

FUJIFILM Holdings Corporation SUSTAINABILITY REPORT 2023



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1.0 About Sustainability Report

FUJIFILM Holdings Sustainability Report 2023 introduces our basic approach, promotion systems and an overview & results for each of the activities that corporations are expected to engage with by society. To make it simple and easy to understand, it mainly shows the basic results from the ESG point of view, including Governance, Environmental Aspects and Social Aspects.

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

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

• Period covered by the report

This report covers the same period as the *Yuka Shoken Hokokusho (Securities Report)*, including the performance data: Fiscal 2022 (April 1, 2022—March 31, 2023). With regards to the contents of activities, wherever possible, we have conveyed the most recent trends, including activities in fiscal 2023.

• Organizations covered by the report

The organizations covered in this report are the same as those covered in the *Yuka Shoken Hokokusho (Securities Report)*: The Fujifilm Group (FUJIFILM Holdings, and 273 consolidated companies).

Major consolidated companies are shown on our website. <https://holdings.fujifilm.com/en/about/group>
127th *Yuka Shoken Hokokusho (Securities Report)* <https://ir.fujifilm.com/ja/investors/ir-materials/securities-reports.html> (in Japanese only)

• Date of publication

October 2023 (once a year)
Next report: October 2024
Previous report: October 2022

• Referenced guidelines

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

• Supplemental information regarding reported matters

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

• Significant changes

Not applicable

• Division responsible for publishing this report:

ESG Division, FUJIFILM Holdings Corporation

1.1 Fujifilm Group Organization Overview

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

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

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

1.1.1 Corporate Overview

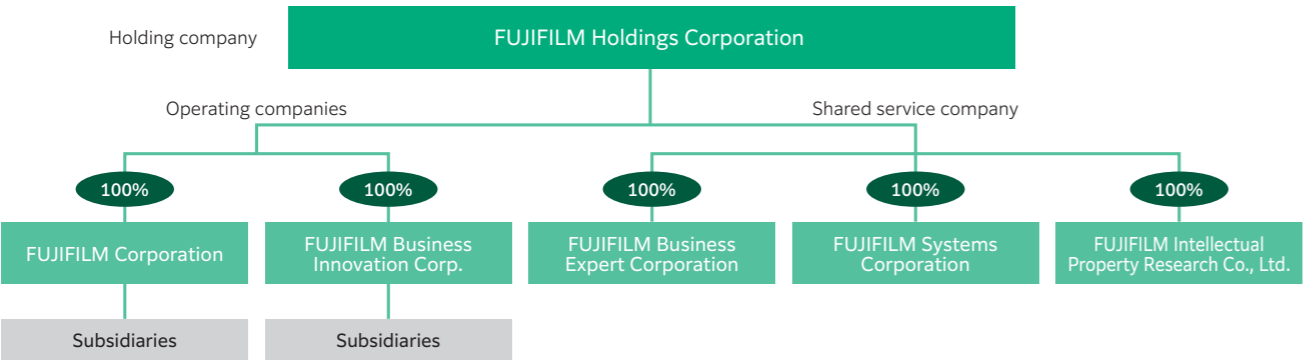
Holding Company: FUJIFILM Holdings Corporation

Company name: FUJIFILM Holdings Corporation
Chairman, Director and Board Chairman: Kenji Sukeno
President, Representative Director and Chief Executive Officer: Teiichi Goto
Head office: Tokyo Midtown, 9-7-3 Akasaka, Minato-ku, Tokyo 107-0052, Japan
Established: January 20, 1934
Capital: ¥40,363 million (as of March 31, 2023)
Consolidated company employees: 83,513 (as of March 31, 2023)
[Breakdown] Regular employees 73,878 (as of March 31, 2023), temporary staff 9,635 (average number in fiscal 2022)
Consolidated companies: 273 (as of March 31, 2023)

Fujifilm Group Regular Employees by Region (Consolidated, FY2021) (as of March 31, 2023)

			Japan	The Americas	Europe	Asia and Others	Worldwide
Breakdown of regular employees by region (Worldwide: 73,878)	Managers (13,818)	Managers	52%	11%	9%	29%	100%
		% of male in total	22%	20%	19%	12%	19%
		% of female in total	93%	69%	68%	69%	84%
	Other (60,060)	Other	7%	31%	32%	31%	16%
		% of male in total	78%	80%	81%	88%	81%
		% of female in total	77%	64%	64%	54%	67%
		23%	36%	36%	46%	33%	

Fujifilm Group Organization Overview



For information about the consolidated subsidiaries of FUJIFILM Holdings Corporation, please visit: <https://holdings.fujifilm.com/en/about/group>

1.1.2 Financial Highlights

Consolidated Revenue/Consolidate Operating Income

Unit: 100 millions of yen

	FY2018	FY2019	FY2020	FY2021	FY2022
Consolidated revenue	24,315	23,151	21,925	25,258	28,590
Consolidate operating income	2,098	1,866	1,655	2,297	2,731

Proportion of Consolidated Revenue by Region (FY2022)

Japan	The Americas	Europe	Asia and Others
36%	23%	15%	26%

Proportion of Consolidated Revenue/Consolidated Operating Income by Operating Segments

Unit: 100 millions of yen

	Consolidated Revenue				Consolidated Operating Income	
	FY2021		FY2022		FY2021	FY2022
	Amount	Proportion	Amount	Proportion		
Healthcare	8,017	32%	9,179	32%	1,005	1,005
Materials	6,308	25%	6,927	24%	684	677
Business Innovation	7,599	30%	8,381	29%	579	695
Imaging	3,334	13%	4,103	15%	370	729
Corporate Expenses & Eliminations	—	—	—	—	-341	-375
Total	25,258	100%	28,590	100%	2,297	2,731

* The figures for total revenue and operating income from the professional multifunction devices targeting printing companies have been moved from the Business Innovation segment to the Materials segment. Information for FY2021 has been restated with this change in classification.

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

Healthcare: Proportion of Revenue by Business

	FY2021	FY2022
Medical systems	66%	67%
BIO CDMO	19%	21%
LS solutions	15%	12%

Materials: Proportion of Revenue by Business

	FY2021	FY2022
Graphic communication	47%	49%
Electronic materials	23%	26%
Display materials	15%	10%
Other advanced materials	15%	15%

* The figures for total revenue and operating income from the professional multifunction devices targeting printing companies have been moved from the Business Innovation segment to the Materials segment. Information for FY2021 has been restated with this change in classification.

Business Innovation: Proportion of Revenue by Business

	FY2021	FY2022
Office solutions	66%	66%
Business solutions	34%	34%

* The figures for total revenue and operating income from the professional multifunction devices targeting printing companies have been moved from the Business Innovation segment to the Materials segment. However, there is no change in the operating segment-based revenue structure within the Business Innovation segment after this change in classification.

Imaging: Proportion of Revenue by Business

	FY2021	FY2022
Consumer imaging	66%	65%
Professional imaging	34%	35%

1.2 CSR Management

1.2.1 Basic Approach

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

1.2.2 Philosophical Concepts and Related Policies of the Fujifilm Group

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

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

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



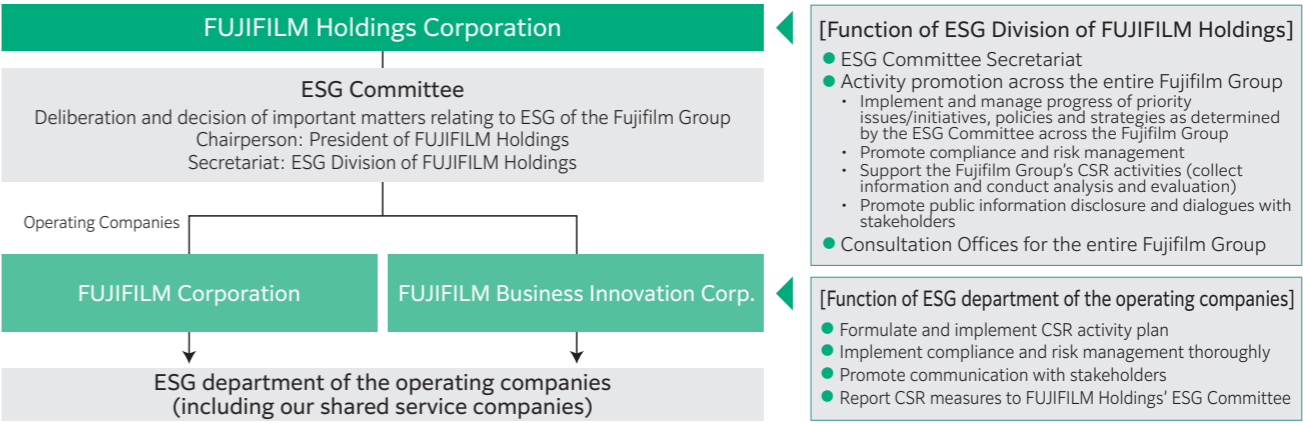
Names of Regulations and Policies	Time of Adoption/ Revision	
Green Policy (Environmental Policy)	Revised April 2019	https://holdings.fujifilm.com/en/sustainability/vision/policy/green
Social Contribution Policy	Revised April 2019	https://holdings.fujifilm.com/en/sustainability/vision/policy/society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

1.2.3 CSR Management System

1. The Fujifilm Group's CSR promotion system

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

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



The Fujifilm Group's Approach to CSR

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

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

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

- Fujifilm Group Corporate Philosophy/Vision (full text) <https://www.fujifilmholdings.com/en/about/philosophy/index.html>
- Fujifilm Group Charter for Corporate Behavior (full text) <https://www.fujifilmholdings.com/en/about/philosophy/conduct/index.html>
- Fujifilm Group Code of Conduct (full text) <https://www.fujifilmholdings.com/en/about/philosophy/law/index.html>
- Fujifilm Group Global Healthcare Code of Conduct <https://holdings.fujifilm.com/en/about/philosophy/global-healthcare>
- Fujifilm Group Human Rights Statement <https://holdings.fujifilm.com/en/sustainability/vision/policy/statement>

2. Effective management system

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

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

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

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

1. Social background and basic approach

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

The long-term targets for fiscal 2030 set out in SVP 2030 were set as part of the drive from two perspectives; an "inside-out" perspective, starting from existing business activities and an "outside-in" perspective, originating from social issues and examining what our products and services should be. SVP 2030 reaches beyond the Fujifilm Group's products and services (i.e., output*1), exploring what products and services are necessary and what technologies are needed for our contribution to the sustainable society (i.e., outcome*2). It lays down as our final goals both the growth of the Group and solutions to social issues.

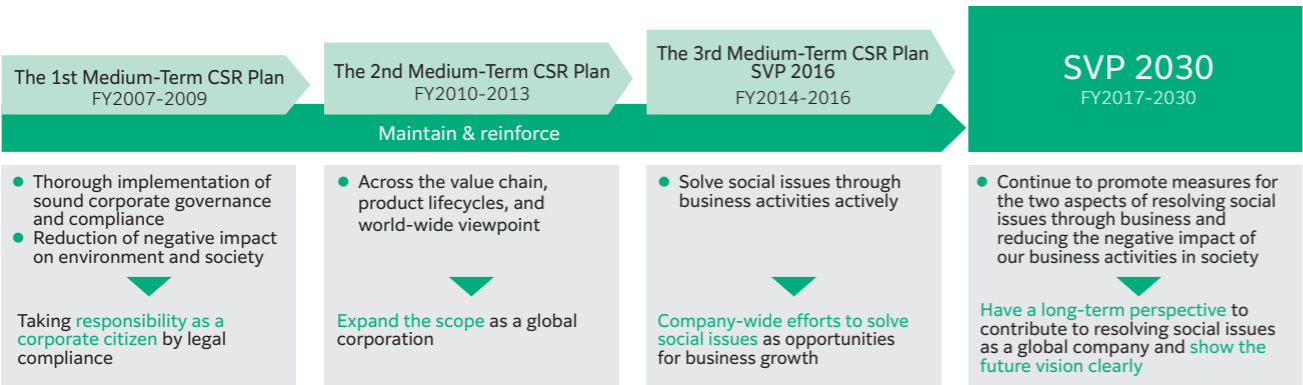
In the years ahead, we will continue working to achieve the targets of SVP 2030 by creating new value through the development of cutting-edge products, services and technological innovations that benefit society and that make a bigger contribution to resolving social issues and upgrading our Group's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

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

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

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

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



3. Process for identifying priority issues (materiality)

[STEP 1] Deciding the Basic Policies

The first process in identifying materiality is to determine the basic policy on future CSR activities, focusing on CSR-related developments in society, the state of activities as it relates to the philosophy and the basic policies of the Fujifilm Group and business developments.

Under SVP 2030, our current CSR plan, the objective was to identify our vision as a global corporation by capturing what contribution we can make to resolving social issues from a long-term perspective. SVP 2016, our previous CSR plan, identified the relationship between business development and company-wide action to resolve issues in society as opportunities for business growth. The difference in SVP2030 from the previous CSR plan is that it identifies a clear vision for the entire Group, positions the medium-term management policy as its action plan and defines the direction of evolution as a global company with the focus on social issues. Although this basic policy is expected to remain fundamentally unchanged until the target year of 2030, we intend to conduct periodic reviews to examine the need for revisions.

[STEP 2] Extracting Social Issues Based on Business Strategy

Under basic policies, we have extracted social issues related to the current and future business activities of the Fujifilm Group from a wide variety of identified global social issues.

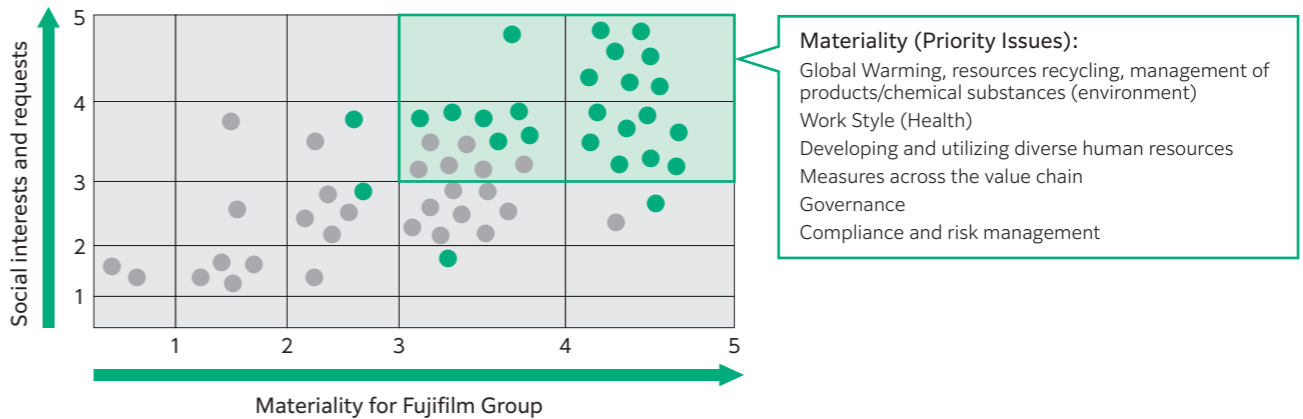
We have listed social issues shared by the entire world, including global standards represented by ISO 26000, guidelines such as the GRI Standards, the targets of the Paris Agreement and SDGs and social issues unique to the industry. Information was gathered from shareholder meetings, interviews with investors and dialogues on environmental issues, as well as social issues that we may be able to address through the products, technologies and services all our divisions have developed. These issues are listed up as relevant social issues. In addition, we will examine these social issues as they relate to our businesses, focusing on social and environmental changes, regulatory and policy directions, the demands of stakeholders in the business areas that are linked or likely to be linked in the future. When SVP 2030 was established, the number of issues totaled roughly 300 items.

[STEP 3] Evaluation of Materiality

The social issues that have been extracted are prioritized to determine which will have a significant impact on our business activities by studying the social demands for our Group and the degree that an issue affects our business operations. In evaluating materiality, we have adopted a two-sided approach: reducing and considering the negative impact generated from our business activities on society and the environment (emphasizing risk response) and resolving social issues through our business activities (emphasizing creation of opportunities).

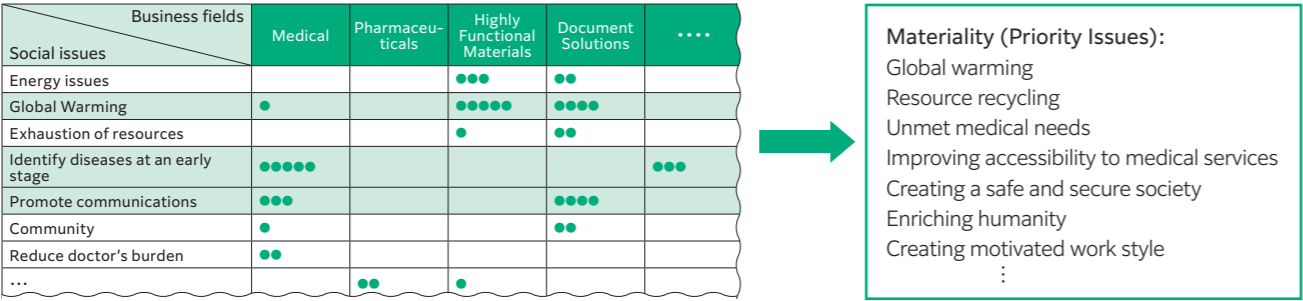
(1) Reducing and considering the negative impact from our business activities has on society and the environment (responding to risks)

As for the social issues extracted in Step 2, we evaluate the materiality for the Group by ourselves and employ the CSR consulting specialist E Square, which has a lot of experience in addressing social issues, to evaluate which social interests and requests for the Group are representatives of society. Materiality is reviewed from both perspectives with the focus on important social issues (shown at top right of the matrix chart below).



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

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



[STEP 4] Planning and Review

Using the results of our identification and assessment of medium- to long-term risk and opportunities (please refer to *Medium- to Long-Term Risks/Opportunities and Materiality* in our Integrated Report), we define plans and targets for the priority issues extracted in Step 3 in cooperation with the relevant business divisions of the operating companies working on these issues. The plans and targets are examined and approved by the ESG Committee. Progress in these activities is reviewed annually and described in the Sustainability Report.

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

Priority issues under SVP 2030 are deliberated on and approved by the ESG Committee (Please refer to 1.2.3 *CSR Management System*) headed by the president of Fujifilm Holdings and reported to the Board of Directors. These issues are then reflected in the group-wide policy and acted on throughout the Group.

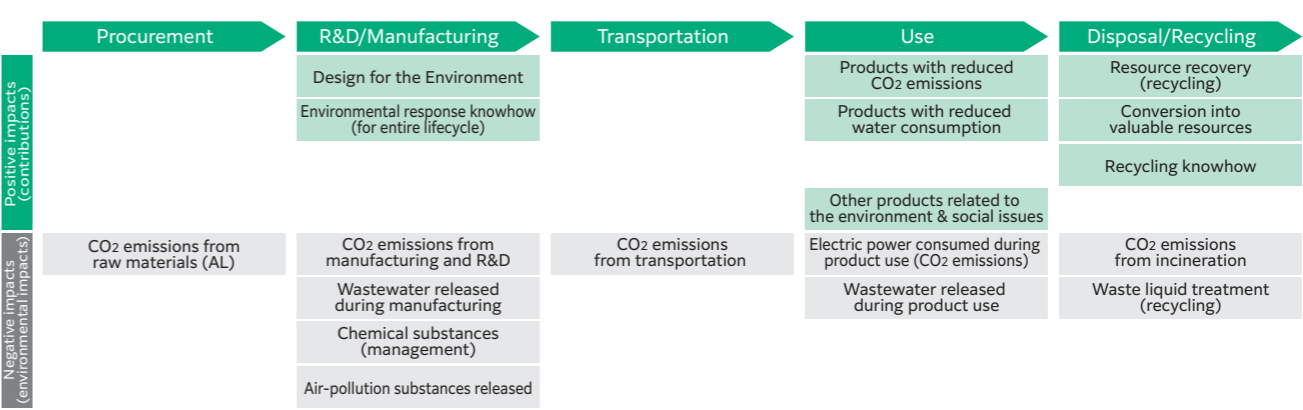
4. Reviewing Priority Issues (Materiality)

Coordinated with the development of each medium-term management plan, priority issues are reviewed at regular intervals, at least once every three years, implementing changes as needed.

When establishing VISION 2023, our medium-term management plan that sets fiscal 2023 as the goal, CSR Plan SVP 2030 was also reviewed from fiscal 2019 to fiscal 2020. As a result of the review, we have updated some of our targets under “Environment” to make it more challenging and defined some new targets. Under “Health” and “Work Style,” new KPIs were established for priority issues designed to contribute to resolving social issues through our business activities. Additionally, through reviewing our targets, the environmental target for reducing our CO₂ emissions was raised to achieve the so-called 1.5°C target in December 2021.

Furthermore, we have used the SDG Compass has been used as a reference under “Environment,” where there are many issues requiring urgent global action, to organize and map the risks and opportunities in the environment and society on our value chain.

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



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

Outline of recent developments in reviewing priority issues when developing the medium-term management plan
Period: Fiscal 2019 to 2020 (some activities in the Environment were implemented also in fiscal 2021)

[Environment]

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

Some of added/revised targets are as follows:

By FY2030:

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

[Health]

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

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

[Work style]

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

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

[Daily Life] [Supply Chain] [Governance]

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

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

1.2.5 SVP 2030 Major Results and Activities in FY2022

Priority Area	Priority Issues	Major Targets for FY2022 *The following targets are all for FY2030.	Major Results and Activities in FY2022
Environment	1. Address climate change. 2. Promote recycling of resources. 3. Address energy issues toward a decarbonized society. 4. Ensure product and chemical safety.	<ul style="list-style-type: none">Reduce the Fujifilm Group's CO₂ emissions by 50% (compared to the FY2019 level). (achieve net zero CO₂ emissions by FY2040)Reduce CO₂ emissions across the entire product lifecycle by 50% (compared to the FY2019 levels)Sales percentage of Green Value Products: 60%Contribute to a reduction in the CO₂ emissions generated in society by 90 million tons by FY2030 (accumulated value). Contribute to 90 million tons CO ₂ emissions reduction through products and services by FY2030.	<ul style="list-style-type: none">Started partnership agreement with Tokyo Gas and Minamiashigara City to develop a net zero CO₂ emissions model in manufacturing.Achieved carbon neutrality at a multifunction devices recycling center in China.Introduced the internal carbon pricing system.Certified 22 new products under the Green Value Products Certification Program, our environmentally conscious design standards (total 226 products, 30% of total sales for the Group).Registered in the A List for the two areas of climate change and water security by CDP.
Health	1. Fulfill unmet medical needs. 2. Improve accessibilities to medical services. 3. Contribute to identifying diseases at an early stage. 4. Contribute to health promotion and beauty. 5. Promote Kenkokeiei® <small>* Kenkokeiei is a registered trademark of Kenkokeiei Nonprofit Organization.</small>	<ul style="list-style-type: none">Develop new treatment solutions/Improve accessibility to new treatment solutions.Expand and scale up AI & IoT technology to reduce burdens on medical professionals.Promote management of health and productivity to maintain employees' vitality.Develop broader deployment of products and services utilizing medical AI technology. FY2023: 100 countries and regions FY2030: 196 countries and regions	<ul style="list-style-type: none">Set up our first BIO CDMO site in Toyama to expand business in the Asian markets and strengthen the vaccine production system in Japan (Plan to start its operation in 2027).Created new NURA centers, health checkup centers focused chiefly on cancer, in India (Gurugram and Mumbai).Promoted to tackle with tuberculosis control initiatives in developing countries.Opened FUJIFILM Mediterace Yokohama as a health checkup facility for employees, as part of our health and productivity management.Selected for the Health and Productivity Stock Selection Program for third consecutive year.Deployed products and services utilizing medical AI technology (93 countries and regions).
Daily Life	1. Contribute to creating a safe and secure society. 2. Contribute to enriching humanity and relationships between people.	<ul style="list-style-type: none">Develop and disseminate technology for products and services contributing to development of an ICT society.Offering opportunities to enjoy photos that give forms to memories.	<ul style="list-style-type: none">Introduced CMP slurry production facilities and quality assessment equipment in the Kyushu plant of FUJIFILM MATERIAL MANUFACTURING Co., Ltd. for startup in January 2024, as a step to reinforcing the supply chain in semiconductor industry from the standpoint of economic security assurance, in addition to responding to the growing demand for new semiconductors as a result of advances in AI, IoT and 5G technologies.Launched the flagship mirrorless digital camera with its high-speed continuous-shooting, high-quality auto focus, video shooting and other features.Held online exhibition of the entire collection of works in The Heart to Heart Communication—"PHOTO IS" Photo Exhibition.
Work Style	1. Create environments that lead to motivated workplace (provision of solution services). 2. Develop and utilize diverse human resources.	<ul style="list-style-type: none">Create environments that lead to motivated workplace (provision of solution services).Develop and utilize diverse human resources.	<ul style="list-style-type: none">Acquired Smart Messaging Services Pty. Ltd., the digital messaging service company.Acquired the IT service company, MicroChannel Services Pty. Limited for full-scale global expansion of the business launched in January 2022, namely, sales and implementation support for core systems focused on Microsoft Dynamics 365.Increased ratio of female managers (from16.1% in FY2021 to 16.5% in FY2022).

