consolidated operating income



Editorial Policy

FUJIFILM Holdings Sustainability Report 2016 was edited with the major emphasis on our CSR activities, which have high relevance to both the Fujifilm Group and its stakeholders. Out of the three aspects generally involved in a corporation's activities, it is the areas of the environment and society that are the focus of our activities. The main article in the Report describes the progress in FY2015 along with Fujifilm Group's Medium-Term CSR Plan, and our Sustainable Value Plan 2016.

FY2015 places us halfway through SVP 2016, and the Report spotlights progress made under the three promotion policies. Additionally, the Group's priority issues were reexamined from the perspective of "Sustainable Development Goals (SDGs)" adopted at the UN General Assembly in September 2015. The review findings are also featured (see page 11). At the same time, we have focused on visual effects and layout to present the contents of and progress with our activities in an easy-to-understand manner, using icons to emphasize important points, and color codes to distinguish articles related to each policy, as we did in the Report 2015.

"Other CSR Activities" and "Data and Information" are also covered for completeness. At the same time, the content has been made accessible from the perspectives of ESG, ISO 26000 and GRI G4 to assist searching by CSR-related issues. We have continued to request independent assurance of our environmental and social activity data, in addition to the conventional third-party opinions on each theme, in order to ensure the accuracy of our reporting.

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

Please note that Fujifilm has obtained independent assurance of the following information.

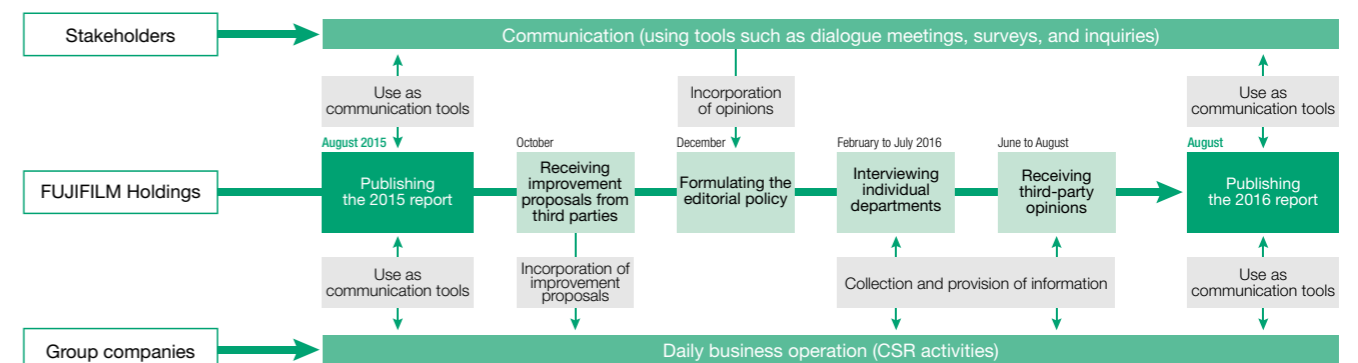
- Greenhouse gases emissions [Scope 1, 2 & 3 (Category 1)]
- Volumes of water input and discharge
- Volume of waste generated
- Volume of VOC emissions
- Data on Personnel and Labor (for Fujifilm and Fuji Xerox)
- Management systems supporting the reporting process

<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:

<http://www.fujifilmholdings.com/en/sustainability/report/questionnaire/index.html>

Process of creating the report



Period covered by the report

FY2015 (April 1, 2015–March 31, 2016) 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 FY2016.

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.

<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 2016 (next report: August 2017, previous report: August 2015)

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)

<http://www.fujifilmholdings.com/en/sustainability/report/guideline/index.html>

[ISO 26000 Comparison Table]

<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.



Jurōjin, Birds and Flowers

Nara National Museum

Individual items:

Left: Flowers and Birds Painting (Part 1)

Right: Flowers and Birds Painting (Part 2)

The word *kacho*, meaning “flowers and birds,” has been used in Japan since ancient times and can be even found in the *Man'yōshū* (Japan's oldest collection of poems). However, it is believed that it was during the Muromachi Period (1336–1573) that the combination of *flowers and birds* became more independently used as a theme in painting.

Later, in the Edo Period (1603–1868), the style became more realistic and it developed into a popular theme for painters. For the front page of this year's report, two *flowers and birds* paintings were selected from Nara National Museum's collection.

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 marked the 120th anniversary of its foundation in 2015.

■ Please address inquiries on this publication to:

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<http://www.fujifilmholdings.com/en/sustainability/contact/index.html>