Supply Chain	Strengthen CSR foundations across the entire supply chain including factors of the environment, ethics, and human rights.	<ul style="list-style-type: none">Promote sustainable procurement.	<ul style="list-style-type: none">CSR self-check Requesting companies and sites/Response rate: 774 companies and 1,236 sites (92%); Percentage of companies that reached 90% compliance: 70%Response rate in conflict minerals to the survey / percentage of RMAP-conformant smelters: 99% / 50%Percentage of suppliers who satisfy all of our paper procurement regulation standards: 100%
Governance	Improve and maintain governance structures by further disseminating an open, fair and clear corporate culture.	<ul style="list-style-type: none">Improve compliance awareness across the entire global Group and reinforce risk management.	<ul style="list-style-type: none">Implemented training programs organized globally, including anti-corruption training for compliance with laws and regulations of various countries, as well as for the Fujifilm Group Charter for Corporate Behavior and Code of Conduct.Organized drills on first response at a cyber-incident with participation of executive officers and managers of business divisions who are responsible for information security.Implemented globally the Fujifilm Group Employee Engagement Survey that consolidated the past compliance awareness surveys to cover all executive officers and employees.

SVP 2030 Priority Issues and Relevant Parties

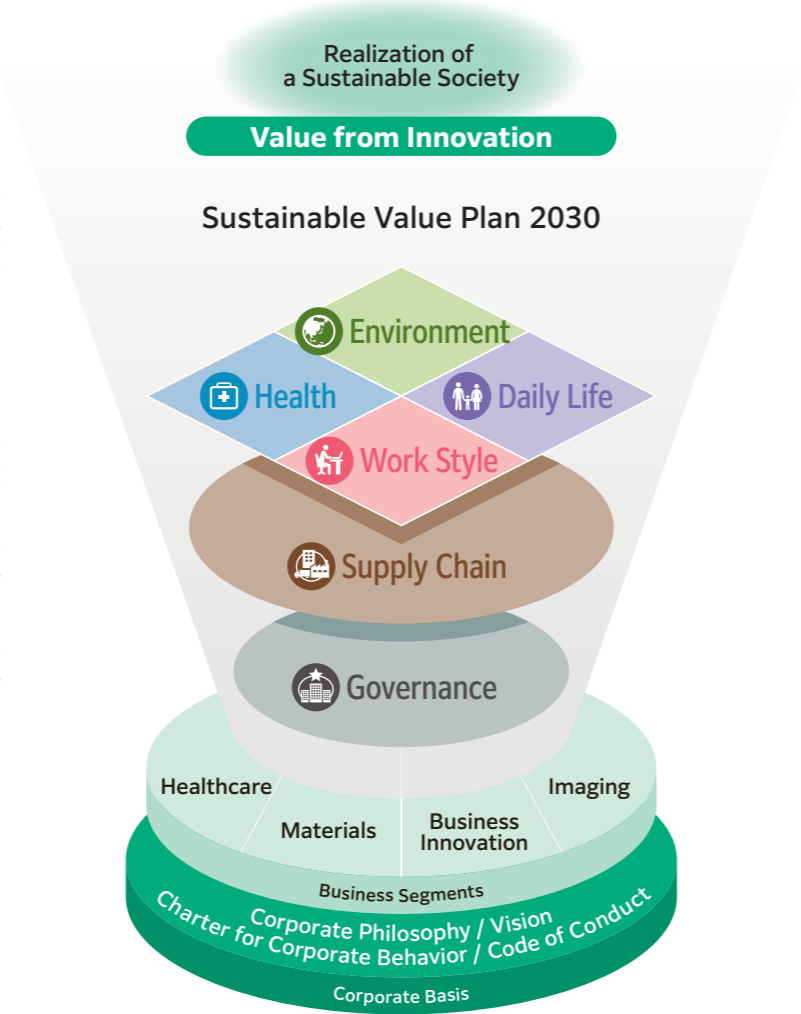
Priority Area	Priority Issues	Solving Social Issues through Business Activities	Considering Society and the Environment in Our Business Processes	Relevant Segments/Parties
Environment	1. Address climate change. 2. Promote recycling of resources. 3. Address energy issues toward a decarbonized society. 4. Ensure product and chemical safety.	<div>●</div> <div>●</div> <div>●</div> <div>●</div>	<div>●</div> <div>●</div> <div>●</div>	Healthcare Materials Business Innovation Imaging
Health	1. Fulfill unmet medical needs. 2. Improve accessibilities to medical services. 3. Contribute to identifying diseases at an early stage. 4. Contribute to health promotion and beauty. 5. Promote management of a healthy workplace.	<div>●</div> <div>●</div> <div>●</div> <div>●</div> <div>●</div>	<div>●</div>	Healthcare Healthcare Healthcare Healthcare Healthcare (Internal)
Daily Life	1. Contribute to creating a safe and secure society. 2. Contribute to enriching humanity and relationships between people.	<div>●</div> <div>●</div>		Materials Imaging
Work Style	1. Create environments that lead to motivated workplace (provision of solution services). 2. Develop and utilize diverse human resources.	<div>●</div>	<div>●</div> <div>●</div>	Business Innovation Business Innovation (Internal)
Supply Chain	Strengthen CSR foundations across the entire supply chain including factors of the environment, ethics, and human rights.			Supplies (+ Entire Group)
Governance	Improve and maintain governance structures by further disseminating an open, fair and clear corporate culture.			Entire Group (+ Supplies)

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

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

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

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



1. SVP2030 Priority Areas and Priority Issues (Materiality)

	Resolving social issues through business activities	Considering society and the environment in our business processes	Goals in the SDGs
	Contribution (Opportunities)	Impact (Risks)	
Environment 1. Address climate change 2. Promote recycling of resources 3. Address energy issues toward a decarbonized society 4. Ensure product and chemical safety	● ● ● ●	● ● ●	
Health 1. Fullfill unmet medical needs 2. Improve accessibility to medical services 3. Contribute to early disease detection 4. Contribute to health promotion and beauty 5. Promote management of a healthy workplace	● ● ● ● ●	● (Employees)	
Daily Life 1. Contribute to creating a safe and secure society 2. Contribute to enriching humanity and relationships between people	● ●		
Work Style 1. Create environments that lead to a motivated workplace (provision of solution services) 2. Develop and utilize diverse human resources	●	● (Employees) ● (Employees)	
Basis of Business Activities			
Supply Chain	Strengthen CSR foundations across the entire supply chain including factors of the environment, ethics, and human rights		
Governance	Improve and maintain governance structures by further disseminating an open, fair and clear corporate culture		

2. Relationship between CSR plan and management plan

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

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

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

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

1.2.7 Communication with Stakeholders

Companies conduct their activities while interacting and maintaining relations with a wide variety of stakeholders, and it is important to listen carefully to their various views and expectations.

At the Fujifilm Group, we ensure that we make appropriate information disclosures as well as verifying, at various opportunities, whether or not our business activities are responding to the demands and expectations of all our stakeholders, and reflecting our findings in our business activities. To ensure that our stakeholders’ views are reflected in our CSR activities, we also review them in our Sustainability Report.

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



The Fujifilm Group’s Communications with Stakeholders

Main Stakeholders		Main Issues and Areas of Responsibility	Methods of Communication	Frequency
Customers	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.	<ul style="list-style-type: none">Securing the safety and quality of productsDesign for EnvironmentProvision of appropriate information on services & productsImprovement of customer satisfaction levelsCustomer response & support	• Customer Center (contact point for responding to inquiries)	• Day-to-day
			• Usability evaluation meetings and monitor surveys	• As needed
			• Customer satisfaction surveys	• As needed
			• Questionnaires at product purchase	• Day-to-day
			• Showrooms, exhibitions	• As needed
			• Holding seminars	• As needed
			• Websites and social media	• As needed

Main Stakeholders		Main Issues and Areas of Responsibility	Methods of Communication	Frequency
Employees	Employees working for the Fujifilm Group total approx. 83,000 people in 273 companies. Regular employees are active all over the world and their composition by country/region is Japan 52% the U.S. 11%, Europe 9% and Asia 29% (as of end-March 2023).	<ul style="list-style-type: none">Ensuring occupational health and safetyRespect for human rightsUtilization and training of human resourcesRespect for diversity	• Providing opportunities for dialogue with top management	• As needed
			• Personnel management division contact point & interviews	• Day-to-day/As needed
			• Compliance & Sexual Harassment Helpline	• Day-to-day
			• Regular meetings between the company and labor unions/Health & Safety Committee	• As needed
			• Intranet; in-house magazines	• Day-to-day
Shareholders & investors	FUJIFILM Holdings has approx. 147,000 shareholders, characterized by a high proportion of institutional investors. Financial institutions account for 38.8% of our shareholders, while foreign companies constitute 35.7% (as of end-March 2023).	<ul style="list-style-type: none">Maintenance and expansion of corporate valueAppropriate redistribution of profitsTimely & appropriate information disclosureMeasures for Socially Responsible Investment (SRI)	• General shareholders meetings/Business report briefings/Briefings for investors	• Once a year/4 times a year/As needed
			• IR conferences/Individual meetings	• As needed
			• Integrated reports/Shareholder communications	• As needed
			• IR information website	• Day-to-day
			• Contact point (for stakeholders) for responding to inquiries	• Day-to-day
Transaction partners	The Fujifilm Group conducts transactions worldwide with suppliers of raw materials and components and retailers of our products, etc.	<ul style="list-style-type: none">Thorough implementation of fairness & transparency in transactionsPromotion of CSR issues in the supply chain, such as human rights and the environment	• Briefings to suppliers (on CSR procurement including green supply, management of chemical substances contained, etc.)	• As needed
			• CSR Self-Check (self-audited) and Onsite “Visit and Check” by expert team	• As needed
			• Website for exclusive use of transaction partners	• Day-to-day
			• Regular discussions with partners	• As needed
			• Contact point for responding to inquiries (in each procurement and sales division)	• Day-to-day
Future generations & local societies	The Fujifilm Group has bases in approx. 40 countries across the world and conducts its activities by treating the local culture and customs with respect, as well as putting efforts into educational support for future generations.	<ul style="list-style-type: none">Contribution activities which make use of our main business strengthsRespecting local culture & customs and environmental conservationPrevention of disasters and accidents in the workplaceEducational support for future generations	• Environmental communication meetings/Factory tours	• As needed
			• Community volunteer activities	• As needed
			• Regular discussions with local governments (city hall, mayor, community association presidents, etc.)	• As needed
			• Contact point (at each factory & office)	• Day-to-day
			• Dispatch of lecturers to the academic organization & endowed chairs	• As needed
			• Environmental education activities in cooperation with NGOs & NPOs	• As needed

Main Stakeholders		Main Issues and Areas of Responsibility	Methods of Communication	Frequency
Government organizations & industrial associations	The Fujifilm Group has businesses in countries all over the world. Each of these businesses belongs to several industrial associations and has active relations with the respective government organizations, including participating in collaborations and information exchanges, etc.	<ul style="list-style-type: none">• Legal compliance• Joint research & development and cooperation in public policy aimed at the resolution of social issues	• Participation in various industrial committees	• As needed
			• Participation in the development of industry guidelines	• As needed
			• Announcement of public comments through industry associations	• As needed
			• Joint research & development of government or industry association	• As needed
			• Proposals aimed at the resolution of social issues	• As needed
NGOs & NPOs	We are conducting dialogues with NGOs & NPOs who are actively aiming for a sustainable society, for the resolution of social issues and environmental conservation.	<ul style="list-style-type: none">• Dialogue, collaboration and support aimed at the resolution of social and environmental issues	• Obtain views on the Sustainability Report	• As needed
			• Participate in stakeholder dialogue	• As needed
			• Administration committee of Public Trust Fujifilm Green Fund	• As needed
			• Review meetings on various CSR issues	• As needed
			• Support for disaster area with NPO	• As needed

1.2.8 Member Organizations/Third-Party Initiatives

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

[Industry Organization]

- Japan Business Federation (Keidanren)
- Japan Association of Corporate Executives (DOYUKAI)
- Japan Chemical Industry Association
- Japan Electronics and Information Technology Industries Association (JEITA)
- Joint Article Management Promotion Consortium (JAMP) —chemSHERPA by JAMP

[Environment]

- SBT Initiative (Science Based Targets Initiative)
- RE100
- TCFD Consortium (Task Force On Climate-Related Financial Disclosures Consortium)
- Japan Climate Leaders' Partnership (Japan-CLP)
- Japan Climate Initiative (JCI)
- Japan Clean Ocean Material Alliance (CLOMA)
- Japan Business Initiative for Biodiversity (JBIB)
- Japan Hydrogen Association (JH2A)
- Green Transformation League

[ESG]

- UN Global Compact (UNGC)
- Global Compact Network Japan (GCNJ)

2.1 Corporate Governance

2.1.1 Basic Approach

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

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

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

Corporate Governance Guidelines

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

Report on Corporate Governance (Tokyo Stock Exchange)

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

Our Basic Policy on Internal Control Systems

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

Articles of Incorporation

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

127th Yuka Shoken Hokokusho (Securities Report)

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

Integrated Report

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

Fujifilm Group Tax Policy

<https://holdings.fujifilm.com/en/about/governance/tax-policy>

2.1.2 Corporate Governance Structure and Features

1. Corporate governance structure overview

The key points of Fujifilm's corporate governance structure are as follows.

Institutional design

- Adopted a system with an Audit & Supervisory Board.
- Established the Nomination and Remuneration Advisory Committee as an arbitrary advisory body to the Board of Director.

Board of Directors

- Set the number of directors at 12 or less, of which at least one-third shall be independent outside directors.
- Separated the role of the chairman of the Board of Directors and the Chief Executive Officer (CEO) and strengthened the supervision function.
- Set the term of office of directors at one year to further clarify the mission and responsibilities of the directors.

Audit & Supervisory Board

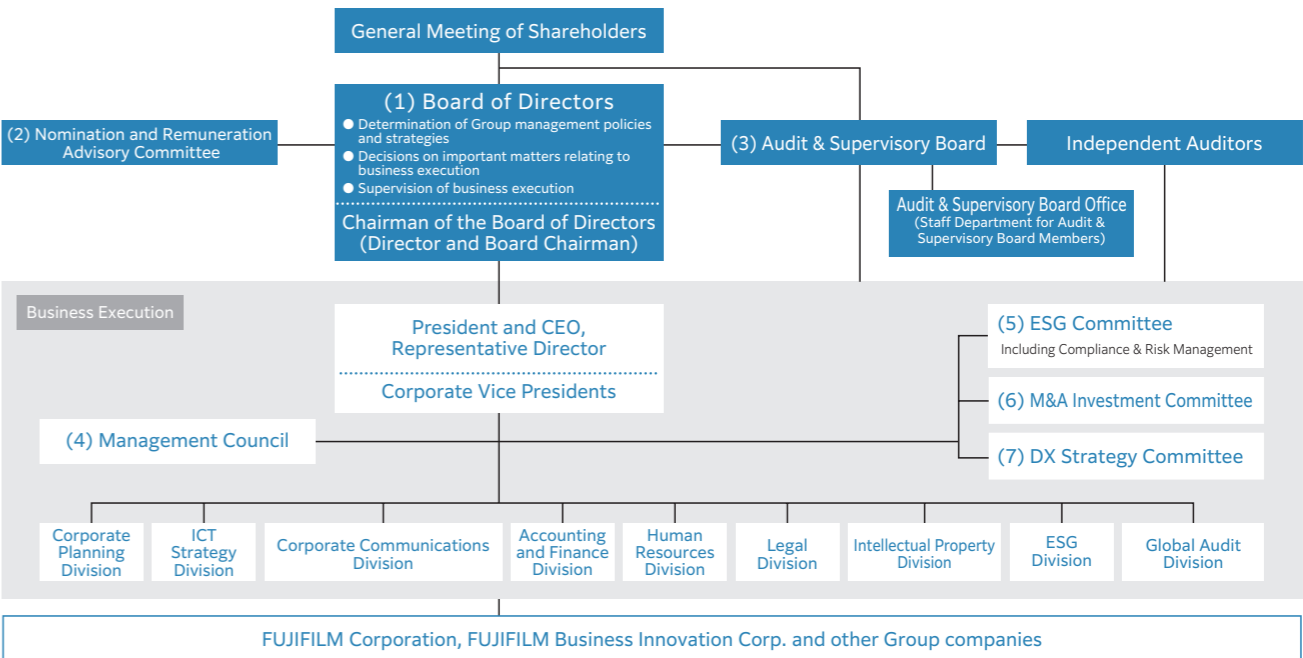
- Set the number of Audit & Supervisory Board members at five or less, of which at least half shall be independent outside Audit & Supervisory Board Members.
- Established an Audit & Supervisory Board Office (a staff department for Audit & Supervisory Board Members) to enhance the audit functions of Audit & Supervisory Board members.

Nomination and Remuneration Advisory Committee

- Set the composition of the committee to be three or more members appointed by resolution of the Board of Directors, with at least half being independent outside directors.
- The chairman shall be an independent outside director.

2. Corporate Governance and Governing Structure

Corporate Governance Structure



(As of the end of June 2023)

Structure of the Board of Directors: 4 independent outside directors, 6 inside directors

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

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

3. The roles and activities of the committees

* For the roles of the Board of Directors, please refer to 2.1.6 Evaluation of the Effectiveness of the Board of Directors.

* For the roles of the Audit & Supervisory Board, please refer to Chapter 4. Auditing structure.

Nomination and Remuneration Advisory Committee

As an advisory body to the Board of Directors, the Nomination and Remuneration Advisory Committee was voluntarily established for the purpose of ensuring objectivity and transparency regarding the CEO succession plan and the procedures for director remuneration plans and related matters. Directors. For the status of activities, please refer also to 2.1.7-3 Nomination and Remuneration Advisory Committee.

Management Council

The Management Council deliberates on important matters and Group-wide topics based on the basic policies, plans and strategies decided by the Board of Directors. In addition, the Company has adopted the corporate vice president system to facilitate speedy business execution. Corporate Vice Presidents are responsible for business execution in accordance with the basic policy determined by the Board of Directors. The Company currently has 10 Corporate Vice Presidents, three of whom are concurrently serving as Board members. The Corporate Vice Presidents have a one-year term of office, the same as the Company's directors.

ESG Committee

The ESG Committee deliberates and decides on important ESG-related matters for the Fujifilm Group. The committee also conducts reviews and promotes basic policy development and appropriate measures from a Group-wide perspective with regard to important risks facing each Group company. The committee is chaired by the President and vice-chaired by the director responsible for ESG Division.

M&A Investment Committee

The M&A Investment Committee selects M&A projects that align with Group-wide management strategy and business strategy, and holds discussions to ensure M&As are conducted through the proper processes with appropriate schemes and at an appropriate price. The committee also checks on the progress of post-merger integration (PMI) after the M&A. The committee is chaired by the President and vice-chaired by the director responsible for the Corporate Planning Division.

DX Strategy Committee

The Company established the DX Strategy Committee as the highest decision-making body involved in promoting DX throughout the Fujifilm Group. The CEO serves as chairman and the CDO as vice-chairman.

4. Auditing structure

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

As of the end of June 2023, the Audit & Supervisory Board consists of 4 members, of which 2 (50%) are outside auditors. One of the 2 current outside auditors is a certified public accountant with extensive experience and knowledge of global business management and specialized knowledge of accounting and financial affairs. The other outside auditor is a qualified lawyer with a career as a public prosecutor and extensive experience in law, as well as knowledge of and experience in the field of compliance.

Each auditor attends the Board of Directors meetings and the full-time auditors always attend the management meetings and engage in regular exchanges of views with the representative director. The full-time auditors also receive regular audit reports from the internal audit division and independent audit corporation. They submit reports also to external auditors at the Audit & Supervisory Board meetings held on a monthly basis and engage in exchanges of opinion. The internal auditing departments consist of the Global Auditing Division made up of members who are independent of our business execution divisions, and is responsible for evaluating and inspecting the appropriateness of business operations across the entire Group.

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

2.1.3 Independence of Outside Directors

There are 10 directors as of the end of June 2023, 4 of which are independent outside directors (40% of the board). Outside Directors observe the Board of Directors' decision making and its processes objectively to judge and discuss their rationality from a perspective of increasing corporate value considering the benefit of stakeholders including minority shareholders. They are playing role of contribution to ensure validity and appropriateness of Board decision making.

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

Criteria for Independence of Outside Directors and Outside Audit & Supervisory Board Members
<https://www.fujifilmholdings.com/en/about/governance/officers/index.html>

2.1.4 Diversity among Directors

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

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

Expected Expertise and Experience for Directors and Auditors

* Male 11, female 3 (21% of female in 14 directors and auditors) As end of June 2023

	No.	Name		Years in Office	Global Management	Knowledge and Expertise in Core Business and Related Industries	Innovation/Technology	Finance & Accounting/ Capital Policy	Legal Affairs/Risk Management/ Governance	Sustainability	Human Resources Strategy and Corporate Culture
Directors	1	Kenji Sukeno		10	○	○		○	○		○
	2	Teiichi Goto		5	○	○	○			○	○
	3	Masayuki Higuchi		2	○	○		○	○		
	4	Naoki Hama		1	○	○	○			○	○
	5	Chisato Yoshizawa	Female	1				○	○	○	○
	6	Yoji Ito		– (New)	○	○	○				
	7	Kunitaro Kitamura	Outside	6	○			○	○	○	○
	8	Makiko Eda	Outside Female	5	○	○			○	○	○
	9	Tsuyoshi Nagano	Outside	1	○			○	○	○	○
	10	Ikuro Sugawara	Outside	1	○				○	○	○
Auditors	1	Nobuo Hanada		3				○	○		
	2	Motoko Kawasaki	Female	2					○	○	
	3	Masataka Mitsuhashi	Outside	4	○			○		○	
	4	Tatsuya Inagawa	Outside	3					○		

* A maximum of five sought -after items are indicated for each individual. This table is not indicative of all the expertise and experience possessed by each individual.
* The average years in office for a director is 3.2 years (as of June 29, 2023).

Reason for Selection of Each Skills

Skill	Reason for Selection
Global management	We aspire to accelerate business growth while resolving environmental and social issues globally in looking to attain the Company's future vision of realizing a sustainable society. To such ends, we seek experience in global corporate management and overseas business management, as well as knowledge and expertise related to the global business environment.
Knowledge and expertise in core businesses and related industries	We aspire to accelerate growth in the healthcare and advanced materials domains, which serve as growth drivers of the Company. We furthermore aspire to achieve sustainable growth and to build a more resilient business platform. To such ends, we seek experience in leading operations in business segments being pursued by the Company (Healthcare, Materials, Business Innovation and Imaging) and furthermore seek knowledge and expertise related to such businesses and related industries.
Innovation/Technology	In achieving sustainable innovation, it is important that we provide the world with innovative products and solutions that contribute to resolving environmental and social issues enlisting the tangible and intangible technological assets we have created by using our base technologies cultivated through the development of new business models and photographic film, combined with our core technologies and production technologies for building sustainable competitive advantage. To such ends, we seek experience in transforming business models as well as knowledge and expertise in technology.
Finance & accounting / Capital policy	We aspire to build a robust business portfolio to increase our corporate value over the medium to long term. To such ends, we seek experience in M&As; cash (flow/allocation) management achieved through operational streamlining, fundraising and dialogue with capital markets; and knowledge and expertise related to finance, accounting and capital policy.
Legal affairs/ Risk management/ Governance	We aspire to create a framework for sustainable growth and medium- to long-term improvement in corporate value under an open, fair and clear corporate culture. To such ends, we seek experience in business risk management as well as knowledge and expertise related to governance, which we position as the foundation of our business activities particularly in terms of long-term CSR plans and medium-term management plans.

Skill	Reason for Selection
Sustainability	We aspire to achieve objectives particularly with respect to long-term CSR and medium-term management plans. We also aspire to assess whether our trajectory and outcomes align with social trends and the medium- to long-term value sought by society in order to improve our corporate value. To such ends, we seek experience in striking a balance between economic value and social/environmental value, as well as knowledge and expertise related to sustainability.
Human resources strategy and corporate culture	When it comes to human resources, which serve as our source of innovation, we aspire to build a robust business portfolio by speedily implementing a human resources strategy centered on securing and training human resources in new fields, utilizing diverse employees, supporting their growth and improving engagement. In addition, it is important that we perpetuate and develop the corporate culture, which has given rise to innovation in order to sustain the growth of the Company. To such ends, we seek experience in making decisions related to human resources from a management perspective as well as knowledge and expertise in human capital management.

For the details of the approach to creating the skill matrix and the process, please refer to *Notice of Convocation for the 127th Ordinary General Meeting of Shareholders*.
<https://ir.fujifilm.com/en/investors/stock-and-shareholder/shareholders-meeting.html>

2.1.5 Effectiveness of Directors and Auditors

Attendance Status for the Board and Audit & Supervisory Board Meeting (between April 1, 2022 and March 31, 2023)

	Name		Board Meeting (No. held: 14)			Audit & Supervisory Board Meeting (No. held: 17)		
			Attendance	Held	Rate	Attendance	Held	Rate
Directors	Kenji Sueno	Chair	13	14	93%			
	Teiichi Goto		14	14	100%			
	Takashi Iwasaki		14	14	100%			
	Takatoshi Ishikawa		14	14	100%			
	Masayuki Higuchi		14	14	100%			
	Naoki Hama		11	11	100%			
	Chisato Yoshizawa	Female	11	11	100%			
	Kunitaro Kitamura	Outside	14	14	100%			
	Makiko Eda	Outside Female	13	14	93%			
	Tsuyoshi Nagano	Outside	10	11	91%			
	Ikuro Sugawara	Outside	11	11	100%			
	Kouichi Tamai		3	3	100%			
	Junji Okada		3	3	100%			
Auditors	Tatsuo Kawada	Outside	3	3	100%			
	Nobuo Hanada		14	14	100%	17	17	100%
	Motoko Kawasaki	Female	14	14	100%	17	17	100%
	Masataka Mitsuhashi	Outside	14	14	100%	17	17	100%
	Tatsuya Inagawa	Outside	14	14	100%	17	17	100%

* Naoki Hama, Chisato Yoshizawa, Tsuyoshi Nagano and Ikuro Sugawara were appointed directors on June 29, 2022. Number of attendance of Meeting were counted after their appointments.
* Kouichi Tamai, Junji Okada and Tatsuo Kawada were resigned from directors on June 26, 2022. Number of attendance of Meeting were counted before their resignations.

2.1.6 The Evaluation of the Effectiveness of the Board of Directors

In October 2015, we formulated and published the FUJIFILM Holdings Corporation Corporate Governance Guidelines (“Guidelines”), recognizing that corporate governance is an important management issue, as the fundamental basis for the FUJIFILM Group to achieve sustainable growth and increase its corporate value, and to contribute to the sustainable development of society. We have since revised the Guidelines to reflect revisions to the Corporate Governance Code of the Tokyo Stock Exchange and our policy for strengthening corporate governance.

The Guidelines stipulate the roles and duties of the Board of Directors (“BoD”) as follows: (i) to decide basic management policies, strategies, and important matters relating to business execution, and (ii) to supervise the execution of business. To ensure the effectiveness of the BoD, evaluations and hearing sessions, etc. are conducted by each Director and Audit & Supervisory Board Member, and after analysis, evaluation, and discussion of improvement measures by the BoD, we publish a summary of the results. For the purpose of securing transparency and objectivity, we have engaged a third-party organization on a regular basis for part of the questionnaire creation and evaluation analysis since the April 2020 publication.

We conducted an effectiveness evaluation of the Board Meetings held in 2022, and the results were reported and discussed at the BoD. The following is a summary of the evaluation results.

1. Roles of our Company's BoD

We are organized as a company with an Audit & Supervisory Board, and our company’s BoD makes decisions on basic management policies, strategies, and important matters relating to business execution, as well as supervising the execution of business. In this context, it is important to fulfill the following two roles:

- The role of making decisions with a high-level of knowledge for each business and thorough understanding of the assets, such as technology and human resources, in line with the robust business portfolio that we have built to date.
- The role of ensuring that the orientation of business execution aligns with the medium- and long-term values demanded by society, in order to balance economic and social value, with the aim of achieving a sustainable society.

2. Evaluation Process

For the purpose of securing the transparency and objectivity of the evaluation, we engaged a third-party organization to establish evaluation items and create questionnaire items. Based on changes in management structure in June 2021 and subsequent initiatives to improve the BoD, the evaluation criteria and questionnaire items were given a comprehensive re-examination. In this process, the third-party organization reviewed documents such as the Board Meeting minutes, the rules related to the BoD, etc.

- The third-party organization conducted analysis of the questionnaire responses from each Director and Audit & Supervisory Board Member. Based on the analysis, the BoD Office conducted individual interviews with the Directors and Audit & Supervisory Board Members.
- The effectiveness of the BoD was evaluated based on analysis of the document reviews, questionnaire responses and interview results. Furthermore, the status of initiatives to address issues identified in the previous evaluation was clarified, and future issues were identified.

3. Evaluation Overview

Evaluation to assess whether the BoD is fully performing to expectations, in light of its roles at our company.

(1) Subject of Evaluation

Board Meetings of our company held in the CY2022 (all 15 that were held)

(2) Evaluators

Our company’s Directors and Audit & Supervisory Board Members (15 persons in total)

(3) Evaluation Items

Roles that the BoD should fulfil, composition of the BoD, quality of discussions, deliberations by the Nomination and Remuneration Advisory Committee, support system for Outside Officers, constructive dialogue with stakeholders, etc.

(4) Evaluation Results

We evaluate that our company’s BoD is fully effective in its performance.

For the details of the evaluation, the future issues identified, and our initiatives for 2023, please refer to our website:
<https://holdings.fujifilm.com/en/about/governance/board-of-directors>

2.1.7 Executive Remuneration

1. Remuneration decision process

- The total (upper limit) of the remuneration for either a director or an auditor is determined at the shareholders' meeting.
- The policy on remuneration for individual directors, etc., (hereinafter called "Remuneration Decision-making Policy") is finalized by the Board of Directors after deliberations by the Nomination and Remuneration Advisory Committee, which is made up of a majority of outside directors and chaired by an outside director.

* For the overview of the remuneration decision-making policy, please refer to *the 127th Yuka Shoken Hokokusho (Securities Report)*.

- To assure objectivity and transparency in the decision-making process for the remuneration, etc., of individual directors, the Nomination and Remuneration Advisory Committee conducts a multilateral study of the draft proposal, including alignment of the policy. The Board of Directors make the decision based on the Committee's report.

2. Remuneration structure linked to business performance

(1) Our remuneration plan

Remuneration for directors other than external directors (including the employee portion of bonuses and remuneration for corporate vice presidents and directors) consists of a fixed remuneration, a performance-linked remuneration (a short-term performance-linked remuneration + Performance Share Unit Plan) and a Restricted Share-Based Remuneration Plan. The allocation ratio for the fixed remuneration, performance-linked remuneration and Restricted Share-Based Remuneration Plan shall be 55%, 15% (of which 10% for short-term performance-linked remuneration and 5% for the performance share unit plan) and 30%. Remuneration is determined in accordance with each director's position and performance evaluation.

Remuneration for outside directors and auditors consists of a fixed remuneration only, due to the nature of their role and to maintain their independence.

Fixed remuneration: approx. 55%	Performance-linked remuneration		Restricted Share-Based Remuneration Plan: approx.30%
	Short-term performance-linked remuneration: approx. 10%	Performance share unit: approx. 5%	

(2) Fixed remuneration

Fixed remuneration is determined according to job position and responsibilities and is paid on a regular basis.

(3) Short-term performance-linked remuneration

Short-term performance-linked remuneration is paid for a specific period each year as the employee portion of bonuses for directors who concurrently serve as Corporate Vice Presidents. Short-term performance-linked remuneration is paid in an amount calculated based on performance-linked indicators. Here, consolidated revenue and consolidated operating income, which are the numerical targets for the Company's short-term business management, are used as single-year performance-linked indicators, where the amount paid varies based on the achievement level of these indicators and in comparison with the previous fiscal year's performance within the range of 0% to 150% of a reference value.

These indicators were chosen under the assumption that they will serve as an incentive for achieving the short-term performance targets and that they will help improve medium to long-term corporate value.

(4) Medium-term performance-linked share remuneration (Performance Share Unit Plan)

Medium-term performance-linked share-based remuneration is paid to directors, other than outside directors (hereinafter, "Eligible Directors"), with adjustments made in a range of 0% to 150% relative to the base paid shares according to the level of achievement of indicators in the Company's medium-term management plan, such as consolidated revenue, consolidated operating income, ROIC and ESG indicators. A number of shares equivalent to 50% of the adjusted number of shares is paid as medium-term performance-linked share-based remuneration. In addition, cash equivalent to the share price times 50% of the adjusted number of shares is also paid. The number of base paid shares by position, as determined by the Board of Directors, is listed in the regulations for medium-term performance-linked share-based remuneration. This form of remuneration shall be granted after performance is finalized.

These indicators were selected under the assumption that they will help better encourage Eligible Directors to contribute to share price growth, improved corporate value and enhanced performance over the medium term.

As an incentive to achieve our new CO₂ emission reduction targets established in December 2021 to build a decarbonized society, ESG indicators (CO₂ emissions performance rate against the target) were added to the Performance Share Unit Plan in April 1, 2022.

These indicators cover the period from fiscal 2021 to fiscal 2023 of the Medium-Term Management Plan "VISION2023." As the targeted term ends at the end of March, 2023, there is no performance rate result for fiscal 2022.

(5) Restricted Share-based Remuneration Plan

The Company will issue or dispose of restricted shares by granting monetary remuneration receivables to the Eligible Directors for the purpose of allotting restricted shares, in principle, every fiscal year, and have the Eligible Directors hold these shares by having them contribute all of these monetary remuneration receivables in kind. The aforementioned monetary remuneration receivables shall be paid on the condition that the Eligible Directors agree to said contribution in kind and that the Company and the Eligible Directors have concluded an allotment agreement for transfer restricted shares.

* For further details, please refer to *the 127th Yuka Shoken Hokokusho (Securities Report)*.

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

3. Nomination and Remuneration Advisory Committee

(1) Overview

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

(2) Fiscal 2022 committee meetings

The committee convened three times in fiscal 2022 and each attendance is as follows.

Position	Name	Attendance
Chair	Kunitaro Kitamura	3/3 (100%)
Member	Tsuyoshi Nagano	2/2 (100%)
Member	Kenji Sueno	3/3 (100%)
Chair	Tatsuo Kawada	1/1 (100%)

* Mr. Kunitaro Kitamura was appointed chairperson of the Nomination and Remuneration Advisory Committee on June 29, 2022.
* Mr. Tsuyoshi Nagano was appointed member of the Nomination and Remuneration Advisory Committee on June 29, 2022.
* Mr. Tatsuo Kawada resigned from the post of chairperson of the Remuneration Advisory Committee on June 29, 2022.

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

- Deliberations on maintaining the CEO
- Report on evaluation results for executive bonuses in fiscal 2021
- Report on the allocation of share-based remuneration under the share-based
- Deliberations on executive remuneration in fiscal 2022 (evaluation method and amount)

* For the evaluation of the effectiveness of the Board of Directors , see *2.1.6 The Evaluation of the Effectiveness of the Board of Directors* and our website.

<https://holdings.fujifilm.com/en/about/governance/board-of-directors>

Remuneration for Each Director (FY2022)

Name	Category	Company	Total Amount by Type of Remuneration (million yen)					Total Amount of Remuneration (million yen)
			Performance-linked Remuneration			Non-performance-linked Remuneration		
			Monetary Remuneration		Non-monetary Remuneration	Monetary Remuneration	Non-monetary Remuneration	
			Short-term Performance- linked Remuneration	Performance Share Units	Fixed Remuneration	Restricted Share-based Remuneration		
Kenji Sukeno	Directors	FUJIFILM Holdings Corporation	20	—	—	90	85	196
	Directors	FUJIFILM Corporation	5	—	—	23	17	45
	Directors	FUJIFILM Business Innovation Corp.	—	—	—	9	—	9
	Total							251
Teiichi Goto	Directors	FUJIFILM Holdings Corporation	24	7	11	102	93	239
	Directors	FUJIFILM Corporation	6	1	1	40	15	65
	Directors	FUJIFILM Business Innovation Corp.	—	—	—	9	—	9
	Total							313
Takashi Iwasaki	Directors	FUJIFILM Holdings Corporation	9	—	—	38	3	52
	Directors	FUJIFILM Corporation	9	3	5	36	54	108
	Total							161
Takatoshi Ishikawa	Directors	FUJIFILM Holdings Corporation	—	—	—	11	3	16
	Directors	FUJIFILM Corporation	21	3	5	62	54	147
	Total							163
Masayuki Higuchi	Directors	FUJIFILM Holdings Corporation	5	—	—	29	3	40
	Directors	FUJIFILM Corporation	5	2	3	27	32	71
	Auditors	FUJIFILM Business Innovation Corp.	—	—	—	8	—	8
	Total							119
Naoki Hama	Directors	FUJIFILM Holdings Corporation	—	—	—	8	2	12
	Directors	FUJIFILM Business Innovation Corp.	12	6	8	68	34	129
	Total							142
Chisato Yoshizawa	Directors	FUJIFILM Holdings Corporation	2	—	—	22	2	28
	Directors	FUJIFILM Corporation	2	1	2	20	23	50
	Total							79

* The chart shows information limited to directors (excluding directors who resigned in the relevant fiscal year and outside directors).
* For further details, please refer to *the 127th Yuka Shoken Hokokusho (Securities Report)*.
<https://ir.fujifilm.com/ja/investors/ir-materials/securities-reports.html> (in Japanese only)

The Number and Amount of Remuneration Paid to Executive Officers (FY2022)

Category	Number	Total Amount by Type of Remuneration (million yen)					Total Amount of Remuneration (million yen)
		Performance-linked Remuneration			Non-performance-linked Remuneration		
		Monetary Remuneration		Non-monetary Remuneration	Monetary Remuneration	Non-monetary Remuneration	
		Short-term Performance- linked Remuneration	Performance Share Units		Fixed Remuneration	Restricted Share-based Remuneration	
Directors	9	63 (—)	10 (10)	12 (12)	310 (128)	200 (200)	597 (352)
Auditors	2	— (—)	—	—	42 (42)	— (—)	42 (42)
Outside directors & auditors	7	— (—)	(—)	(—)	76 (76)	— (—)	76 (76)
Total	18	63 (—)	10 (10)	12 (12)	430 (248)	200 (200)	717 (472)

* For further details, please refer to *the 127th Yuka Shoken Hokokusho (Securities Report)*.
<https://ir.fujifilm.com/ja/investors/ir-materials/securities-reports.html> (in Japanese only)

2.1.8 Tax Policy

Fujifilm Group Tax Policy

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

Control of tax matters

Based on the “Fujifilm Group Tax Policy,” the Fujifilm Group pays taxes in a timely and appropriate manner to the countries where it operates, and strives to maintain and improve tax governance.
We do not recognize any serious issue concerning tax-related risks at this moment.

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

127th Yuka Shoken Hokokusho (Securities Report) <https://ir.fujifilm.com/ja/investors/ir-materials/securities-reports.html> (in Japanese only)

2.2 Compliance and Risk Management

2.2.1 Basic Approach

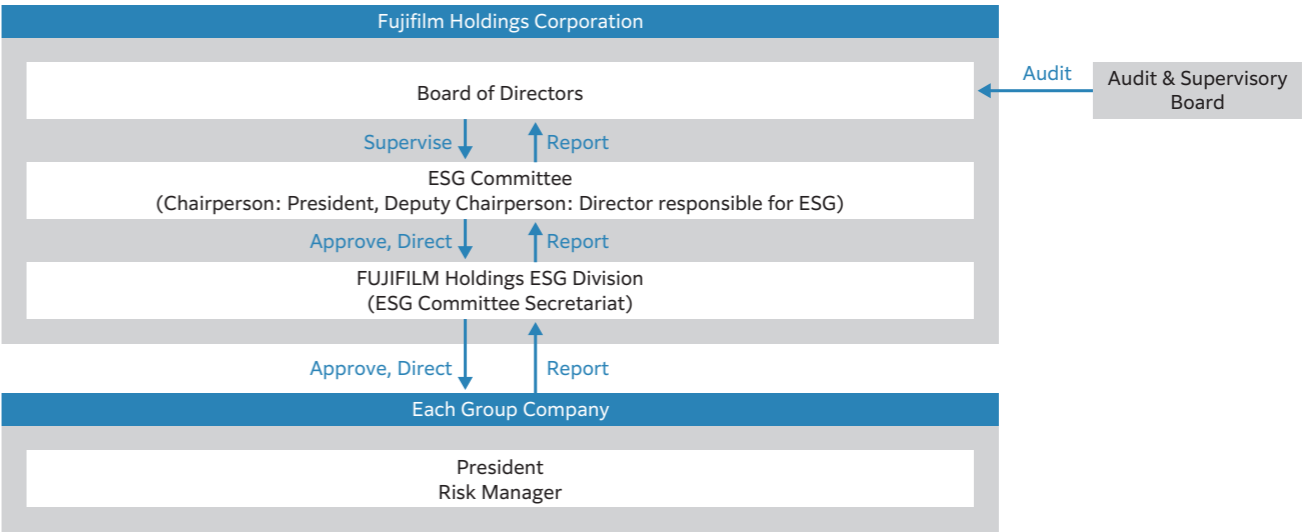
The Fujifilm Group defines “compliance” as “not only to pursue the law but to behave correctly within the framework of common sense and ethics.” Moreover, we think the compliance and the risk are two sides of the coin, as the lack of compliance awareness among employees would lead to grow the possible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

2.2.2 History of the Measures Implemented for Compliance and Risk Management

1995-2005	Establishment and reinforcement of foundation at each company <ul style="list-style-type: none">• Formulation of a Code of Conduct for employees• Establishment of responsible organization (committee)• Opening of a helpline and whistle-blowing office• Start raising employees' Awareness, education, and monitoring through awareness surveys and briefings sessions
2006-2008	Establishment and reinforcement of foundation for the entire Fujifilm Group <ul style="list-style-type: none">• Establishment of FUJIFILM Holdings CSR Committee• Expansion of initiative to Group companies outside of Japan• Revision of Group's Corporate Philosophy and Charter for Corporate Behavior , and formulation of Vision and code of Conduct and raising awareness
2009-2013	Addressing new priority issues <ul style="list-style-type: none">• Introduction of anti-corruption regulations• Review of Group-wide risk issues related to natural disasters, such as large earthquake or possible eruption of Mt. Fuji• Establishment of a system to ensure no relations with anti-social forces• Introduction of information security regulations and guidelines etc.
2014-2016	Further activity promotion toward Sustainable Value Plan 2016 targets <ul style="list-style-type: none">• Review and clarification of major risks for the Fujifilm Group• Strengthening measures to raise awareness on existing rules and regulations etc.
2017-2019	Strengthening Corporate Governance as the Fujifilm Group <ul style="list-style-type: none">• Compliance education for all Employees and distribution of CEO message concerning the inappropriate accounting issue• Establishment of whistle-blowing system to report directly to FUJIFILM Holdings• Revision of the Charter for Corporate Behavior and the Code of Conduct• Establishment of FUJIFILM Holdings ESG Committee reorganized from CSR committee
2020-2022	Strengthening compliance and risk management organizations and reinforcement of activities <ul style="list-style-type: none">• Consolidation and reorganization of compliance and risk management organizations at FUJIFILM Corporation and FUJIFILM Business Innovation Corp. under Fujifilm Holdings Corporation• Consolidation and integration of various policies and domestic whistleblowing systems of the two corporations• Establishment of Fujifilm Group Global Healthcare Code of Conduct• Update of message from the president regarding the Fujifilm Group Charter for Corporate Behavior and Code of Conduct.

2.2.3 Compliance and Risk Management Promotion Structure

Fujifilm Group Compliance and Risk Management System



The Fujifilm Group has set up an ESG Committee chaired by the president of Fujifilm Holdings, with the director responsible for ESG serving as deputy chairperson. The Committee deliberates and makes decisions on priority issues related to risk management and ESG.

The activities of the Committee are reported to the Board of Directors, which in turn monitors and assures the effectiveness of risk management for the entire Group. The Audit & Supervisory Board conducts audits to ensure that the internal control systems are functioning appropriately.

The Fujifilm Group appoints officers in charge of compliance and risk management at each of its business corporations and group companies, and implements a variety of measures to penetrate the spirit of an “open, fair and clear” corporate culture throughout the Group.

2.2.4 Risk Management

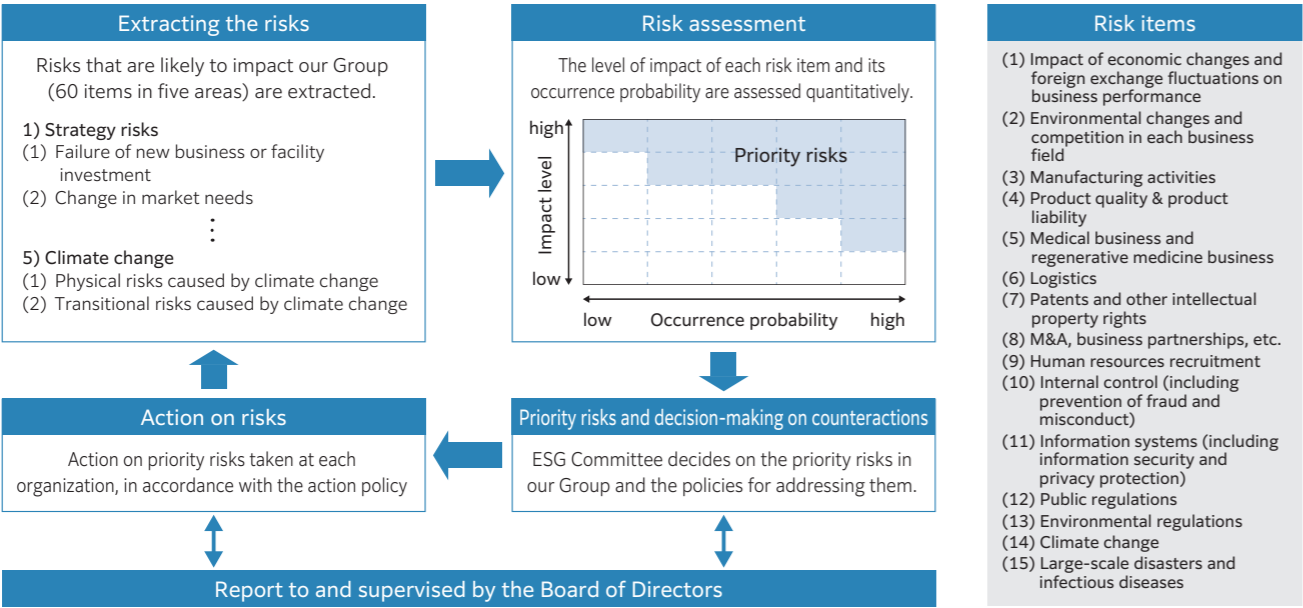
The Fujifilm Group employs Risk Management Regulations that specify the group-wide basic policy and risk management system. Based on these regulations, we identify the tasks required to counter various risks related to our business and are fully prepared to make appropriate responses in the event of a critical incident.

1. The decision-making process for priority risks

The Fujifilm Group has identified 60 items as risks that are likely to have a significant impact on the business management and has organized them into five areas: strategy risks, financial and taxation risks, operation risks, natural disasters & infectious diseases, and climate change. Each risk has been evaluated quantitatively based on the level of the impact multiplied by the occurrence probability. Priority risks that require preferential action are decided by the ESG Committee, and the action status on these risks is reported to the Board of Directors semiannually.

Priority risk issues that are related to our groupwide business environment are deliberated on and approved by the ESG Committee each year. The issues are identified and examined from the standpoint of human rights and economic security and assurance.

Decision-making Process for Priority Risks



2. Priority risks in FY2023

We recognize that the following major risks might affect our financial condition and the results of our business operations.

On the page for *Risks on business, etc.* of the *Yuka Shoken Hokokusho*, in addition to the following items, economic risks such as loss of business opportunities are described.

127th Yuka Shoken Hokokusho (Securities Report) <https://ir.fujifilm.com/ja/investors/ir-materials/securities-reports.html> (in Japanese only)

Risk Items	Status of Action
Information security (cyber-attacks, confidential data leakage & personal information leakage)	To reinforce measures against cyberattacks, installation of sensors to monitor the behavior of PCs, servers and development of a global scale security surveillance centers have been completed.
Rising prices and shortfalls in raw and other materials	Procurement from multiple origins for raw and other materials used in priority businesses and products.
Geopolitical risks	The manufacturing, development and marketing sites of the Group, as well as our suppliers, are distributed across various countries. The latest information on conditions is collected, and instructions on employee safety, asset protection and economic activities decided as part of the risk management system. The instructions are delivered promptly to minimize damage.
Large-scale natural disasters	Risk assessment, monitoring and BCP development have been conducted for each business site and supply chain.
Climate change risks	Low-carbon investments are made by reducing CO ₂ emissions in the product lifecycle, developing manufacturing methods with low environmental impact and the internal carbon pricing scheme.
Reinforcement of chemical substances management	Strict regulation requirements are likely to lead to prohibition of the use of existing raw materials. We recognize that PFAS control is a priority issue and plan to minimize the impact by developing substitute or alternative materials.
Corruption and bribery	Due to the strict restrictions and the government approval required in the healthcare business, corruption poses a high risk. Preventive measures will be strengthened, chiefly through employee education and monitoring middlemen through outside vendors.
Pandemic and infectious diseases	To reduce the impact of infectious diseases spreading through the business, each organization has developed its own BCP for comprehensive prevention of infection within the organization.

Risk Items	Status of Action
Fires and accidents	Knowledge and skills on handling chemical substances and facility safety are employed to implement measures to prevent fires and explosions.
Product liability and product defect	In the healthcare business, problems with product quality pose risks that lead to customers experiencing health hazards. Accidents are prevented through product design and quality assurance.
Fraud by executive officers or employees	Fraud is prevented through the development and appropriate implementation of internal control. Monitoring is also carried out for early detection and prevention.

3. Response to crisis

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

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

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

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

4. Status for FY2022

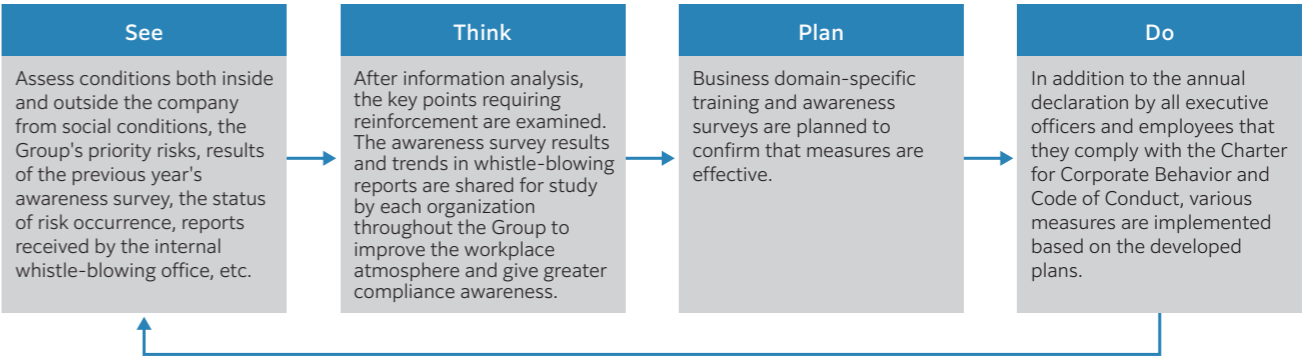
In fiscal 2022, no significant crisis cases including legal violations and fines in social economic areas that should be announced outside the company were confirmed.

2.2.5 Efforts to Promote Compliance

At the Fujifilm Group, the following four steps have been implemented in the STPD (See-Think-Plan-Do) cycle in the drive to maintain and increase awareness of employees' compliance.

With the growing speed of social change, our previous business experience and accumulated knowledge no longer apply to a growing range of our business activities. For this reason, the Fujifilm Group has upgraded its existing approach to PDCA and established STPD (See-Think-Plan-Do) independently to facilitate action from new perspectives.

For details of our approach to STPD, please refer to 4.4.2-1. *Human resource development programs.*



1. Charter for Corporate Behavior and Code of Conduct

The Fujifilm Group reviews the Charter for Corporate Behavior and Code of Conduct in step with changes in society and business operations. Revisions are made from a global perspective, and the new versions are shared globally in all 24 languages to ensure a correct understanding by employees in each country. In July 2021, the Message from Top Management has been updated to reflect the Fujifilm Group Charter for Corporate Behavior and Code of Conduct.

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

Fujifilm Group Charter for Corporate Behavior <https://www.fujifilmholdings.com/en/about/philosophy/conduct/index.html>
Fujifilm Group Code of Conduct <https://holdings.fujifilm.com/en/about/philosophy/law>
Fujifilm Group Charter for Corporate Behavior and Code of Conduct in 24 Languages <https://holdings.fujifilm.com/en/about/philosophy#24languages>

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

Fujifilm Group Global Healthcare Code of Conduct <https://holdings.fujifilm.com/en/about/philosophy/global-healthcare>

2. Compliance training

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

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

We identify a company, business, organizational level, etc. with a high risk through risk identification, critical incident reports, whistle-blowing reports, and awareness surveys. We then provide the appropriate training corresponding to the potential risks to the relevant people as necessary to provide the appropriate knowledge and thereby ensure compliance.

M&A cases are increasing in the Fujifilm Group in recent years, requiring training at newly acquired subsidiaries. Due diligence is conducted on compliance, followed by prompt introduction and training in the Group's Code of Conduct immediately after acquisition for penetration and understanding of the Group's corporate philosophy.

Intended Audience	Category	Objective
All executive officers and employees	Charter for Corporate Behavior and Code of Conduct and declaration of compliance (Global)	Gaining a greater understanding of the Charter for Corporate Behavior and Code of Conduct Declaration of understanding, complying with and behaving according to the Code of Conduct
	Compliance in general (Prevention of misconduct, prevention of harassment, whistle-blowing, etc.)	Application of the Charter for Corporate Behavior and Code of Conduct to concrete behavior in compliance
	Information security	Acquire a correct understanding of the information security rules and prevent leaks of confidential information (For further details, please refer to 2.2.8-2 (4) <i>Employee training</i>)
All executive officers and employees in the healthcare business	Global Healthcare Code of Conduct and Healthcare Compliance	Study of the Code of Conduct and laws and regulations related to the healthcare business to prevent violations.
New employees (New executive officers, new managerial personnel, new general employees)	Compliance and risk management in general	Establish awareness of compliance and risk management pertaining to each employee's job level and function, to assure appropriate behavior.

Intended Audience	Category	Objective
Officers in charge of compliance/risk management at each organization	Risk management in general Handling harassment inquiries and current topics on information security, etc.	Promotion and guidance on compliance/risk management activities in each organization, in accordance with the groupwide policy.
Managerial personnel and general employees of organizations to be strengthened	Program content focused on key points in preventing misconduct, workplace discussions, preventing harassment, etc.	Education and training focused on key points to be strengthened in each organization, to ensure deeper knowledge and greater awareness and improvement

3. Awareness survey

The Fujifilm Group conducts regular compliance awareness surveys to examine the degree of awareness of compliance and comprehension among employees and to review the effectiveness of the Code of Conduct. In fiscal 2022, we introduced the Employee Engagement Survey covering past compliance awareness surveys.

The survey consolidates the various theme-specific employee surveys, such as on compliance and brand management, in order to assess the status of engagement in the entire Group. The survey covers approximately 76,000 employees worldwide. The survey findings are reported to the Board of Directors, the ESG Committee and the top management of various Group companies. In addition, they are incorporated in the training programs and measures at each company to maintain and improve compliance awareness and to prevent violations.

- Employee Engagement Survey (global): Conducted every year
Objective: Examine the level of dissemination of awareness and comprehension of compliance in general, examine the level of awareness of whistle-blowing and consultation system
- Harassment survey (Japan): Conducted in alternate years
Objective: Examine the actual conditions of harassment

4. Whistle-blowing and consultation system

The Fujifilm Group prepares two separate whistle-blowing systems. One is through the contact points in Japan and regional headquarters that accept a range of questions and reports including inter-personal issues and compliance in day-to-day business. The other is by directly contacting the ESG Division (the compliance division) of FUJIFILM Holdings concerning critical issues that could significantly impact our business, such as a misconduct and violation of laws. This type of report can be made in 24 different languages, including Japanese and English.

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

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

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

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

2.2.6 Achievements for Efforts to Promote Compliance

1. Compliance training

- All executive officers and employees of the Fujifilm Group worldwide received training on the Charter for Corporate Behavior and Code of Conduct; 96% participated in the training program and declared compliance.
- All executive officers and employees of the healthcare business in Japan underwent training in the Global Healthcare Code of Conduct; 14,017 people participated in the program. In addition, healthcare compliance seminars were held for all executive officers and employees to ensure that they perform their business activities with understanding and a strong ethical code as regulatory control increases every year. The seminars target all employees in marketing, services, sales, R&D and manufacturing and other related staff in the healthcare business in Japan. 12,503 people participated through the e-learning program.
- Training on compliance and risk management has been conducted for newly joined employees, new managers and new executive officers in their respective positions.
- Corruption prevention training programs adapted to the laws and regulations of each country have been organized by each group company in the global Fujifilm Group.

2. Awareness survey

- Based on the harassment survey conducted in May-June 2022, interviews were held with some of our organizations to give instructions on further harassment control, as well as to develop and implement measures to advance psychological safety in each organization.
- An employee engagement survey covering some 76,000 employees worldwide was conducted in December 2022. The survey found that employees of the Fujifilm Group show an extremely high level of compliance awareness, understand the need to maintain an open, fair and clear corporate culture and have knowledge of the whistle-blowing system and counseling office. Based on these results, interviews have been held with some of the organizations, and instructions were given to develop and implement measures to improve compliance awareness and continue to develop the workplace environment.

3. Whistle-blowing and consultation reports

- Number of whistle-blowing reports and consultations in fiscal 2022: 286 (231 in Japan and 55 in overseas)
Among the whistle-blowing reports and consultations received, issues related to human relationships, personnel and labor affairs and harassment accounted for 70% of the total, in which each case was handled each case appropriately. There have been no incidents that could lead to a serious situation for the Group.
- In fiscal 2022, we did not experience any critical violation of Code of Conduct that we needed to make public.

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

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

1. Efforts for anti-corruption (bribery)

In the Charter for Corporate Behavior and Code of Conduct, the Fujifilm Group has declared that we will refuse any involvement in corruption or in any dubious action that could cause suspicion of fraud with suppliers, business partners, public officials and government representatives.

We took action to reduce the occurrence of priority risks related to corruption and bribery in fiscal 2022. Anti-corruption regulations in effect at Fujifilm Group companies in Japan and other countries are updated as required to adapt to new laws and revisions to existing laws and regulations.

Anti-corruption regulations are designed to control the following.

- Providing, requesting or promising monetary and other benefits for inappropriate purposes or outside normal social propriety.
- Advanced application and approval procedure required when providing benefits that are within the scope of normal social propriety.
- Preparatory inspections made before starting to trade with agents such as distributors and other intermediaries and anti-corruption provisions included in contracts.
- Procedure for handling reports in the event of violations or matters of concern

To deal with such cases, Fujifilm Group companies in Japan and other countries receive an annual self-audit on compliance with anti-corruption regulations and a review of the status of their anti-corruption training program.

Agents such as distributors and other intermediaries are also required to submit annual reports to confirm that they are free from any corrupt practices. In addition, agents are told to employ the services of an external research firm in carrying out compliance due diligence with the focus on preventing corruption.

An annual status report on these anti-corruption activities is sent to the Board of Directors of Fujifilm Holdings.

Status for FY2022

- As a result of the self-audits conducted by all Group companies on a global scale, anti-corruption training has been given to all employees that require it. There have been no serious corruption incidents requiring disclosure. The findings are reported to the Board of Directors of Fujifilm Holdings.
- In Japan and the Americas, compliance due diligence focusing on anti-corruption is conducted by an external research firm. This is expected to take effect in more areas.

2. Preventing anti-competitive practices

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

For compliance with Japan’s subcontractor law (Act against Delay in Payment of Subcontract Proceeds, Etc. to Subcontractors), regular training sessions are organized for personnel responsible for order management at business divisions where subcontractor business volumes are large. At the same time, divisions are monitored for their state of compliance with the subcontractor law in response to inspections either by the Japan Fair Trade Commission or the Small and Medium Enterprise Agency. In-house seminars on Japan’s anti-trust law and subcontractor law were held for major affiliates to ensure that these laws are firmly established and complied with. In fiscal 2022, an assessment of employees in Japan was conducted to determine their knowledge of Japanese laws, including the Japanese anti-monopoly law and subcontractor payment law, and their awareness and compliance with these laws and regulations.

As for the anti-trust laws, self audits were carried out at each Group company worldwide and no serious violations were found.

Since 2008, we have not been subjected to any penalties for antitrust/anti-competitive practices, nor are there any serious cases pointed out by administrative authorities. Also, there have been no ongoing antitrust lawsuits.

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

The Fujifilm Group Global Healthcare Code of Conduct was established in fiscal 2020 to ensure legal compliance in the area of healthcare.

Status for FY2022

Training was given to executive officers and employees working in the healthcare business, along with an internal audit of pharmaceutical affairs. In addition, the guidelines established in 2020 to promote the application of compliance in day-to-day business operations were revised in April 2023 and this raised the level of awareness across the Group. The administrative authorities have not identified any serious cases.

4. Export and import control

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

Fujifilm Group Export Control Framework



We have prepared e-learning programs to train employees in the purpose and outline of export and import control to facilitate acquisition of the necessary knowledge at the right time. Additionally, we hold briefings on revisions to laws and rules, concrete details on export and import control methods, etc., to foster greater understanding among employees.

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

Status for FY2022

We carried out written audits and on-site audits also in fiscal 2022 and did not find any serious violations.

The Fujifilm Group never had a case pointed out by administrative authorities concerning export and import control.

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

5. Appropriate application of economic partnership agreements

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

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

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

2.2.8 Information Security

1. The environment and risks surrounding information security

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

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

2. Development of an information security management system

(1) Basic policy

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

Information Security Policy

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

1. Preparation and observance of information security rules

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

2. Establishment of information security management organization

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

3. Information security education

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

4. Continuous improvement of information security measures

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

5. Maintenance and protection of information assets

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

6. Compliance with laws and regulations

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

Adopted May 2013. Revised April 2021

(2) Information security risk management system

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

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

(3) Cybersecurity response system

To ensure that all information on our products and services exchanged with our customers is secure and to safeguard business continuity, the Fujifilm Group has set up the Fujifilm Security Operation Center (Fujifilm SOC) to monitor information security for the entire Group. It has also set up the Fujifilm Cybersecurity Incident Response/Readiness Team (Fujifilm CERT) to be responsible for comprehensive surveillance of the entire Fujifilm Group, detect any signs of security incidents rapidly and respond swiftly to any incident to prevent damage from spreading.

Highly sophisticated protective measures based on the concept of zero trust network access and connected continuously to a cloud server provide solid security in a user-friendly environment, ensuring both convenience and safety. With the risk of cyberattacks growing every day, groupwide action is being taken to identify all internal issues to be resolved in the event of a sophisticated attack. Our systems’ defense measures are being reviewed and strengthened from the outbreak of an incident and the initial response through to the recovery phase.

(4) Employee training

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

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

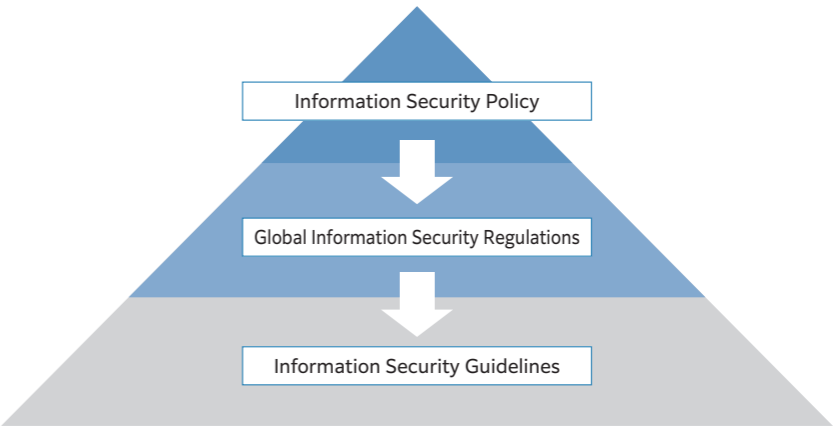
3. Identifying information security risks and countermeasures

(1) Establishing an information security management system

The Fujifilm Group ensures a uniform global security level led by our regional headquarters in Japan, the US, Europe, Southeast Asia, and China, based on the Information Security Guidelines and the Global Information Security Regulations, which complies with ISO/IEC 27001, the standards for an information security management system.

The Information Security Guidelines define concrete security management methods that are globally applicable and each company manages their security accordingly. The guidelines include, for example, device encryption, mandating antivirus software installation, ID management and access control by building an authentication platform, and mandating installation of an email filtering system to prevent information leakage.

Structure of Information Security Rules at Fujifilm Group



(2) Information security PDCA cycle and other measures

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

① Improved security quality of products

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

② Response to vulnerabilities

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

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

③ Response to internal frauds

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

④ Cyber-training

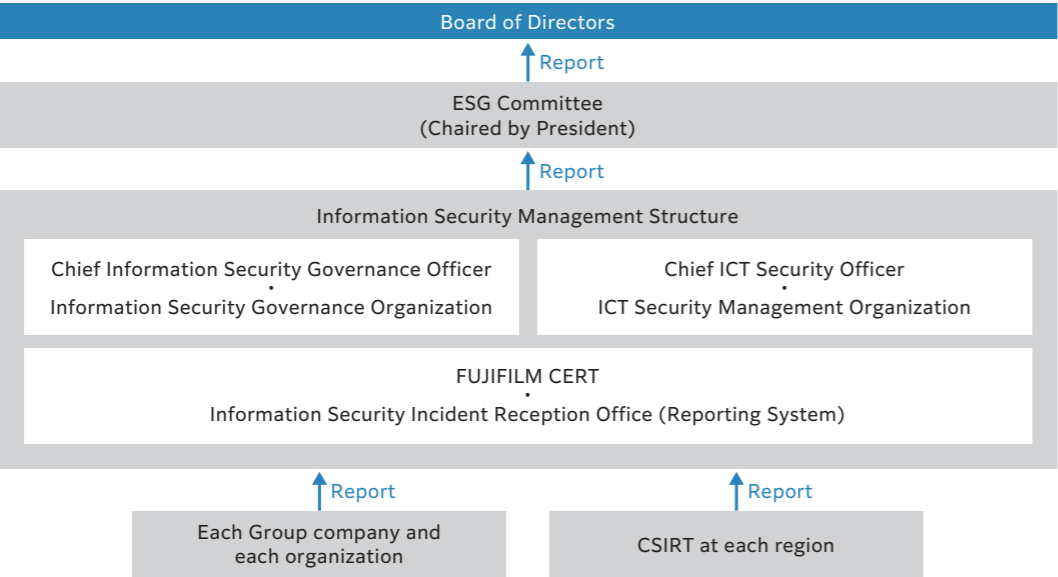
To ensure a versatile and appropriate response in the event of an incident stemming from a cyberattack, the Fujifilm Group participates in joint annual cyber drills with NISC (National Center of Incident Readiness and Strategy for Cybersecurity) organized by the Nippon CSIRT Association. Cyber drills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

In fiscal 2022, an initial response drill for a cyber incident was held with the participation of executive officers and department heads responsible for cybersecurity.

In these drills, details of the incident are not disclosed in advance. During the designated time frame, an interim report from Fujifilm CERT is organized and prepared by the department head for submission to the director responsible, who in turn decides how to limit the damage and the impact on business activities. Issues were revealed during the first drill and the findings were fed back to improve the incident initial response procedure. A second drill for executive management was held in FY2023 to improve management’s initial response to an incident.

4. Development of an emergency response system to address incidents

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



5. Measures for supply chain security

The Fujifilm Group's activities are organized acknowledging that the scope of management is not limited to its own companies but also the entire supply chain including business partners. Cases of cyberattacks in the supply chain have been reported that actually affect the manufacture and supply of goods. Following the Japanese government's warnings on the need to reinforce cybersecurity countermeasures, measures to address cyber risks at suppliers have been implemented. In addition to the existing measures on information security management at subcontractors, our suppliers in Japan and other countries have been instructed to carry out information security self-checks to assess the status. Responses have been received from 722 companies. This self-check has enabled us to confirm the status of information security at our suppliers. This was followed up by a clear statement of the level expected of a company in the Fujifilm Group and a request to reinforce security. We will conduct these checks regularly in the future to reduce information security risks at our suppliers.

For details on information security management at our suppliers, please refer to the *Fujifilm Holdings Information Security Report, "Information Security in Cooperation with Business Partners."*

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

6. Closer communication with stakeholders and other relevant parties

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

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

2.2.9 Privacy Protection

1. Basic policy

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

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

2. Promotion structure

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

The policies and targets related to the group-wide personal data protection are determined by the ESG Committee, chaired by the president of FUJIFILM Holdings, and its report is submitted to the Board of Directors regularly. The Board of Directors is responsible for monitoring group-wide compliance and risk management, including protection of personal data, as one of the priority issues. In this way, we ensure the effectiveness of the process. After the ESG Committee has determined policies concerning personal data protection, the ESG Division of FUJIFILM Holdings takes responsibility for overall management of such policy implementation and other privacy protection. The ESG Division's tasks include dissemination of the policies and targets, implementation of such policies, inspecting the implementation and management status, promoting details of the Personal Information Management Regulations among employees, and providing instructions and advice to managers of organizations that handle personal data.

In the risks identified each year, protecting personal information is recognized as a priority risk for the entire Group, with action required by law, including development and implementation of a management system. In addition, the officers responsible for personal information management at each organization in our Group companies and organizations are continually instigating measures to protect personal information.

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

3. Employee training

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

4. Appropriate handling of personal data

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

Once a year, each business division conducts an inventory of the personal data held by the division, to confirm and correct safety control measures and to perform other procedures, such as the deletion of personal data that is no longer necessary.

The inventory status for each organization is audited by the ESG Division of FUJIFILM Holdings. In the work regulations, punitive action is imposed on any employee who takes company information outside of the company without authorization. At the same time, near-miss cases, including those that have occurred in other companies, are shared as a caution and to raise awareness. We take various measures to prevent information taken out of the company to assure protection of personal data.

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

5. Action on global compliance

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

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

6. Incidents and violations in personal data handling

In July 2022, unauthorized access achieved through vulnerabilities in the tools provided by a service provider took place at the EC site of a Group company in Japan. Credit card information on 1,370 customers may have been leaked.

The incident was reported to the competent police authorities, and a report sent to the Personal Information Protection Committee. Notice of the incident and a letter of apology was sent to the individual customers whose information may have been leaked. Measures to prevent any recurrence have been implemented.

Except for the above, in fiscal 2022 the administrative authorities have identified no cases or appeals that require public disclosure.

Acquisition of P-Mark and ISMS at Fujifilm Group

As of June, 2023

Certification	Certified Affiliates	
P-Mark*1	FUJIFILM Medical Co., Ltd.	FUJIFILM System Services Corp.
	FUJIFILM Imaging Systems Co., Ltd.	FUJIFILM Medical Solutions Corporation
	FUJIFILM Media Crest Co., Ltd.	FUJIFILM Healthcare Systems Corporation
	FUJIFILM Techno Service Co., Ltd.	FUJIFILM Healthcare Laboratory Co., Ltd.
ISMS*2	FUJIFILM Imaging Systems Co., Ltd.	FUJIFILM Medical Systems Business Division
	FUJIFILM Imaging Protec Co., Ltd.	FUJIFILM Wako Pure Chemical Corporation
	FUJIFILM Medical Co., Ltd.	FUJIFILM System Service Co., Ltd.
	FUJIFILM Business Innovation Corp.	FUJIFILM Service Link Co., Ltd.
	FUJIFILM Business Innovation Japan Corp.	FUJIFILM Service Creative Co., Ltd.
	FUJIFILM Manufacturing Co., Ltd.	FUJIFILM Digital Solutions Co., Ltd.
	FUJIFILM Printing Systems Co., Ltd.	FUJIFILM Business Innovation overseas manufacturing companies (3 companies)
	FUJIFILM Software Co., Ltd.	FUJIFILM Business Innovation overseas sales companies (14 companies)
	FUJIFILM Recording Media Products Division (now Industry Equipment Division)	

The scope of application may be limited for some organizations. Please contact the relevant companies for details.

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

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

Fujifilm Holdings Information Security: Third party evaluation and certification

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

2.2.10 Initiatives on Business Continuity Such As Large Scale Natural Disasters

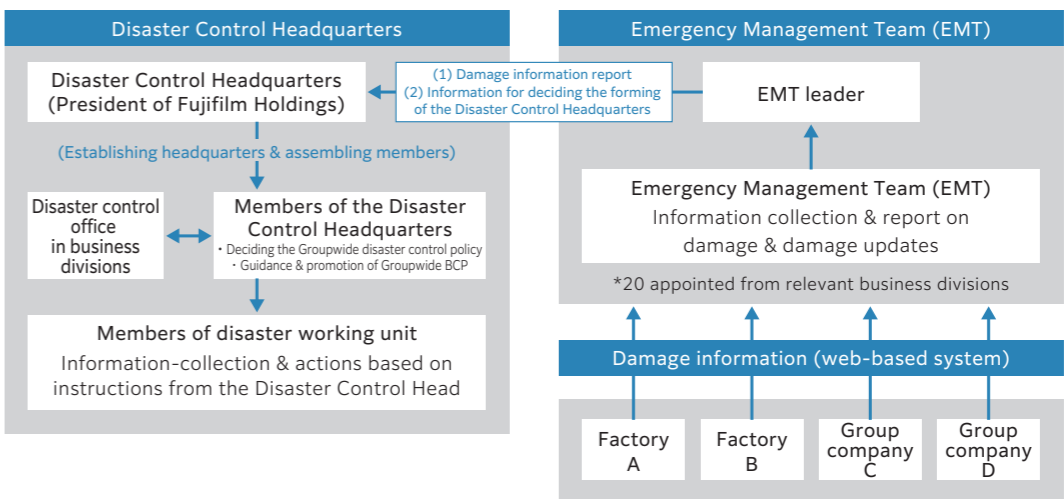
1. Basic policy

Of the variety of risks that threaten business continuity, risks related to large scale natural disasters have increased in recent years. Drastic environmental changes are happening around the world, represented by rises in sea levels and abnormal meteorological phenomena caused by climate change. The results of these changes are getting more serious each year. In conducting its business activities on a global scale, the Fujifilm Group believes in its social responsibility to

maintain a continuous supply of its products and services (business continuity) while at the same time assuring safety and protecting the lives of its employees in various regions. To minimize damage to business in the event of a natural disaster, we actively work to protect against and mitigate damage from natural disasters.

2. Organization in the event of natural disasters

Disaster Information-Collection Organization



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

(1) Emergency Management Team (EMT)

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

(2) Disaster control headquarters

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

3. Summary of activities

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

(1) Reinforcement of preparatory action

The Fujifilm Group focuses on the following two important points.

① Assessment and greater visibility of disaster risks

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

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

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

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

(2) Information collection on the outbreak of a disaster

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

① Employee safety check system

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

② Internal damage information collection system

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

③ Structural safety assessment system

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

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

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

(3) Emergency drills and employee training

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

Our employees are the most important factor for an early recovery when the company sustains damage. To minimize damage from a disaster, each and every employee must increase their understanding of disaster protection and the required preparations. In addition to regular disaster prevention training, a disaster prevention portal has been created on the intranet to actively communicate the relevant information to employees.

2.3 Product Development Management (Quality Control and Innovation)

2.3.1 Basic Approach

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

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

2.3.2 Quality Policy and Management System

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

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

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

Fujifilm Group Quality Policy

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

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

Established in January 2010, Revised in April 2019

Status of QMS Certification and Audit in FY2022		* Target sites are determined in consideration of business characteristics.
Details of external expert inspection/audit/verification system (International certification under ISO 9001)	Scope 83.5% Target sites 79 / Certified sites 66	
Details of internal expert inspection/audit/verification system	Scope 16.5% Inspections executed in accordance with the Quality Policy. Target sites 79 / Certified sites 13	
Quality management system (QMS) coverage at the Fujifilm Group (total of the above two)	100%	

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

2.3.3 Product Development Flow

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

2.3.4 Product Safety

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

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

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

* PL: Product liability

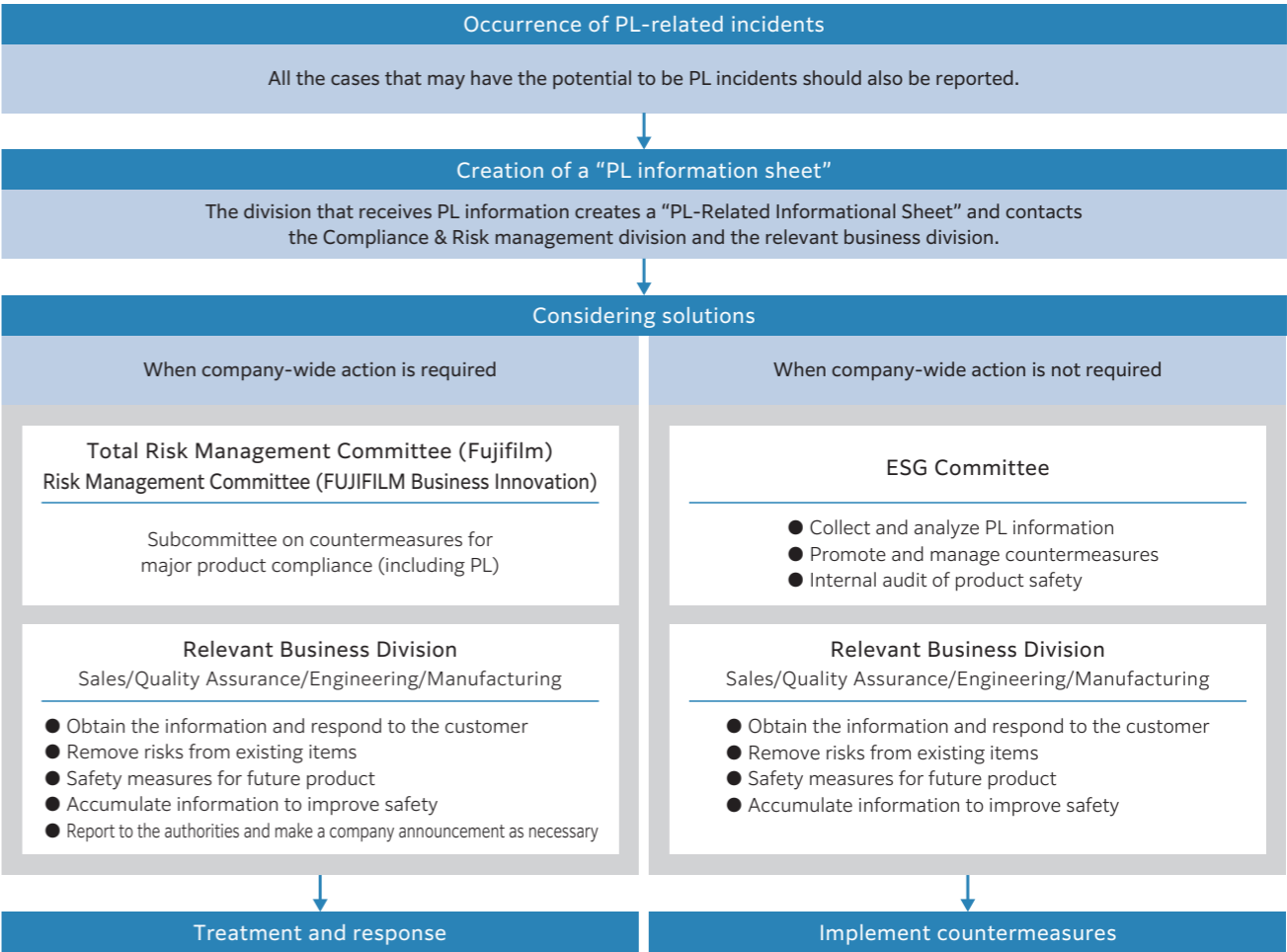
Product Safety Policy

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

The five priority measures are as follows.

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

Process Flow of Product Safety Information



2.3.5 Initiatives for Open Innovation

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

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

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

We created an Open Innovation Hub in 2014 in Roppongi, Tokyo to provide a venue for Open Innovation founded on equal, co-creation partnerships with outside organizations. This was followed by formation of a trilateral organization involving sites in the United States and the Netherlands with more than 5,000 companies and approx. 26,000 customers in total (as of March 31, 2023). At 15% of these customers, we are promoting discussions and activities to create concrete plans for new products and technologies.

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

2. Participation in collaborative R&D with outside organizations

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

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

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

*2 Achieving zero CO2 emissions in this case.

METI List of Companies taking on the Zero-Emissions Challenge

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

NEDO-sponsored Projects in which We Participate

As of June 2023

- Development of Continuous Production and Process Technologies of Fine Chemicals
- Artificial Photosynthesis Project
- Development of Material Evaluation Techniques for Advanced and Innovative Batteries (Phase 2)
- Research promotion project on creation and reinforcement of innovations, under “Field for Knowledge Integration and Innovation”
- Promotion of Carbon Recycling Using CO2 from Biomanufacturing Technology as a Direct Raw Material

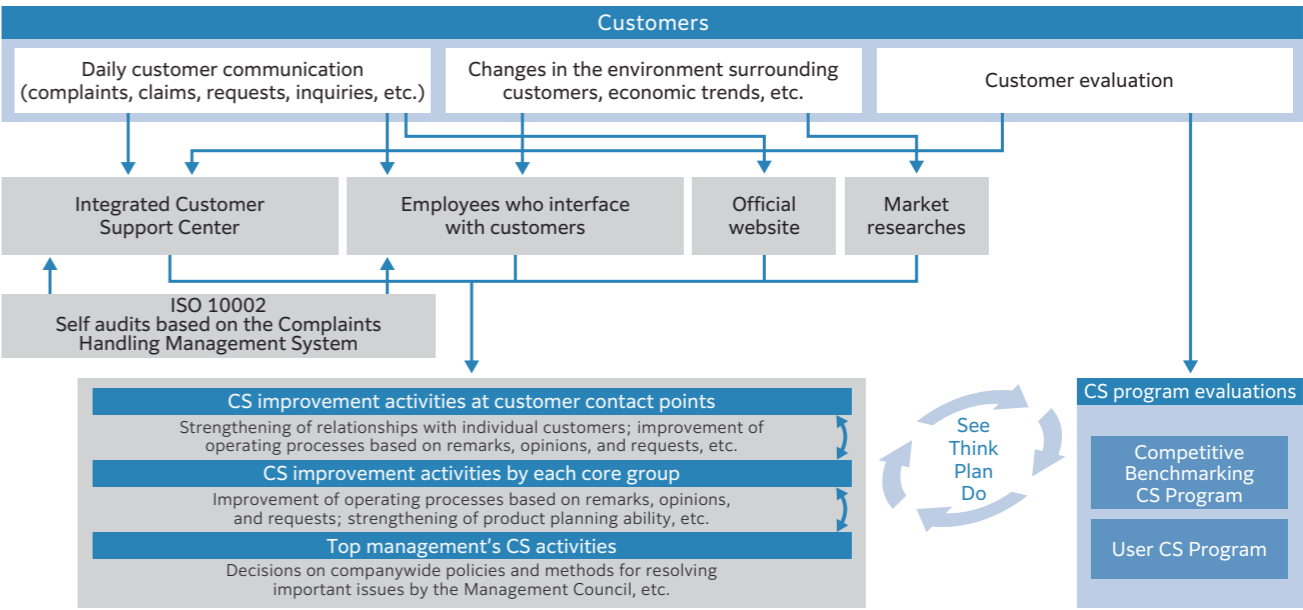
2.4 Customer Relationship Management

2.4.1 Basic Approach for Customer Relationship

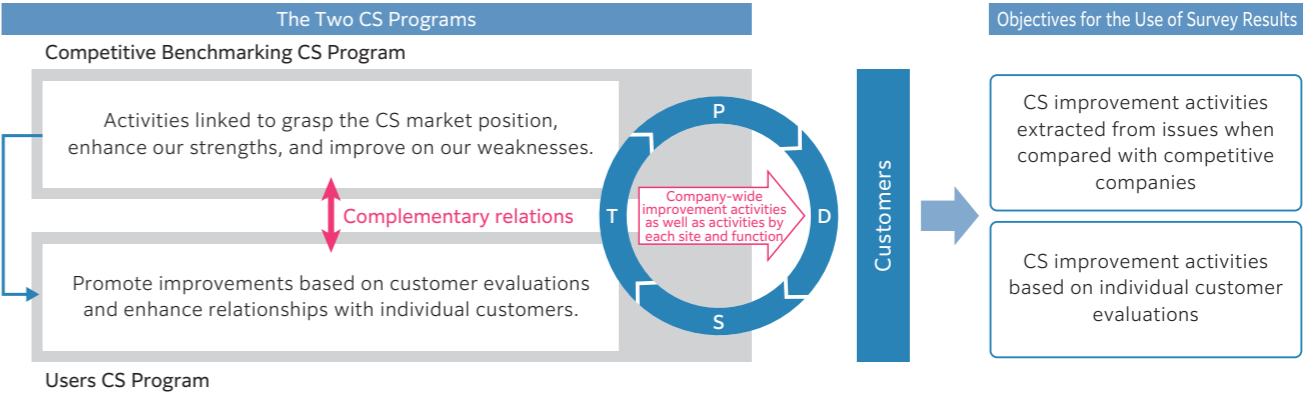
As we declare in our corporate philosophy, the Fujifilm Group aims to provide the best quality products and services which are safe, appealing to customers and provide them with peace of mind, by basing our management on Customer Satisfaction (CS).” In order to achieve customer satisfaction, it is important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

2.4.2 Structure for Customer Relationship

Mechanisms for Communicating with Customers



CS Program (Improvement activities based on the CS surveys)



2.4.3 Efforts to Improve Customer Satisfaction

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

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

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

2. Online service

Online Service Usage Status

Unit: %

	FY2018	FY2019	FY2020	FY2021	FY2022	Target in FY2022
Online customers*1 (Percentage of customers who use online services or sales platforms among all customers)	79.3	83.4	85.6	86.9	88.3	88
Online sales*2 (Percentage of online sales (direct sales and advertising))	4.5	4.3	4.2	4.2	4.7	4.5

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

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

3. Customer satisfaction survey results

(1) Customer satisfaction survey

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

① Results of customer satisfaction survey

Unit: %

	FY2018	FY2019	FY2020	FY2021	FY2022	Target in FY2022
Percentage of satisfied customers among all customers (%)	85.1	86.3	87.5	88.0	87.3	88
Data coverage (within all the sales of our company)	77.0	77.6	77.9	75.2	75.8	

② Customer satisfaction by business fields in the above data

Unit: %

Segment	FY2018	FY2019	FY2020	FY2021	FY2022
Healthcare (medical products)	78	79	79	80	80
Business Innovation (multifunction device products)	91	92	93	93	92
Imaging (photograph-related products such as digital cameras)	89	89	93	93	90

(2) Efforts to improve customer satisfaction

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

[Received awards for customer satisfaction survey in fiscal 2022 (FUJIFILM Business Innovation)]



No.1 in J.D. Power 2022 Japan Color MFP Customer Satisfaction StudySM <Large/Midsize Business>



No.1 in J.D. Power 2022 Japan Color MFP Customer Satisfaction StudySM <Small Business> *Tied in 2022

<https://www.fujifilm.com/fb/company/news/release/2022/78807> (in Japanese only)

No.1 in J.D. Power 2022 Japan Technical Support Call Center Customer Satisfaction StudySM <Servers>

<https://www.fujifilm.com/fb/company/news/release/79237> (in Japanese only)

Top in the IT Consulting/Upstream Design Services category of Customer Satisfaction Survey 2022-2023 by Nikkei Computer

<https://www.fujifilm.com/fb/company/news/release/78552> (in Japanese only)

Customers Response (FUJIFILM's Activities)

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

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

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

Customer Satisfaction Improvement Committee (FUJIFILM Healthcare Laboratory Co., Ltd.)

<https://h-jp.fujifilm.com/contents/cs/voice/committee.html> (in Japanese only)

Aiming to enhance Customer Satisfaction (FUJIFILM Business Innovation)

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

4. Efforts in the Healthcare segment

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

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

① Efforts to improve access to healthcare services

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

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

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

① Sales activities through fair competition

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

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

② Information disclosure

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

2.5 Supply Chain Management

2.5.1 Basic Approach

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

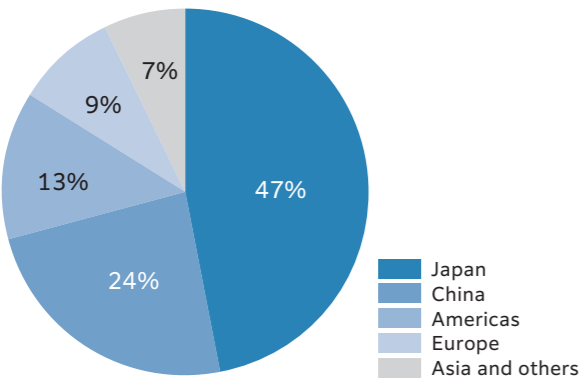
Under a partnership with our suppliers based on mutual understanding and trust, the Fujifilm Group aims to build a more robust supply chain through sustainable procurement that reduces business risks in the supply chain and increases the competitiveness and corporate value of all parties in the chain.

2.5.2 Fujifilm Group Procurement Overview

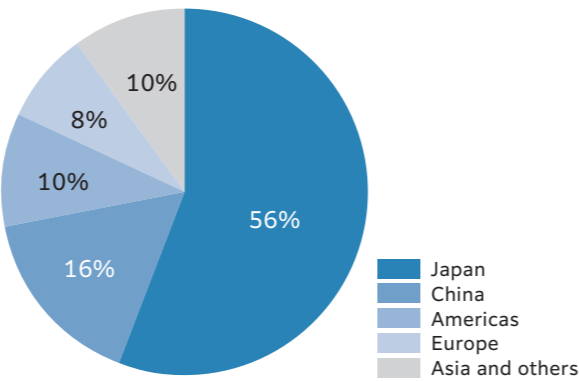
The Fujifilm Group manufactures a wide range of products, including chemical products; functional materials; and medical, precision, optical and office equipment. Our major production sites are located in Japan, Americas, China, the Netherlands and Vietnam.

We have some 5,500 tier 1 suppliers across the world from which we procure production materials. We have identified approximately 2,000 critical suppliers, which accounts for almost 36% of our tier 1 suppliers. Critical suppliers refer to those who are significantly important for the Fujifilm Group's competitiveness and business continuation based on criteria concerning procurement amount and supply volume, substitutability of the suppliers themselves or the items they provide, and possibility of business continuity. The percentage of procurement amount by region is as follows: Japan 47%; China 24%; the Americas 13%; Europe 9%; and Asia and others 7%. The Fujifilm Group also actively procures from local suppliers. The percentage of local procurement in China is 85%, and in Asia and other areas it is 67% (as of the end of March 2023).

Procurement Amount by Region



Procurement Ratio by Region Based on Number of Tier 1 Suppliers



Percentage of Local Procurement in China, and Asia and Others



The Fujifilm Group pursues optimization of production and procurement process in all businesses in order to manufacture ever better products and offer them at appropriate prices. We are promoting our procurement activities by continually improving the following three points from the viewpoint of supply chain sustainability.

- (1) Quality
- (2) Cost
- (3) Delivery

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

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

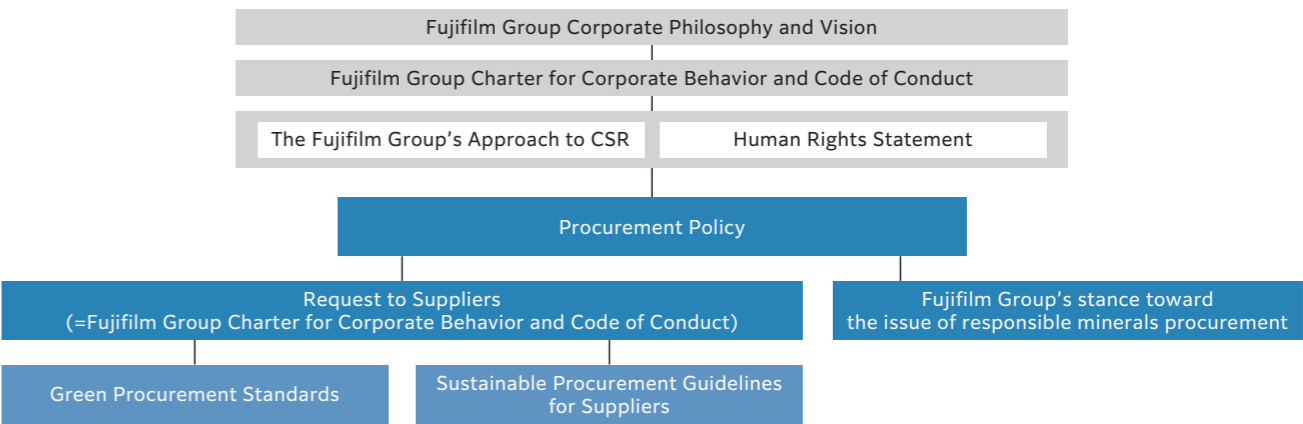
The Fujifilm Group's pursuit of sustainable procurement is not only to avoid risks, but also for the positive benefits it brings. We believe that respecting the human rights of workers in the supply chain increases productivity and moral action, which in turn lead to the provision of better products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

For more details on our concrete efforts of sustainable procurement, refer to 2.5.5 *Efforts to Improve Sustainability in the Supply Chain (Sustainable Procurement Activities)*.

2.5.3 Procurement Policy and Structure

1. Procurement policy and rules

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



2. Fujifilm Group Procurement Policy

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

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

3. Request to Suppliers (Supplier Code of Conduct)

The Fujifilm Group recognizes the importance of social responsibility and corporate ethics in undertaking business activities not only within the Group itself but also in partnership with our suppliers as we strive to build stronger partnerships. With this aim, we inform and request suppliers to adhere to the Fujifilm Group Charter for Corporate Behavior and the Code of Conduct.

We also ask our suppliers to request adherence to the Supplier Code of Conduct by their own employees and subcontractors (that is, tier 2 suppliers of the Fujifilm Group).

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

Fujifilm Group Charter for Corporate Behavior / Code of Conduct [24 languages including Japanese] <https://holdings.fujifilm.com/en/about/philosophy#24languages>

Items for Fujifilm Group Code of Conduct

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

4. Sustainable Procurement Guidelines for Suppliers

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

*RBA: Responsible Business Alliance

Elements of Sustainable Procurement Guidelines for Suppliers

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

Fujifilm Group Sustainable Procurement Guideline for Suppliers

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

5. Other standards

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

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

● Environmental Policy

Fujifilm Group Green Policy (Environmental Policy)

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

● Requests to suppliers on environment

Fujifilm Green Procurement Standards

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

FUJIFILM Business Innovation Green Procurement Standards

<https://www.fujifilm.com/fb/company/policy/purchase>

● Policy on human rights

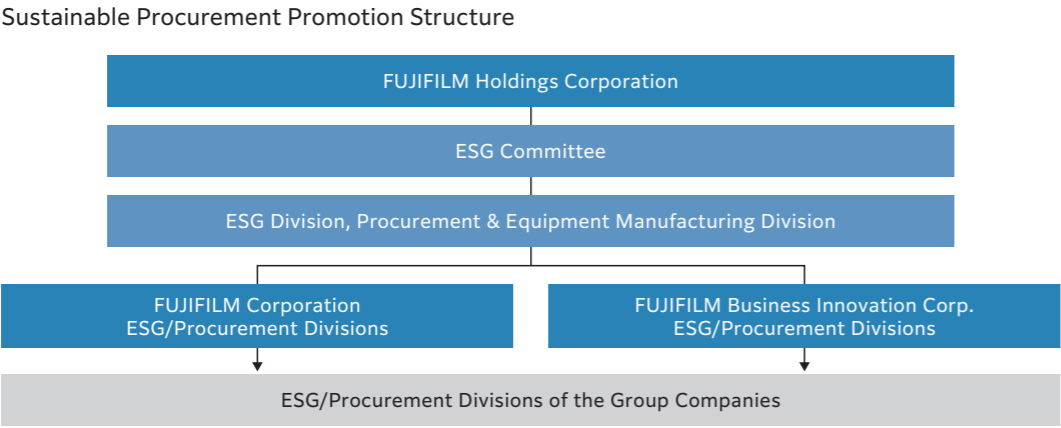
Fujifilm Group Human Rights Statement

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

2.5.4 Structure of Sustainable Procurement Promotion

Collaborating with FUJIFILM Corporation and FUJIFILM Business Innovation Corp., the ESG Division and the Procurement & Equipment Manufacturing Division of FUJIFILM Holdings Corporation formulate policies and plans for the Fujifilm Group's sustainable procurement. This is carried out under the monitoring of FUJIFILM Holding's director and corporate vice president. In fiscal 2021, the CSR Procurement Promotion Group (now Sustainable Procurement Group) was established within the Procurement & Equipment Manufacturing Division in FUJIFILM Holdings in order to expand sustainable procurement across the Group. Critical management issues concerning the sustainable procurement policy and planning are approved and adopted by FUJIFILM Holdings' ESG Committee, chaired by the president of FUJIFILM Holdings.

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



Roles of Each Organization

Organization	Major Roles
ESG Committee (headed by the President) of FUJIFILM Holdings Corporation	Deliberation and decision on important matters
ESG Division, Procurement & Equipment Manufacturing Division in FUJIFILM Holdings Corporation	Formulation of group-wide policies and plans, support for Group companies, and liaison office* for external inquiries
ESG and Procurement Divisions in FUJIFILM Corporation and FUJIFILM Business Innovation Corp.	Dissemination of the group-wide policies and plans to the relevant divisions, formulation of concrete action plans based on such policies and plans, and support for sustainability activities in the company and other Group companies
ESG and Procurement Divisions in Group companies	<ul style="list-style-type: none">Dissemination of group-wide policies and plans, and support for sustainability activities within the companyRequest to suppliers of sustainability activities based on Fujifilm Group Procurement and Environmental Policies; checking sustainability activities implementation status by surveys and site visits; and providing advice and support for improvement

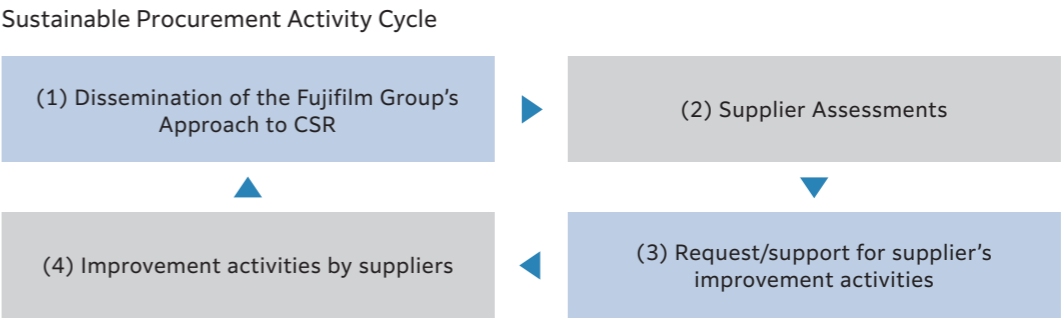
* Liaison office for suppliers concerning Fujifilm Group sustainability activities. It accepts any type of enquiry, including consultations and complaints.

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

2.5.5 Efforts to Improve Sustainability in the Supply Chain (Sustainable Procurement Activities)

1. Sustainable procurement activity cycle

To promote sustainable procurement activities, the Fujifilm Group has designated a Sustainable Procurement Promotion Program that is run cyclically in the following four steps.



Activities in Each Step

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

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

(2) Supplier Assessments

To identify sustainability-related risks and issues concerning suppliers, the Fujifilm Group conducts regular risk assessments and requests suppliers to carry out self-checks (see the table on the next page for fields and elements). Such assessments are carried out on the critical suppliers, as determined by procurement costs and substitutability of the provided items and whether they are located in high risk regions* such as China and Asia.

Also, we started using a risk screening tool provided by an external vendor in fiscal 2022 for more efficient identification of sustainability risks concerning suppliers to enable a prompt response in the event of a risk-related incident.

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

In addition to the self-checks described in section (2), an onsite risk assessment takes place individually for high-risk suppliers—determined by the self-check results and day-to-day procurement practices. Following the assessment, we submit improvement requests as needed and provide support for such improvements. In China and Asia, our internal expert teams conduct onsite visit and check for sustainability activities by the supplier and provides advice on making improvements. We position this onsite review by expert teams as equivalent to a Responsible Business Alliance (RBA) audit. Based on the check results, we encourage the suppliers to proceed with improvements, and thereby promote the Fujifilm Group's sustainable procurement methods across the whole supply chain.

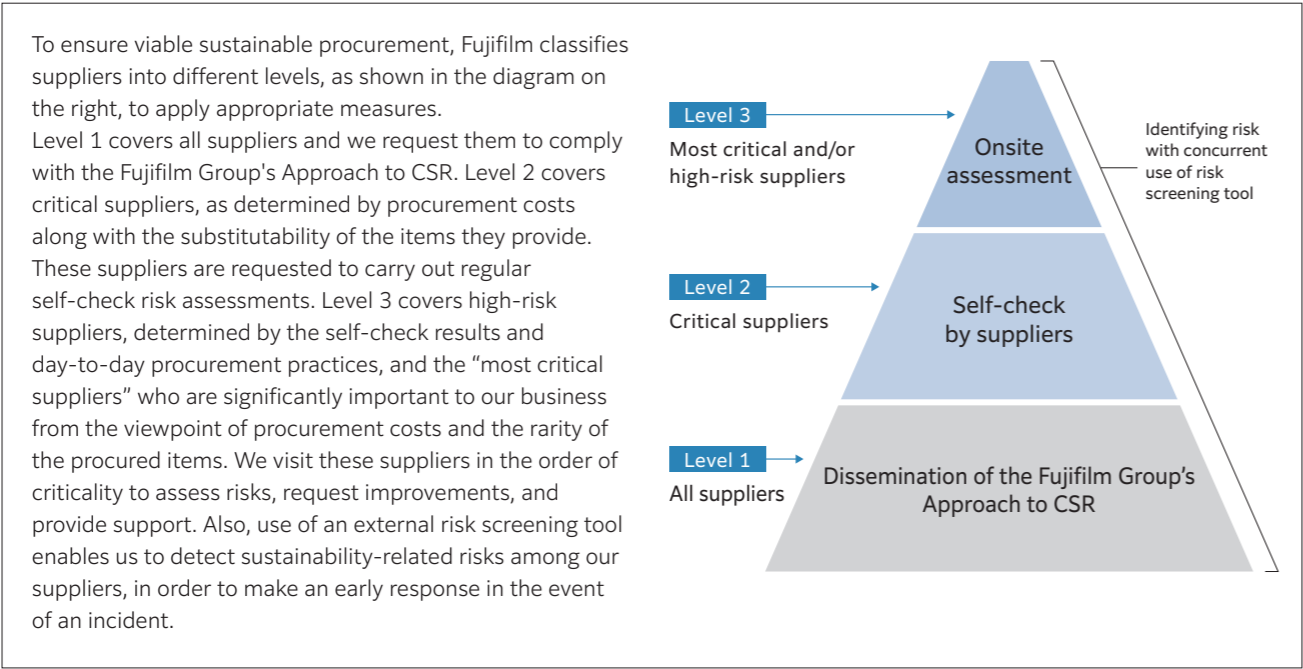
* The Fujifilm Group identifies risk areas within its supply chain from the viewpoint of sustainability by analyzing the regional environment, social risks and the relevant regulations in countries and regions.

Self-Check Fields and Major Elements

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

* Only for the suppliers in Japan

The Fujifilm Group’s Basic Approach to Sustainable Procurement



2. Overview of fiscal 2022 activities

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

The Fujifilm Group disseminated its Requests to Suppliers (Fujifilm Group Charter of Corporate Behavior and Code of Conduct) and collected consent forms from 733 suppliers.

(2) Supplier assessments

We requested critical suppliers to carry out self-checks. The self-check list was revised in fiscal 2022 to cover questions concerning the Technical Intern Training Program and the Specified Skilled Worker Program to understand the usage status of these programs by suppliers in Japan. We also expanded the self-check coverage and this resulted in self-check responses from 774 suppliers (1,262 sites), which was about twice that of last year (response rate of 92%). The fiscal 2022 self-check results did not find any significant risks related to child labor, forced labor, or freedom of association.

Further, the “information security survey (self-check)” also started in fiscal 2022 for critical suppliers. In response to reports that cyberattacks on supply chains were now affecting some other companies production activity and supplies, we conducted a survey on security risk countermeasures at suppliers. The number of responding suppliers was 722.

For more details on the Information Security Survey, refer to 2.2.8-5 *Measures for supply chain security*.

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

(I) Post-self-check feedback to suppliers

For all suppliers that conducted self-checks and responded to the information security survey, we sent a feedback sheet that included a score compared to the overall average (conformance rate) or evaluation level, and advice on how to address and improve any identified issues. Further, for suppliers where non-conformance was identified for high priority items, we held follow-up interviews etc. with them to understand the actual situation, ask for improvements as necessary and confirm the improvement status.

(II) Onsite visit and check by expert teams

Reviewing self-check results, efforts in regard to QCD, environment and so forth, we judged that we need to conduct risk assessment on 42 suppliers located in China and Vietnam. Expert teams from our production sites provided onsite visit and check to 24 suppliers out of 42. Since some of the planned onsite visits were canceled due to the pandemic of COVID-19, the achievement rate was lower than usual, as was the case last year.

In onsite visits during fiscal 2022, as usual we visited suppliers' production sites and their employee dormitories. We also inspected their labor agreements and related documents. These assessments identified the following problems and confirmed that they had been rectified.

- Changes in labor laws and regulations were not reflected in the employee handbook provided by the company. The descriptions of holiday and leave-related rules did not match with actual implementation.
- Classification marks on storage containers of hazardous wastes did not match the classification marks indicated for the storage area.

We confirmed that such critical issues were improved by the end of that fiscal year for all suppliers where onsite assessments had been conducted.

(III) Training and capacity building

In supplier briefings in Japan, we raised awareness of the importance of appropriate chemical management in the supply chain. We also provided concrete information on the latest trends concerning procurement-related laws and regulations, and promoted thorough communications on the regulated chemicals contained (or not contained) in the procured goods. We always opened the briefings with an explanation of the importance of sustainability and our efforts in sustainable procurement. We also fostered understanding of the Fujifilm Group Charter of Corporate Behavior and Code of Conduct and requested suppliers to submit their consent form. Following on from the previous year, the fiscal 2022 briefings were held twice as a webinar due to COVID-19 restrictions. A total of 141 companies attended the webinars.

For more details on chemical management throughout the supply chain, refer to 3.6.5 *Contribution to Sound Chemical Management Across the Supply Chain*.

(IV) Support for resolving issues through collaboration with suppliers

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

(4) Others (Employee education)

ESG Division and Procurement & Equipment Manufacturing Division of the FUJIFILM Holdings held individual meetings several times a year with the procurement and purchasing departments of the 14 major group companies that directly procure materials. The meetings provided explanations on social demands concerning sustainable procurement and the group’s sustainable procurement activities, as well as opportunities for dialogue on initiatives and issues. Also, we provided an educational program about supply chains and human rights issues for the Group companies upon request. The program covered the rising risks related to human rights infringements across the supply chain—such as forced labor, corporations’ responsibilities, and other related topics.

Results of Sustainable Procurement Activities and Targets (KPI)

Activity	Item	FY2020	FY2021	FY2022		FY2023 Target
				Target	Result	
Dissemination of Code of Conduct, Collection of consent forms	Number of suppliers' consent forms collected	213	204	350	733	300
Self-check regarding sustainability	Number of suppliers' responded/Number of sites responded (Response rate)	426/610 (75%)	368/558 (90%)	600 (90% or over)	774/1,262 (92%)	1,000 (90% or over)
	Percentage of suppliers with 90% or over conformance rate	87%	77%	90% or over	70%	90% or over
Information security survey*	Number of suppliers responded	–	–	600	722	1,200
Onsite visit and check	Number of suppliers evaluated (Plan achievement rate)	56 (90%)	33 (62%)	Plan achievement rate 100%	24 (57%)	Plan achievement rate 100%

* Information security survey was started from fiscal 2022.

Conformance Rate at Self-check Regarding Sustainability

Conformance Rate	Evaluation	Percentage of Conformant Suppliers
90% or over	Almost satisfy the requirements of our Code of Conduct	70%
80 to 89%	Some issues need improvements	20%
Less than 80%	Need our supports for improvement	10%

2.5.6 Environmental Efforts in the Supply Chain

1. Basic Approach

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

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

2. Cooperation with Suppliers

(1) Requesting suppliers to comply with environmental guidelines

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

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

(2) Activity Overview of the Major Themes

Theme	Overview	Reference
Sharing information on chemical substances	We use chemSHERPA, a chemical information communication system compliant with international standards, to share information on chemical substances and to ensure the proper management of chemical substances. We also offer regular explanatory meetings for suppliers in how to use chemSHERPA.	3.6.5 <i>Contribution to Sound Chemical Management Across the Supply Chain</i>
Responsible paper procurement	To achieve responsible paper procurement, we have established procurement standards based on biodiversity and respect for the rights of local residents. Our procurement process is always in line with these standards.	2.5.9 <i>Efforts in Paper Procurement</i>
Responsible plant-derived raw materials procurement	To meet the social demand for biodiversity conservation, we established company-wide rules for the procurement of plant-derived raw material such as cellulose in fiscal 2021. We began operations in sequence at all Fujifilm Group sites in fiscal 2022. We will ensure that our biodiversity conscious procurement is always in agreement with these rules.	3.7 <i>Biodiversity Conservation</i>

3. Efforts in Logistics

In order to reduce CO₂ emissions in logistics, it is necessary to shift to transportation methods with a lower environmental impact. It is also important to revise the transportation routes for more efficient timetables, and to streamline activities across the entire transportation industry through collaboration with shipping and logistics companies. FUJIFILM Logistics, which is responsible for goods transportation for the Fujifilm Group—mainly in Japan—has been actively working to realize a modal shift* and EV utilization. In fiscal 2022, the company successfully reduced CO₂ emissions and environmental impact in long-distance relay trucking by streamlining the logistics process through cross-industrial collaboration. Seven companies partnered in this project received the MLIT Minister's Commendation, the highest ranking in the Excellent Green Logistics Partnership Commendation Program 2022.

* Modal shift: Transitioning from vehicle-based freight transport to trains and ships, which have less environmental impact

2.5.7 Efforts in Fujifilm Group Production Sites

1. Audit by customers

We appropriately respond to audits conducted by our customers, to whom we supply our products. In fiscal 2022, we received several customer audits in both Japanese and overseas sites and no issues that could have an effect on the continuation of our partnerships were identified.

2. Self-checks by our production sites

We conducted CSR self-checks at eight production sites of the Business Innovation business across the world, and confirmed that all sites observed 100% compliance. The results of the RBA self-assessment questionnaire (conducted at seven sites) also stayed at “green” for all sites.

In the Business Innovation business, we use the line stop time in our manufacturing process caused by sustainability-related problems at our suppliers as our self-check index. There were zero line stops caused by sustainability-related problems for the eighth consecutive year since fiscal 2015 in FUJIFILM Manufacturing Shenzhen (China), and for the seventh consecutive year since fiscal 2016 in FUJIFILM Manufacturing Hai Phong (Vietnam).

2.5.8 Responsible Minerals Procurement

1. Policy and framework of efforts

In the supply chains of minerals from conflict-affected and high-risk areas, the Fujifilm Group perceives the issues concerning the minerals such as tantalum, tin, tungsten and gold (3TG), which are associated to human rights abuse such as child labor, environmental destruction, and funding for groups involved in inhumane armed acts, are one of the serious social issues. The Fujifilm Group manages minerals by following the five steps of the “OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas” specified by the Organisation for Economic Co-operation and Development (OECD) to ensure responsible procurement across our supply chain.

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

Fujifilm Group Efforts

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

*1 RMI = Responsible Minerals Initiative

*2 JEITA = Japan Electronics and Information Technology Industries Association

*3 RMAP = Responsible Minerals Assurance Process

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

2. Results and targets for responsible minerals procurement

Each business in the Fujifilm Group responds to requests from customers for a survey to trace the targeted minerals back through the supply chain to the origin (conflict minerals survey).

In the Business Innovation business, we are enhancing our efforts of responsible minerals, taking into account the expansion of the countries/regions of our sales and the rising social demands. A survey of 3TG (tantalum, tungsten, tin and gold) resulted in a 99.8% response from the suppliers subject to the survey. The responses helped identify 337 smelters and refiners registered in the Responsible Minerals Initiative (RMI) list. Out of these smelters or refiners, 220 were confirmed to be RMAP conformant (certified smelters) as of May 2023.

In response to client requests, we also added a survey of cobalt to the conventional 3TG surveys in fiscal 2021. The response rate for the fiscal 2022 cobalt survey was 99.6%. The survey results identified 70 smelters and refiners registered on the RMI list, of which 35 were confirmed to be RMAP conformant as of May 2023. Based on the survey results, we requested the suppliers to switch to source from the certified smelters to avoid using high-risk smelters. We continue to appropriately manage our responsible mineral procurement while expanding the scope of these surveys.

3TG (tantalum, tungsten, tin and gold)

	FY2020	FY2021	FY2022	FY2023 Target
Supplier response rate for conflict minerals survey	99%	98%	99%	95% or over
Percentage of RMAP conformant smelters in the survey	75%	72%	65%	Continuous improvement of RMAP conformant smelters percentage

Cobalt

	FY2022	FY2023 Target
Supplier response rate for conflict minerals survey	99%	95% or over
Percentage of RMAP conformant smelters in the survey	50%	Continuous improvement of RMAP conformant smelters percentage

FY2022	Total	Gold	Tantalum	Tin	Tungsten	Cobalt
Number of identified smelters	407	36	49	81	171	70
Number of RMAP conformant smelters	255	34	36	58	92	35
Percentage of RMAP conformant smelters	63%	94%	73%	72%	54%	50%

2.5.9 Efforts in Paper Procurement

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

We hold annual meetings of the CSR Paper Procurement Committee, chaired by the director responsible for procurement, to confirm the compliance status of existing suppliers regarding these requirements and to select new suppliers. In fiscal 2022, we checked the compliance status of our suppliers from their submitted signed pledges, check lists, and materials reports. The percentage of forest-certified paper in our Business Innovation paper products in Japan was 42% (as of March 2023). Please also refer to 3.7.3 *Activities for Biodiversity*.

Paper Procurement Regulation Standards

(1) Principles on paper procurement

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

(2) Principles on transactions with paper suppliers

- I. Environment: Suppliers shall comply with both national and regional laws and regulations in the countries where they operate, and shall conduct business in consideration of the protection of valuable local forests and their ecosystem.
- II. Right of local communities: Suppliers shall see to it that the rights of local communities, such as the right to exist, are

protected, and shall fully engage in dialogue with local communities whose rights might be seriously affected by their business activities.

III. Corporate ethics: Suppliers shall protect the rights of their workers, conduct fair transactions as a matter of routine, and avoid any association with antisocial forces or organizations.

Paper Procurement Efforts KPI

	FY2020	FY2021	FY2022	FY2023 Target
Percentage of suppliers submitted signed pledges, check lists, and materials reports (FUJIFILM Business Innovation)	100%	100%	100%	100%

2.5.10 Sustainable Procurement Efforts in Logistics

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

FUJIFILM Logistics Co., Ltd., which is in charge of logistics operations for the Fujifilm Group, has been requesting its logistics partners (direct suppliers) to cooperate in our sustainable procurement for logistics in Japan since fiscal 2009. Through such requests, logistics partners conduct sustainability self-checks and if their conformance rate is less than 90%, FUJIFILM Logistics visits the partner company to offer advice for correction. In fiscal 2022, we requested 111 suppliers to conduct self-checks and collected the results from all suppliers. The remaining COVID-19 impact limited our support and visits to partner companies that had less than a 90% conformance rate. However, we were able to confirm that the improvement on identified issues had been implemented in those companies we visited.

Sustainable Procurement Effort KPI in Domestic Logistics in Japan

	FY2020	FY2021	FY2022	FY2023 Target
Percentage of companies with 90% or more sustainability self-check conformance rate	97%	95%	97%	100%

In fiscal 2022, FUJIFILM Logistics focused on improving logistics efficiency through cross-industrial collaboration. Collaboration enabled “long-distance relay trucking,” where multiple drivers change over after covering a set intermediate distance. Relay trucking reduced both the number of vehicles and working hours, as well as minimizing the long-hour working resulting from long-distance single driver transportation.

FUJIFILM Logistics is strengthening cooperation not only with direct suppliers, but also with indirect suppliers—i.e. subcontractors. In fiscal 2022, as in the previous year, FUJIFILM Logistics shared the Fujifilm Group’s COVID-19 countermeasures with direct and indirect suppliers.

Since fiscal 2020, FUJIFILM Logistics has been using the GoStop Management System, a logistics service provided by the Japan Weather Association, to support transportation safety in bad weather. We provide our partners with information gained from the system, such as bad weather forecasts and other data that helps determine whether it is necessary to cancel transportation. In fiscal 2022, there were no accidents caused by natural disasters.

Further information, please refer to *2.5.6-3 Efforts in Logistics*.

2.5.11 Collaboration with Initiatives in the Supply Chain Area

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

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

3.1 Environmental Policy and Management System

3.1.1 Basic Approach

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

Fujifilm Group Green Policy

Basic Policy

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

Action Guidelines

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

Established in October 2002, Revised in April 2019

3.1.2 Environmental Management

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

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

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

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

FY2023 Fujifilm Group Priority Measures

SVP2030 Priority Issues	FY2023 Priority Measures
1. Address climate change	1) Promote CO ₂ emission reduction activities in each business domain based on the Fujifilm Group environmental strategy "Green Value Climate Strategy" 2) Create “Green Value Products” to be certified under the Fujifilm Group’s environmentally-conscious product certification program (i) Reduce CO ₂ emissions across the entire product life cycle (ii) Contribute to reducing CO ₂ emissions in society and at customer end 3) Promote "Green Value Manufacturing" that requires low CO ₂ emissions (i) Expand the use of renewable energy (ii) Study technical feasibility of the introduction of fuels that do not emit CO ₂ (iii) Develop and introduce production processes and manufacturing technologies that have low CO ₂ emissions (iv) Use the Internal Carbon Pricing system to promote CO ₂ emission reduction measures 4) Assess risks and business opportunities associated with climate change to set future business strategy
2. Promote recycling of resources	1) Improve the quality of resource recycling (i) Reduce incineration/landfill waste or change to alternative disposal methods (ii) Convert waste plastics into valuable material (iii) Expand the scope of application for product reuse and recycling (iv) Promote using recycled plastics into new products and packaging materials 2) Promote water use reduction, reuse and recycling to contribute to water resource conservation
3. Address energy issues toward a decarbonized society	Develop products and technologies that will contribute to conserving, storing and creating energy
4. Ensure product and chemical safety	1) Promote reduction and replacement of priority substances for risk management 2) Develop materials and processes that contribute to reducing environmental impact and promoting resources recycling 3) Disseminate knowledge and mechanisms that facilitate appropriate chemicals management across the supply chain 4) Implement product safety assessment and monitoring in accordance with the internal rules 5) Continue to improve the systems for regulatory compliance to support the expansion of product and business areas
5. Promote management of a healthy workplace (prevent workplace accidents)	1) Improve the level of biological material management in accordance with the internal rules 2) Analyze root causes of serious workplace accidents and take preventive measures (i) Improve knowledge and sensitivity of employees to safety hazards (ii) Identify safety hazards and assign appropriate persons to handle (iii) Investigate the cause of accidents in depth to prevent the recurrence of similar accidents and implement preventive measures throughout the Fujifilm Group
6. Strengthen CSR foundations across the entire supply chain	1) Strengthen communication and collaboration with suppliers for reducing CO ₂ emissions 2) Implement appropriate procurement of plant-derived materials in accordance with the internal rules
7. Information disclosure and communication	Disclose scenarios and activities toward achieving the SVP2030 goals
8. Employee education	1) Implement environmental education based on the SVP2030 priority issues by inspiring voluntary activities 2) Continue basic educations on environmental safety, product safety and occupational safety

3.1.3 EMS: Certification/Audit/Verification

Status of EMS Certification and Audit in FY2022 * Target sites are determined in consideration of business characteristics

Certification/audit/verification system by specialized companies with International Certification (ISO14001, EMAS)	Coverage: 84.8% Target sites: 79 Certified sites: 67
Certification/audit/verification system by internal experts	Coverage: 15.2% Through internal audits and environmental performance data system, our internal experts verify the status of environmental activities based on the Environmental Policy and the priority issues. Target sites: 79 Certified sites: 12
Total Coverage of Environmental Management System (EMS) for our company (The sum of the above two)	100%

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

3.1.4 Risk Management by Environmental Due Diligence

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

3.1.5 Response to Environmental Laws and Regulations

Legal Compliance and Reports on Complaints in FY2022

In fiscal 2022, there was five violations of environment-related laws and one complaint. The legal violations of laws concerned wastewater management and emissions of volatile organic compounds (both in the U.S.). Recurrence prevention measures have already been implemented.

	FY2019	FY2020	FY2021	FY2022
Number of legal violations	0	1	1	5
Penalty (USD)	0	168	3,600	20,744
No. of cases addressed	0	1	1	4
Penalty paid (USD)	0	168	3,600	20,744
No. of cases being addressed	0	0	0	1
Debts as of the end of fiscal year (USD)	0	0	0	0
No. of other violations and complaints	2	0	0	1

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

Company/Site name	Description	Responses
FUJIFILM Diosynth Biotechnologies U.S.A., Inc.	Water quality sampling was not conducted.	Water quality at subcontractors was inspected immediately.
FUJIFILM Diosynth Biotechnologies U.S.A., Inc.	Chloride level in wastewater exceeded the standards due to simultaneous release from multiple reverse osmosis (RO) systems.	RO system operation schedule was revised.
FUJIFILM Diosynth Biotechnologies U.S.A., Inc.	Below-standard low pH wastewater released.	Internal investigation resulted in no correction required. Abnormal pH wastewater has not been detected since.
FUJIFILM Wako Chemicals U.S.A. Corporation	Emission of volatile organic compounds (VOC) exceeded the standards.	Management reinforced by appointing a dedicated controller.

* Relatively minor violations have been excluded.

3.1.6 Environmental Training for Employees

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

In fiscal 2021, we provided a learning program on “Response to Climate Change” to Fujifilm Group employees in Japan, China, and other Asian countries. The same program was also provided to those in Europe and the U.S. in fiscal 2022.

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

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

3.1.7 Environmental Management in the Supply Chain

The Fujifilm Group considers the impact that our business has on the environment throughout its lifecycle, from the procurement of raw materials to the manufacturing, transportation, use, and disposal of products, and is working to reduce the environmental impact.

For further information on the Group’s basic policy and specific cases, please refer to 2.5.6 *Environmental Efforts in the Supply Chain*.

3.2 Climante Change Response Strategy

3.2.1 Basic Approach

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

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

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

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

Environmental Strategy Briefing on April 13, 2022

 https://ir.fujifilm.com/en/investors/ir-materials/presentations/main/0118/teaserItems1/0/tableContents/019/multiFileUpload2_0/link/fi_presentation_20220413_001j.pdf

3.2.2 Governance

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

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

In recent ESG Committee meetings, deliberation and decisions were made on introducing internal carbon pricing and information disclosure compliant with a TCFD report. The results were reported to the Board of Directors, where further discussions were held. The ESG indicator reflects the achievement rate of CO₂ emissions reduction against the set target. The Nomination and Remuneration Advisory Committee examined the use of this indicator within the Performance Share Unit Plan to assess directors’ performance and this was accepted by the Board of Directors.

3.2.3 Risk Management

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

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

3.2.4 Strategy

For scenario analysis based on the TCFD recommendations, we have set and evaluated two types of climate-related scenarios—1.5°C and 4°C—in reference to low-carbon 2°C scenario (2DS) based on the Representative Concentration Pathways (RCP) 2.6 through 8.5 described in the report of the Intergovernmental Panel on Climate Change (IPCC) and the IEA (International Energy Agency) ETP (Energy Technology Perspectives). One is the 1.5°C scenario in which more rigorous measures are implemented to build a decarbonized society and effectively keep the rise in temperatures by the year 2100 to 1.5°C compared with the level during the Industrial Revolution. The other is the 4°C scenario in which the temperature rises by 3.2°C to 5°C over the Industrial Revolution level as a result of failing to implement measures that surpass those currently in place.

For further detail on scenario analysis, please refer to *TCFD Report*.

[Scenario analysis overview]

1. 4°C Scenario

Measures surpassing those in place at present are not implemented, resulting in the average temperature rising by the year 2100 by 3.2°C to 5°C over the level during the Industrial Revolution. Natural disasters will increase in intensity and irreversible ecological changes will occur.

(1) Business risks (Physical risks)

- ① Impact on production facilities due to extreme weather conditions, suspension of supply of raw materials for products and factory shutdowns due to power outages
[Countermeasures] Promote measures such as the decentralization of production bases and raw material suppliers by formulating business continuity plans (BCP) and securing a stable power supply.
- ② Instability and soaring prices of plant-derived raw materials due to ecological changes caused by climate change
[Countermeasures] Reduce the amount of raw materials used by producing thinner films made from plant-derived raw materials and promoting the recycling (reuse) of multifunction devices in the area of business innovation.

(2) Business opportunity

- ① Developing resilience of social infrastructure against disasters
 - Highly sensitive camera products that can monitor rivers and sea surfaces at night and in stormy weather
 - Deterioration diagnosis technology for bridges, levees, etc., using high-precision image analysis and AI technology
 - Digitalization of local governments’ disaster response processes to help residents quickly rebuild their lives after a disaster.
- ② Securing drinking water and water for agriculture
 - Desalination of brine and seawater using ion exchange membranes and other filtration technologies
- ③ Reducing the burden on healthcare professionals and improving access to healthcare
 - Global deployment of medical IT, medical diagnostic imaging and AI technologies that help reduce the workload on healthcare professionals and contribute to remote diagnosis

2. 1.5°C Scenario

Rigorous measures are implemented to build a decarbonized society, keeping temperature rises by the year 2100 down to 1.5°C in comparison with the level during the Industrial Revolution.

(1) Business risks (Transition risks)

Laws and regulations for carbon pricing systems will be introduced in each country/region, which will be a cost-increasing factor. Assuming that the Fujifilm Group itself emitted 980,000 tons of Scope 1 + 2 CO₂ in fiscal 2022 and that the carbon tax per ton of CO₂ emitted was ¥12,000, the financial risk is estimated to be approximately ¥11.7 billion.

[Countermeasures] Accelerate capital investment for decarbonization by utilizing an internal carbon pricing system.

(2) Business opportunity

Help solve energy issues and achieve a decentralized society based on fundamental and core technologies.

- ① Energy conservation
 - Data archive storage systems using high-capacity magnetic tape to reduce CO₂ emissions during data storage
 - Multifunction devices with enhanced power-saving performance

- ② Energy creation
 - Technology that enables inspection and diagnosis of operating wind turbine blades even in harsh environments such as windy coastal and offshore areas by combining a high-performance anti-vibration and ultra-telephoto camera that utilizes imaging and precision molding technologies with high-precision image analysis and AI technologies
- ③ Energy storage
 - Development of semi-solid batteries with lower cost and higher capacity compared to conventional liquid lithium-ion batteries by utilizing dispersion/coating and material technologies
- ④ CO₂ capture and fixation
 - Bioproduction of useful substances from CO₂ using bioengineering technology
- ⑤ Solutions and services adapted to a decentralized society
 - Solutions that support lifestyles and business activities in a decentralized society by promoting digitization, automation and paperless business processes
 - Solutions and services to support healthcare professionals and improve access to healthcare through the use of healthcare IT and AI technologies

3.2.5 Metrics and Targets

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

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

Long-term target: Reduce CO₂ emissions by 50% by the end of FY2030 (compared to the FY2019 level)
Progress: 9.2% reduction at the end of FY2022 (compared to the FY2019 level).

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

Long-term target: Achieve net zero CO₂ emissions by the end of FY2040.
Mid-term target: Reduce the Fujifilm Group’s CO₂ emissions by 50% by the end of FY2030 (compared to the FY2019 level).
Short-term target: Reduce the Fujifilm Group’s CO₂ emissions by 11% by the end of FY2023 (compared to the FY2019 level).
Progress: 10% reduction at the end of FY2022 (compared to the FY2019 level).

3. Renewable Energy Usage Targets

- Convert 50% of purchased electric power to renewable energy-derived power by FY2030.
Progress: We converted 12% of purchased electric power to renewable energy-derived power as of the end of fiscal 2022.
- Convert 100% of purchased electric power to renewable energy-derived power aiming at zero CO₂ emissions from our energy consumption by converting using fuels to fuels which do not accompany CO₂ emissions like hydrogen in our in-house cogeneration systems by FY2040.
- This target was recognized as being in line with the purpose of the RE100 by the Climate Group, an international NPO; we joined the RE100 in April 2019.


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

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

3.3 Activities Related to Climate Change Response

3.3.1 Activity Overview

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

	Measures
Procurement	Promote material recycling Reinforce business partnerships with suppliers
Manufacturing	Promote Green Value Manufacturing* * Please refer to the following site for Green Climate Strategy. Environmental Strategy Briefing on April 13, 2022  https://ir.fujifilm.com/en/investors/ir-materials/presentations/main/0118/teaserItems1/0/tableContents/019/multiFileUpload2_0/link/ff_presentation_20220413_001j.pdf
Transportation	More efficient transportation
Use	Provide low-carbon type solution services
Disposal	Waste recycling Develop products with low CO ₂ emissions at disposal

3.3.2 Collaboration with Initiatives

1. Participating in climate change initiatives

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

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

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

<Our activities>

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

(2) Japan Climate Initiative (JCI)

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

<Our activities>

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

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

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

<Our activities>

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

(4) RE100

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

<Participation background: Decarbonization difficulties in the chemical industry>

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

<Our activities>

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

(5) Science-Based Targets initiative (SBTi)

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

<Our activities>

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

(6) Japan Hydrogen Association (JH2A)

This organization was established in 2020 to set up a hydrogen infrastructure and related services in Japan, to run projects for social implementation, raise hydrogen demands, and make policy proposals for easing hydrogen regulations. FUJIFILM Corporation has been a member since 2022.

2. Endorsement and support for climate change policies

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

<Our activities>

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

and assessment. We participated in the plan through the Japan Chemical Industry Association by annually reporting progress in CO₂ emissions reduction and energy-saving measures.

<Our concrete measures>

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

The GX League is an initiative to support companies that are leading the Green Transformation (GX) of the entire economic and social system, collaborating with a variety of stakeholders, including participants in their value chains, consumers, educational institutes, and NGOs. We joined in fiscal 2023, endorsing the GX League plan announced in February 2022 by the Ministry of Economy, Trade and Industry.

3.3.3 Data Related to Climate Change Measures

1. GHG Emissions (Scope 1, 2)

Annual Changes

	Unit		FY2018	FY2019	FY2020	FY2021	FY2022
Total direct GHG emissions (Scope 1)	kt CO ₂ e	Fujifilm Group Total	672	633	603	633	580
		Fujifilm	629	594	567	599	548
		FUJIFILM Business Innovation	43	40	36	34	33
	Unit		FY2018	FY2019	FY2020	FY2021	FY2022
Total indirect GHG emissions (Scope 2) Market-based	kt CO ₂ e	Fujifilm Group Total	510	451	409	420	400
		Fujifilm	366	325	294	306	291
		FUJIFILM Business Innovation	143	126	115	114	109
	Unit		FY2018	FY2019	FY2020	FY2021	FY2022
Total indirect GHG emissions (Scope 2) Location-based	kt CO ₂ e	Fujifilm Group Total	576	514	475	494	472
		Fujifilm	427	382	354	375	357
		FUJIFILM Business Innovation	149	132	120	118	115

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

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

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

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

2. GHG Emissions (Scope 3)

FY2022 Results

No.	Category	Emissions from the Fujifilm Group (kt CO ₂ e)	Proportion of Scope 3	Fujifilm	FUJIFILM Business Innovation
1	Purchased goods and services	2,200	53.9%	1,523	677
2	Capital goods	821	20.1%	779	42
3	Energy excluding Scope 1,2	134	3.3%	126	8
4	Transportation and distribution (Upstream)	240	5.9%	96	144
5	Waste generated in operation	12	0.3%	9.3	2.3
6	Business travel	10	0.2%	5.2	4.3
7	Employee commuting	30	0.7%	16	14
8	Leased assets (Upstream)	Calculated as Scope 2	–	–	–
9	Transportation and Distribution (Downstream)	33	0.8%	31	2
10	Processing of sold products	77	1.9%	77	0
11	Use of sold products	465	11.4%	310	155
12	Disposal of sold products	64	1.6%	64	0
13	Leased assets (Downstream)	No leased assets	–	–	–
14	Franchise	–	–	–	–
15	Investment	–	–	–	–
	Total	4,085	100%	3,036	1,049

3. GHG Emissions across the Entire Product Lifecycle

FY2022 Result of GHG Emission

Unit: kt-CO₂/year

	Procurement		Manufacturing		Transportation	Use		Disposal	Total
	2,334		980		240	465		64	4,083
Items	Aluminum for printing plate	1,220	Fossil fuel	533		Multifunction devices	155		
	Parts for Multifunction devices	677	Purchased electric power	387					
	Highly functional film materials	156	Purchased heat	13		Medical equipment	127		
	Parts for medical equipment	56	Fuel for vehicles	25					
	Other materials and parts	91	Non-energy source	22		Imaging equipment, etc.	183		
	Fuel derived	134							

4. Energy Consumption Data*

Annual Changes

Unit: TJ

Scope		FY2018	FY2019	FY2020	FY2021	FY2022
Heavy oil, etc.*1	Fujifilm Group Total	1,139	1,053	923	907	781
	Fujifilm	1,134	1,049	920	905	778
	FUJIFILM Business Innovation	4	3	2	2	3
Vehicles	Fujifilm Group Total	431	400	374	373	373
	Fujifilm	130	126	116	121	129
	FUJIFILM Business Innovation	301	273	257	252	244
Gas*2	Fujifilm Group Total	10,798	10,280	9,959	10,563	9,520
	Fujifilm	10,436	9,932	9,654	10,297	9,241
	FUJIFILM Business Innovation	362	348	304	266	278
Bio Gas*3	Fujifilm Group Total	55	59	53	54	31
	Fujifilm	55	59	53	54	31
	FUJIFILM Business Innovation	0	0	0	0	0
Purchased electric power	Fujifilm Group Total	10,776	10,248	9,319	9,425	8,880
	Fujifilm	8,170	7,876	7,152	7,285	6,676
	FUJIFILM Business Innovation	2,606	2,372	2,167	2,140	2,104
Purchased heat	Fujifilm Group Total	213	205	188	233	320
	Fujifilm	98	90	83	120	207
	FUJIFILM Business Innovation	114	115	105	114	114
Renewable Energy*4	Fujifilm Group Total	794	770	785	976	971
	Fujifilm	794	770	785	976	971
	FUJIFILM Business Innovation	0	0	0	0	1
Fujifilm Group Total		24,206	23,014	21,601	22,531	20,875
Fujifilm		20,818	19,902	18,765	19,756	18,132
FUJIFILM Business Innovation		3,388	3,111	2,836	2,775	2,743

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

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

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

*3 Landfill methane gas.

*4 Total of power from private generators and purchased energy

5. Renewable Energy-derived Power Consumption

Annual Changes

Unit: MWh

		FY2018	FY2019	FY2020	FY2021	FY2022
Renewable energy-derived power consumption	Fujifilm Group Total	94,741	94,658	94,038	108,290	119,606
	Fujifilm	94,741	94,658	94,038	108,290	119,381
	FUJIFILM Business Innovation	0	0	0	0	225

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

6. Status for Renewable Energy-derived Power Consumption

Year	Site		Status	Type	Capacity
2011	FUJIFILM Manufacturing Europe B.V.	Netherlands	Installed	Wind power	10,000 KW
2012	FUJIFILM Manufacturing U.S.A., Inc. (North Kansas City)	USA	Installed	Solar power	71 KW
2014	FUJIFILM Recording Media U.S.A., Inc.	USA	Installed	Solar power	667 KW
2015	FUJIFILM Speciality Ink Systems Limited	UK	Installed	Solar power	200 KW
2015	FUJIFILM Manufacturing Europe B.V.	Netherlands	Purchased	Wind power	(Purchase)
2018	FUJIFILM Printing Plate (China) Co., Ltd	China	Installed	Solar power	1,440 KW
2019	FUJIFILM Healthcare Manufacturing Corporation Sano Factory	Japan	Installed	Solar power	95 KW
2019	FUJIFILM Electronic Materials (Europe) N.V.	Belgium	Purchased	Solar power, wind power, and others	(Purchase)
2019	FUJIFILM Belgium NV	Belgium	Purchased	Solar power, wind power, and others	(Purchase)
2020	FUJIFILM Diosynth biothechnologies UK	UK	Purchased	Solar power, wind power, and others	(Purchase)
2020	FUJIFILM IRELAND	Ireland	Purchased	Solar power, wind power, and others	(Purchase)
2020	FUJIFILM Speciality Ink Systems Limited	UK	Purchased	Solar power, wind power, and others	(Purchase)
2021	Fujifilm Asia Pacific Pte. Ltd.	Singapore	Purchased	Water power	(Purchase)
2022	FUJIFILM Safety Evaluation Center	Japan	Non-fossil fuel energy certificate		
2022	FUJIFILM Advanced Research Laboratories	Japan	Non-fossil fuel energy certificate		
2022	FUJIFILM Miynodai Technology Development Center	Japan	Non-fossil fuel energy certificate		
2022	FUJIFILM Eco-Manufacturing (Suzhou) Corp.	China	Installed and iREC		

* Some sites purchase renewable power and Tradable Green Certificates.

7. Utilizing carbon offset

Efforts in FY2022

Business fields	Coverage
Consumer Healthcare	<ul style="list-style-type: none">• We offset CO₂ emissions by customers per day when a customer purchases either an ASTALIFT Jelly Aquarysta or Moist Lotion
Business Innovation	<ul style="list-style-type: none">• Carbon offset for CO₂ emissions for all power used at the All Japan High School Soccer Tournament.• Green Electricity Certificate<ul style="list-style-type: none">- All energy consumption at FUJIFILM SUPER CUP 2023- Power consumed in the use of the production system printer Revolva Press, etc.- All power consumed in the use of the private office services CocoDesk <p>* The Green Electricity Certificate is a validation of green power sourced from renewable energy (wind), demonstrating our contribution to energy saving (fossil fuel usage reduction), CO₂ emissions reduction, and climate change mitigation.</p>

3.4 Promoting Resource Recycling

3.4.1 Basic Approach

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

3.4.2 Reducing Waste and Using Resources Effectively

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

We have been promoting Group-wide optimization, including extracting valuables from waste and improving the quality of recycling, not only at our production sites but over our entire business operations including offices and warehouses. We are working for the entire Group to reduce the amount of waste by improving processes and by reusing plastic members to achieve our SVP 2030 targets.

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

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

Progress: Increased by 26% at the end of FY2022 (compared to the FY2013 level).

Target 2: Recycle index: More than 10.

Progress: 7.7 at the end of FY2022.

Target 3: Valuable conversion index: More than 1.

Progress: 0.49 at the end of FY2022.

2. Reducing Waste

Waste Generation

Unit: ton

		FY2018	FY2019	FY2020	FY2021	FY2022
A. Total waste generated volume*1	Fujifilm Group Total	95,000	96,000	88,700	92,500	109,300
	Fujifilm	84,600	88,100	81,100	85,700	97,400
	FUJIFILM Business Innovation	10,400	7,900	7,500	6,800	11,900
B. Total wastes used, recycled or sold	Fujifilm Group Total	74,100	72,400	66,700	72,400	91,700
	Fujifilm	63,900	64,900	60,000	66,600	81,300
	FUJIFILM Business Innovation	10,200	7,500	6,700	5,800	10,400
C. Total thermal recycled wastes	Fujifilm Group Total	32,400	24,600	19,400	20,400	22,600
	Fujifilm	29,300	22,000	16,800	18,500	19,200
	FUJIFILM Business Innovation	3,000	2,600	2,600	1,900	3,400
Total volume of simple disposal waste*2 (A – B)	Fujifilm Group Total	20,900	23,500	22,000	20,100	17,700
	Fujifilm	20,700	23,200	21,100	19,100	16,100
	FUJIFILM Business Innovation	100	300	900	900	1,600

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

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

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

* Figures for the Fujifilm Group Total may not reflect the sum of each subtotal.

3. Valuable-converted Waste

Annual Changes in Valuable-converted Waste*

Unit: thousand tons/year

	FY2018	FY2019	FY2020	FY2021	FY2022
Valuable-converted waste	47.0	45.4	39.3	43.8	44.9

* Valuable resources sold to the third party.

4. Recycling

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

	FY2018	FY2019	FY2020	FY2021	FY2022
Recycling index	5.8	5.0	4.8	5.8	7.7
Valuables conversion index	0.65	0.64	0.59	0.61	0.49

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

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

5. Product packaging

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

Unit: thousand tons/year

	FY2018	FY2019	FY2020	FY2021	FY2022
Total consumption	16.3	16.1	12.6	14.2	13.4

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

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

Unit: %

	FY2018	FY2019	FY2020	FY2021	FY2022
Packaging material reduction rate*2	17.8	14.1	15.4	12.9	10.6

*1 Total weight of export packaging materials handled by FUJIFILM Logistics in FY2022.

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

3.4.3 Effective Recycling of Used Products

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

1. Resource recycling system in Business Innovation business

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

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

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

(2) Basic principle of international resource recycling system construction

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

[Basic approach in overseas operations]

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

[Four principles]

- ① Prevent illegal dumping by collecting used products under the manufacturer’s responsibility
- ② Do not import items that could potentially end as waste
- ③ Do no cause environmental impact to the importer countries and regions (where recycling sites are established)
- ④ Offer benefits to the importer countries and regions (where recycling sites are established)

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

(3) Resource recycling

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

Unit: tons

	FY2018	FY2019	FY2020	FY2021	FY2022
New Resource Reduction	2,967	3,393	3,145	3,777	4,050

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

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

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

	FY2018	FY2019	FY2020	FY2021	FY2022
Japan	99.9%	99.9%	99.9%	99.9% or more	99.9% or more
Other Asia-Pacific Region	80.0%~99.9%	90.0%~99.9%	96.3%~99.8%	96.1%~99.8%	97.8%~99.9%

* There was no serious violations of the Basel Convention concerning our product recycling initiatives.
* Asia Pacific Region: China, Hong Kong, Indonesia, Malaysia, Philippines, Korea, Thailand, Vietnam, Singapore, Australia, and New Zealand.

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

In Japan, we have established a closed loop recycling system called “PLATE to PLATE” in the printing supply chain, through which we extract aluminum as pure as newly purchased aluminum from used CTP and PS plates and reuse it in the next plate production. Various stakeholders, including printing companies, aluminum recycling companies, alloy manufacturers, and roller manufacturers are involved in this system. Through this PLATE to PLATE system, we have reduced CO₂ emissions throughout the CTP and PS plate lifecycle by up to 60%, compared with using new aluminum.

Compared to cascade recycling, in which lower grade materials are recycled from the original product, closed loop recycling is a more advanced and stable recycling system that can maintain the original quality without being affected by the quality of the materials purchased from recycled material vendors.

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

3.4.4 Effective Use of Water Resources

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

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

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

1. Targets and progress on water

- Long-term target:

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

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

Reduce the amount of water the Fujifilm Group uses for production by 18% by FY2023 (compared to the FY2013 level).
- Progress:

17% reduction at the end of FY2022 (compared to the FY2013 level).

2. Results in Water Resource Management

Water Withdrawal/Discharge in FY2022

		Unit		FY2018	FY2019	FY2020	FY2021	FY2022
Water withdrawal	Clean water	million m ³	Fujifilm Group Total	5.0	4.7	4.2	4.1	4.1
			Fujifilm	4.4	4.2	3.7	3.7	3.7
			FUJIFILM Business Innovation	0.6	0.5	0.5	0.4	0.4
	Industrial water	million m ³	Fujifilm Group Total	3.3	3.1	3.3	3.3	3.3
			Fujifilm	3.3	3.1	3.3	3.3	3.3
			FUJIFILM Business Innovation	0	0	0	0	0
	Underground water	million m ³	Fujifilm Group Total	34.6	34.7	33.6	35.7	34.3
			Fujifilm	33.1	33.2	32.3	34.4	32.9
			FUJIFILM Business Innovation	1.4	1.5	1.3	1.4	1.4
	Rain water. others	million m ³	Fujifilm Group Total	0.3	0.2	0.2	0.2	0.2
			Fujifilm	0.3	0.2	0.2	0.2	0.2
			FUJIFILM Business Innovation	0.02	0.02	0.02	0.01	0.06
Total water withdrawal		million m ³	Fujifilm Group Total	43.2	42.7	41.3	43.3	41.8
Water discharge	Sewage water	million m ³	Fujifilm Group Total	17.9	17.8	16.3	14.9	14.4
			Fujifilm	17.3	17.2	15.7	14.5	14.0
			FUJIFILM Business Innovation	0.7	0.6	0.6	0.5	0.4
	Rivers	million m ³	Fujifilm Group Total	21.9	22.7	22.7	21.8	20.4
			Fujifilm	20.8	21.5	21.7	20.7	19.1
			FUJIFILM Business Innovation	1.1	1.2	1.0	1.2	1.2
	Others	million m ³	Fujifilm Group Total	1.0	0.9	0.9	0.8	0.9
			Fujifilm	1.0	0.9	0.9	0.8	0.9
			FUJIFILM Business Innovation	0.02	0.02	0	0	0
Total water discharge		million m ³	Fujifilm Group Total	40.8	41.9	39.9	37.5	35.7

* Data coverage for all Fujifilm Group's sites
* The above data has been verified by the third party organization: SGS Japan, Inc.

FY2022 Revenue Intensity

		Unit		FY2018	FY2019	FY2020	FY2021	FY2022
Revenue intensity	Withdrawal	kt/100 million yen	Fujifilm Group Total	1.77	1.84	1.92	1.67	1.46
	Water consumption		Fujifilm Group Total	1.68	1.79	1.76	1.45	1.25

* Data coverage for all Fujifilm Group's sites
* The above data has been verified by the third party organization: SGS Japan, Inc.

3.4.5 Response to Water Risks

Water Withdrawal by Region

FY2022 Results

Unit: %

		Japan	Americas	Europe	China, Asia/Oceania	Total
Water withdrawal	Clean water	19	27	13	41	100
	Industrial water	97	0	0	3	100
	Underground water	97	0	3	0	100
	Rain water, Others	97	0	3	0	100

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

3.4.6 Working Together with Water-Related Stakeholders

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

Major Activities

Sites	Details	Stakeholders
FUJIFILM MATERIAL MANUFACTURING CO., LTD., Kyushu area (former FUJIFILM Kyushu Co., Ltd.)	Tree planting in the important water recharge zone of the Shirakawa river	Minami-Aso village, Kumamoto Prefecture
FUJIFILM (Shanghai) Trading Co., Ltd.	Voluntary tree planting for 25 years	Local NPO
FUJIFILM Manufacturing Europe B.V.	Conducting joint wastewater treatment with four neighboring corporations by installing a large-capacity water treatment facility in our own premises.	Neighboring four companies

3.5 Product Stewardship (Design for Environment)

3.5.1 Basic Approach

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

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

3.5.2 Design for Environment

1. Standards of Design for Environment

(1) Materials and equipment

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

(2) Software, service, and IT solutions

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

2. Life Cycle Assessment (LCA)

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

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

3.5.3 “Green Value Products” Certification Program

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

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

Certification Level

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

3.5.4 Result of Design for Environment

1. Certifications of Fujifilm Group Green Value Products

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

Progress: 30% per sales.

Level	Number of the Certified Products		Major Certified Products
	FY2022	Total	
Diamond	0	2	• SUPERIA ZN-II and ZN-B system for process-less CTP plates for newspaper printing
Gold	6	83	• DR CALNEO Flow series X-ray fluoroscopy system with flat panel sensor of cassette-size digital radiography • DR CALNEO DROSS X-ray diagnostic imaging system • FCR PROPECT CS Plus Digital X-ray diagnostic imaging system • ELUXEO EI-740D/S endoscope system • Apura GSM 2.0C gas separation membrane • LTO Tape data archive media • dternity On-site Archive data archive solution • SUPERIA ZD-II process-less CTP plates for commercial printing • Digital inkjet press Jet Press 750S • ApeosPort C5240 series and ApeosPort/DocuCentre-V1 C7070 series of color multifunction devices, etc. • ApeosPort Print C5240 color printer • Production printers "ApeosPro C810/C750/C650" • MPS Guardia: optimizing and transforming your print & document environment • Private office services "Cocodesk" • Cloud service with document handling software "DocuWorks Cloud"
Silver	16	141	• ApeosPort-VII C4030/C3530 color printers, etc. • Apeos 3060 / 2560/2060 black and white multifunction devices etc. • ApeosPrint 4560 S/3960 S/3360 S black and white printers, etc. • Wide Format Multi Functional Printer "ApeosWide 6050/3030" • Production printer "Revoria Press PC1120", etc. • Cloud services "Cloud On-Demand Print" • RakuRaku Scan Pro • SYNAPSE series for medical imaging IT systems, etc.

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

2. Products in Response to Climate Change

(1) Measures for mitigating climate change

CO ₂ emissions reduction in the entire product lifecycle	(1) Target: Reduce CO ₂ emissions across the entire product lifecycle by 50% by FY2030 (compared to the FY2019 level). (2) Progress: Reduce by 6.9% compared to the FY2019 level. (3) Major products: <ul style="list-style-type: none">• Process-less thermal CTP plates: No film development process and closed loop recycle of used plates• Digital inkjet press: Reduction of processes by digital printing• TAC Display films: thinner film; using biomass materials• Diagnostic medical devices: downsize and lightweight• Multifunction devices/printers: Design for Environment; reuse, reduce and reuse by used products• Cosmetics: Using refill container
The contribution of products to reduce CO ₂ emissions at customers' site	(1) Target: Contribute to reducing accumulated 90 million tons CO ₂ emissions in society by FY2030. (2) Progress: Contribution amount was 11.3 million tons. Progress: 12.5%* (3) Major products: <ul style="list-style-type: none">• High capacity magnetic tape: Energy-saving by archive data storage• Multifunction devices/printers and medical equipment: Reducing energy consumption• Document handling software: Paper reduction• Net printing services: transportation reduction and streamlining business process• Medical IT System: Streamlining business process

* We revised our calculation logic according to changes in the product portfolio in the Business Innovation segment.

(2) Measures in response to climate change

Major product examples:

[Strengthen infrastructure and create energy]

- Provide high-sensitivity surveillance cameras to monitor river and sea levels at night and during inclement weather.
- Provide multifunction zoom cameras to enable remote diagnostics of offshore/land wind turbines during operation.
- Provide structural degradation diagnosis and inspection services for bridges, roads, and embankments to prepare for typhoons, etc.

[Adapt to decentralized society]

- Provide a document management cloud service to encourage businesses to adapt to social changes through use of secure, high-capacity cloud storage services.

[Reduce burden on medical professionals and improve accessibility to medical services]

- Provide emergency medical solutions when accessibility to medical services is restricted due to transportation disruptions from natural disasters or disease control etc. and support medical professionals. Such solutions include a portable X-ray device and other diagnostic devices that use medical IT, image analysis, and AI.

3.5.5 Disclosing Environment-Related Information for Products

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

1. Environmental labels

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

Environmental Labels Which the Fujifilm Group Obtained

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

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

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

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

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

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

In fiscal 2022, there was no serious incident of non-compliance concerning product and service information and labeling.

3.6 Management of Chemical Substances

3.6.1 Basic Approach

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

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

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

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

3.6.2 Anticipatory Risk Management of Chemical Substances

The Fujifilm Group specifies the chemical substances that require special attention based on their hazard levels, the strictness of requirements specified by the applicable laws and regulations, and our own management policy. These chemical substances are classified into the S category and we have established a voluntary management policy for each category. Those chemical substances that are deemed to potentially fall into the S category are designated as "priority risk management chemical substances," and we are starting to reduce their usage or to replace them as soon as possible to minimize the related risks.

We have been continuing our efforts to reduce the environmental impact of our products throughout their life cycles, and have been disclosing our technologies at The Society for Imaging Science and Technology and other academic conferences. Efforts have also been made to prevent the generation of hazardous substances throughout the products' life cycles. For example, we have already begun and completed the development of materials that do not generate formaldehyde in the product-use process (J. Photogr.Sci.,36,64 (1988)) and the development of alternative technologies for nonylphenols and octylphenols.

Target of Anticipatory Risk Management of Chemical Substances

Target: Replace or reduce usage of "priority risk management chemical substances" by FY2030.

Progress:

- Two of the seven risk management priority substances identified in fiscal 2020 have been replaced in 2021. We reduced consumption of four others, and the final one was revised to be low risk. Two new substances were specified as risk management priority substances in fiscal 2022 and technological development towards their replacement is ongoing.

Table of the Classification of Our Chemical Management

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

Management based on risk assessment

Compliance with laws and industry standards

- The global chemical management system was upgraded in fiscal 2021 to improve the risk assessment accuracy for chemicals used across the Group. The system is now used as a database not only to reduce risks but also to develop technologies that contribute to solving social issues.
- In fiscal 2022, we enhanced an existing system to manage chemicals contained in molded items to enable speedy and highly accurate risk assessment of our various products, some of which comprise numerous components that could reach even tens of thousands.

Classification and Standards of Chemical Substances in Molded Items

Classifications of Chemical Substances	Management Details
Restricted containing chemical substances	Chemical substances are prohibited or limited to use in molded items by laws or the Company’s regulations.
Content monitored/managed chemical substances	Chemical substances whose content in molded items must be monitored and managed.

3.6.3 Promoting Alternatives to Animal Testing

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

Targets and results

Targets: Adopting alternatives to animal testing in all safety assessments.

Conduct all the safety evaluation as alternatives to animal testing.

- (1) Conduct the safety evaluation for our newly developed chemicals using alternative methods for animal testing by FY2025*1.
- (2) Obtain the safety data on the safety data sheet for our chemical products using alternative methods for animal testing by FY2030*2.

Results: “Amino acid Derivative Reactivity Assay (ADRA),” exclusively developed by Fujifilm, is a skin sensitization method that does not require animal testing. It enables a more accurate skin sensitization test compared with conventional methods, because we utilize advanced chemical synthesis and molecular design technologies. ADRA was adopted in the OECD test guidelines in 2019, and is now globally recognized as a standard testing method. In 2022, we developed the evaluation method “ADRA” that can evaluate not only single chemical but also mixtures, and was newly adopted in the OECD test guidelines (OECD TG 442C). We are now considering to apply this method to chemical substances we develop in the future.

We introduced a new evaluation method that uses a Reconstructed Human Epidermis model for skin irritation tests on the chemicals used as raw materials in our products to ensure the safety of the employees involved. We are also working to adopt it in product testing.

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

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

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

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




Targets and results

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

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

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

Materials/Processes	Contribution	SDGs
Electrically-charged materials	<ul style="list-style-type: none">• A component in a device that achieves both high-speed, high-quality performance and reducing environmental load. This component allows for space-saving in the device body (50% reduction), energy consumption of the drum cartridge (the part that applies toner and prints text or images onto paper) by 60%, and production cost of drum cartridge by reducing the number of parts and its downsizing by 70%.* <p>* Comparison on our company's multi-function devices, with conventional components as 100%.</p> <ul style="list-style-type: none">• Received Asahi Shimbun Award and Award for Contribution to Invention under the National Invention Awards 2022. https://www.fujifilm.com/fb/company/news/release/2022/77145• Received Asahi Shimbun Award under the National Invention Awards 2022 for Patent No. 6136862 concerning this technology. http://koueki.jiii.or.jp/hyosho/zenkoku/2022/asahi.html• Received the Minister's Prize, the Ministry of Economy, Trade and Industry under the 11th Eco Products Awards for our multifunction device that adopts this technology. https://www.jemai.or.jp/ris/award-results2014.html	  
Water-based polymeric material	<ul style="list-style-type: none">• Contributes to the reduction of VOC use in manufacturing.• Provides a variety of hydrophilic azo polymerization initiators and RAFT agents, enabling the manufacture of functional water-soluble polymers. <p>Azo polymerization initiators https://specchem-wako.fujifilm.com/jp/azo-polymerization-initiators/index.htm#water-soluble-azo-initiators</p> <p>RAFT agents https://specchem-wako.fujifilm.com/jp/raft/index.htm</p>	  
Plant-based plastic	<ul style="list-style-type: none">• Contributes to carbon neutrality by providing non-fossil fuel-derived raw materials.• Provides monomers derived from pine resin, which can be used as raw material for biomass plastic.	  
Measurement Standard Reagents for Environmental Management	<ul style="list-style-type: none">• Contributes to water quality and environmental management.• Promotes the development of Certified Reference Materials (CRM) of elemental (metal) standard solutions.• Develops PFAS mixed standard solution and mixed internal standard solution used in notification and inspection methods of the Water Supply Act. <p>Acquisition of certification for element standard solutions https://www.fujifilm.com/ffwk/ja/news/218</p> <p>Element standard solutions https://labchem-wako.fujifilm.com/jp/category/analysis/elementalanalysis/index.html</p> <p>Development of PFAS mixture standard solution https://labchem-wako.fujifilm.com/jp/category/00353.html</p>	 
Printing materials & process-less plates	<ul style="list-style-type: none">• Achieves both quality & ease of use and reducing environmental load.• To eliminate plate processors from printing along with related power, chemicals, water, and wastewater. Calculated per factory with the following essentially becoming zero based on representative example: electricity: 12,600 kWh/year, chemicals: 2.2 tons/year, water: 12.1 tons/year, waste liquid: 4.3 tons/year.• Using our unique technology, improves the visibility of exposure images and the durability of plates, which used to be trade-off relationships with process-less printing. https://www.fujifilm.com/jp/ja/business/graphic/ctpplate/processless• Received Incentive Award for Research Conference Presentation in the 147th Japanese Society of Printing Science and Technology conference, 2022.	  

Materials/Processes	Contribution	SDGs
Dye for dye sensitized solar cell	<ul style="list-style-type: none">Solar cells that can contribute to creation of a next-generation renewable energy power generator that does not require batteries or utility power. Compared with conventional silicon solar cells, dye-sensitized solar cells can generate more power in interiors, shade, and other low-light conditions. They can be multi-colored and made flexible. Developing indoor power generators utilizing our solar cells can contribute to environmental impact reduction. https://www.fujifilm.com/jp/ja/business/materials/battery/solar-battery	  

3.6.5 Contribution to Sound Chemical Management Across the Supply Chain

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

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

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

Targets and Results

- Target 1:** Communicate information on chemical substances in our products in compliant with international standards.
- Result:**
- To promote wider use of chemSHERPA in the supply chain in compliance with international standard IEC 62474, we hold explanatory meetings for suppliers via our website. We have contributed to deepen their understanding of the chemSHERPA scheme and communicate accurate information in the supply chain.
 - In FY2022, we have enhanced the function of our system that managed chemical substances in our products, and installed it in a company that newly joined our Group. Following the installation, more than 90% of the company’s suppliers and customers adopted the chemSHERPA.
- Target 2:** Continue providing Article Information Sheets (AIS).
- Result:** 526 AISs have been cumulatively created or updated and published on our official website.
- Target 3:** Disseminate knowhow about the safe handling of chemical substances.
- Result:**
- Training programs for chemical laws and regulations, and the safe handling of chemical substances were organized for all the divisions involved in Fujifilm Group’s chemical lifecycle (procurement, R&D, manufacturing, sales and disposal) in Japan. The program is given by an expert from FUJIFILM Wako Pure Chemical who holds specialized seminars outside the Company.
 - In line with the Industrial Safety and Health Act and our internal regulations, we established a policy to appoint a chemical manager within every business division that handles, sells, or provides chemicals, in Japan. We are now creating an education program for chemical managers who can assist in managing chemical safety for our employees and customers.

3.6.6 Fluorocarbons Emissions/Volatile Organic Compounds (VOC) Emissions

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

1. Emissions of FCs and VOC

	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
PFC	kg PFC/metric tons produced	112	0	0	0	55
CFC	kg	0.15	0	0	0	0
HCFC	kg	5,349	3,489	3,815	4,590	1,286
HFC	kg	5,685	5,451	5,419	5,165	5,774
VOC	metric tons	707	735	675	754	645

* Data coverage (ratio to total profit or total employees) is 100% of the total sales.
* Emissions data has been verified by a third-party organization, SGS Japan, Inc.; however, the production volume used in the calculations is out of certification.

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

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

Subjects and Circumstances for PRTR Notification
https://holdings.fujifilm.com/en/sustainability/activity/environment/environmental-preservation#nav_02

3. VOC emissions by region

	FY2018	FY2019	FY2020	FY2021	FY2022
Japan	5.8	6.1	5.4	6.3	5.4
Overseas	1.3	1.3	1.3	1.2	1.0
Group total	7.1	7.3	6.7	7.5	6.5

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

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

Category	Name of Substance	Reduction (tons)	Reduction Rate in Comparison to Previous Fiscal Year (%)
Substances requiring reporting under the PRTR Law	Dichloromethane	13.6	45
Substances voluntarily controlled by the company	Methyl alcohol	51.9	32
	Ethyl acetate	12.6	9
	Methyl ethyl ketone	1.2	4
	Acetone	1.7	64

* Reduction in volumes in FY2022 compared with actual levels in previous year

3.6.7 Managing Hazardous Waste

We store hazardous waste in a place designated by a certified officer under appropriate management, and then treat it by authorized disposers.

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

1. Annual Changes in Amount of Specified Hazardous Waste

Unit: t

		FY2018	FY2019	FY2020	FY2021	FY2022
Amount of specified hazardous waste	Fujifilm Group Total	1,738	2,257	1,709	2,015	2,652
	Fujifilm	901	1,484	928	1,165	1,840
	FUJIFILM Business Innovation	837	774	782	850	812

* Figures for the Fujifilm Group Total may not reflect the sum of each subtotal.

2. Storage and management of devices/equipment containing PCBs* (FY2022)

Types of Equipment Containing PCBs Unit	Unit	Storing and Managing Amount	
		Japan	Group total
High voltage transformers	Quantity	0	17
High voltage condensers	Quantity	0	90
PCB oil waste, etc.	kg	0	0
Sludge, etc.	m ³	0	0
Fluorescent lamp stabilizers	Quantity	4,495	4,495
Low voltage condenser excluding fluorescent lamps	Quantity	62,544	62,544
Low voltage transformer Quantity	Quantity	0	0
Rags	kg	1,183	1,183
Other devices Quantity	Quantity	43	43

* Excludes PCB wastes in low concentration

3.6.8 Managing Pollutants

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

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

1. Annual Changes in Volume of Atmospheric Emissions

Unit: tons/year

		FY2018	FY2019	FY2020	FY2021	FY2022
Sox emissions	Japan	19	11	15	12	11
	Overseas	3	1	0	3	7
	Group total	22	11	15	15	18
NOx emissions	Japan	232	242	225	220	195
	Overseas	94	82	43	49	107
	Group total	326	325	268	269	302
Soot particle emissions	Japan	1.8	2.1	2.2	3.6	2.5
	Overseas	3.3	5.7	0.1	1.9	2.1
	Group total	5.1	7.9	2.3	5.5	4.6

* Group total, below the limit of detection = 0

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

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

Unit: tons/year

		FY2018	FY2019	FY2020	FY2021	FY2022
Total amount of COD* ²	Japan	68.6	49.4	54.1	48.0	46.6
	Overseas	27.2	19.7	25.6	24.9	16.7
	Group total	95.8	69.1	79.7	72.9	63.3
Total amount of BOD* ³	Japan	26.8	25.1	21.5	20.9	17.0
	Overseas	0.6	1.2	0.5	0.7	0.3
	Group total	27.4	26.3	22.1	21.5	17.3
Total amount of nitrogen emissions	Japan	167.2	143.1	149.4	193.9	190.6
Total amount of phosphorous emissions	Japan	1.8	2.0	2.7	1.9	1.9

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

*¹ Effluent release into public water bodies

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

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

3. Surveying and remediating soil and underground water pollution

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

Soil/Underground Water Contamination Measures

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

3.7 Biodiversity Conservation

3.7.1. Basic Approach

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

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

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

3.7.2 Risk Assessments of Our Business Activities

The Fujifilm Group assesses and promotes to minimize biodiversity risks in its business operations.

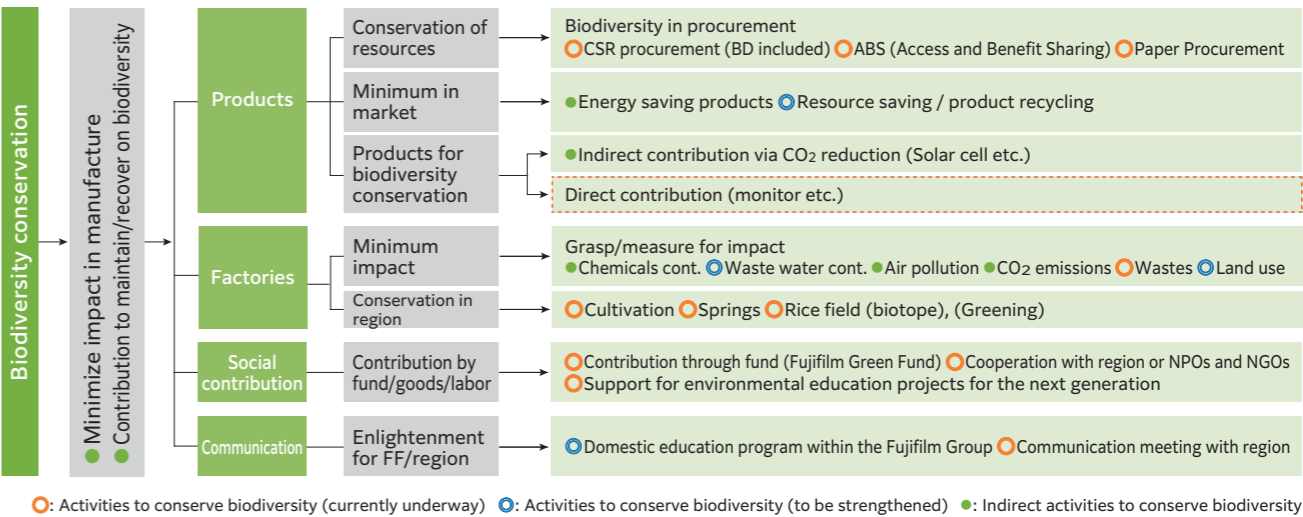
In 2019, while compiling Natural Capital Accounting data as disclosed in our Integrated Report, we identified “paper,” which occupies the majority of procurement costs of natural bio-ingredients in the business innovation segment, as an item that poses the highest risk to the ecosystem. We used the Natural Capital Protocol from the Natural Capital Coalition to assess the impact from our paper procurement and its dependency on natural capital. Specifically, we compared procurement of raw materials for paper production from sustainably managed forest resources with procurement from forest resources that have problems with sustainability and evaluated their respective impacts on climate change, public health and sanitation and biodiversity. The results showed that procurement from sustainable resources reduced our social loss in the range from 20 (in minimum) to 750 (in maximum) million dollars in comparison to procurement from unsustainable resources.

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

3.7.3 Activities for Biodiversity

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

Activities on Biodiversity Conservation —Outline—



1. Biodiversity in products

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

(1) Design for the Environment

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

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

(2) Efforts to procure plant-derived materials

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

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

- Percentage of suppliers fully meeting our paper procurement standards for shared paper procurement (Business Innovation): 100%
- Percentage certified paper brands for paper products in Business Innovation (in Japan): 42%

As references, please refer to 2.5.6 *Environmental Efforts in the Supply Chain* and 2.5.9 *Efforts in Paper Procurement*.

FUJIFILM Management Rules for Procurement of Plant-Derived Materials
<https://www.fujifilm.com/jp/en/about/sustainability/procurement>
FUJIFILM Business Innovation paper procurement regulations:
https://www.fujifilm.com/fbglobal/eng/company/csr/svp2030/environment/chem_bio.html#anc02

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

(1) Minimizing impact

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

(2) Environmental protection in local communities

• Preservation of paddy fields in areas that are water sources

FUJIFILM MATERIAL MANUFACTURING CO., LTD. Kyushu Area (former FUJIFILM Kyushu) has signed contracts with farmers in Minami-Aso Village to support rice cultivation with the aim of replenishing groundwater levels and preserving the paddy field landscape since fiscal 2010. Since fiscal 2020, preservation activities have engaged in at Kikuyo-machi where its factory is located. Employees of the company and their families participate in planting and harvesting rice every year.

• Maintaining forests that protect watersheds

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

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

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

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

4. Collaboration with initiatives regarding biodiversity

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

4.1 Employee Overview

Definitions in this section (Chapter 4.1)

- Fujifilm Group: FUJIFILM Holdings Corporation and its consolidated companies
- Fujifilm Group Japan: FUJIFILM Holdings Corporation and its consolidated companies in Japan
- Fujifilm Group Overseas: FUJIFILM Holdings Corporation and its consolidated companies outside of Japan

4.1.1 Basic Approach

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

4.1.2 Employee Basic Data

1. Fujifilm Group: All employees

Fujifilm Group Employee Structure

As of March 31, 2023

	Total	Male	% of Total	Female	% of Total
Corporate vice presidents (excluding Directors)*1	7	7	100%	0	0%
Regular employees	73,878	51,909	70%	21,969	30%
Managerial personnel*2	13,818	11,543	84%	2,275	16%
General employees	60,060	40,366	67%	19,694	33%
Non-regular employees	9,635	–	–	–	–

*1 FUJIFILM Holdings Corporation
One female corporate vice president is no longer included in the number as she became a director.

*2 Based on the definition by each overseas subsidiary

2. Fujifilm Group Japan operating companies: Regular employees

FUJIFILM Corporation

As of March 31, 2023

	Total	Male	Female
Number of employees Proportion	4,607 100%	3,772 81.9%	835 18.1%
Managerial personnel Proportion	1,154 100%	1,096 95.0%	58 5.0%
Average age	42.82	43.19	41.15
Average length of employment (years)	17.86	18.00	17.24
Utilization of paid leave*1	73.5%	–	–
Turnover rate*2	1.81%	1.87%	1.49%
Percentage of male employees taking childcare leave*3	52.0%		
Gender wage gap *4	All Workers	Regular Workers	Part-time or Temporary Workers
	70.4%	72.7%	62.6%
	Regular Workers		
	Managers	General	
	101.1%	79.6%	

*1 From October 1, 2021 to September 30, 2022

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

*3 Of male regular employees whose spouse gave birth between April 1, 2022 and March 31, 2023, the total of those who took leave by order, used expired Stock Leave for childcare, or took special leave for supporting the spouse at the time of childbirth (excluding overlaps).

*4 The percentage of average wage for female compared with the male average wage being regarded as 100.

FUJIFILM Business Innovation

As of March 31, 2023

	Total	Male	Female
Number of employees Proportion	4,505 100%	3,806 84.5%	699 15.5%
Managerial personnel Proportion	956 100%	872 91.2%	84 8.8%
Average age	45.14	45.89	41.09
Average length of employment (years)*1	20.10	20.67	17.03
Utilization of paid leave*2	75.3%	–	–
Turnover rate*3	4.89%	4.59%	6.50%
Percentage of males taking childcare leave*4	82.2%		
Gender wage gap*5	All Workers	Regular Workers	Part-time or Temporary Workers
	75.8%	78.7%	71.9%
	Regular Workers		
	Managers	Managers	
	98.8%	82.1%	

*1 Years of service as of March 31, 2023. Duration of less than a year rounded down.

*2 From October 1, 2021 to March 31, 2023

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

*4 Of male regular employees whose spouse gave birth between April 1, 2022 and March 31, 2023, the total of those who took leave by order, used accumulated expired paid leave for childcare, or took special leave for supporting the spouse at the time of childbirth (excluding overlaps).

*5 The percentage of average wage for female compared with the male average wage being regarded as 100.

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

FUJIFILM Corporation

As of March 31, 2023

		Total	Male	Female
Number of new graduate new hires*1	Total	129	96	33
	Technical positions	78	59	19
	Administrative positions	51	37	14
Starting salaries for new graduates	Graduate	246,000 yen*3		
	Master	273,900 yen*3		
	Doctor	297,900 yen*3		
Number of mid-career recruitment*2		46	34	12

*1 The number of new employees joined on April 1, 2023 (including graduates and postgraduates).

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

*3 Amount after the labor-management agreement on June 1, 2023

FUJIFILM Business Innovation

As of March 31, 2023

		Total	Male	Female
Number of new graduate new hires*1	Total	61	45	16
	Technical positions	47	37	10
	Administrative positions	14	8	6
Starting salaries for new graduates	Graduate	246,000 yen*3		
	Master	273,900 yen*3		
	Doctor	300,400 yen*3		
Number of mid-career recruitment*2		16	15	1

*1 The number of new employees joined on April 1, 2023 (including graduates and postgraduates).

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

*3 Amount after the labor-management agreement on June 1, 2023

Number of New Employee Hires*

		FY2018	FY2019	FY2020	FY2021	FY2022
FUJIFILM Corporation	Total	152	152	122	129	175
	Male	110	118	96	101	130
	Female	42	34	26	28	45
FUJIFILM Business Innovation	Total	174	192	208	81	77
	Male	139	149	162	61	60
	Female	35	43	46	20	17
FUJIFILM Corporation and FUJIFILM Business Innovation	Total	326	344	330	210	252
	Male	249	267	258	162	190
	Female	77	77	72	48	62

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

4. Fujifilm Group Japan operating companies: Post retirement employees

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

Post Retirement Employees*

As of March 31, 2023

	FY2022
FUJIFILM Corporation	90
FUJIFILM Business Innovation	104

* Employees re-employed during the relevant fiscal year

5. Fujifilm Group Japan operating companies: Nationalities of employees

Since 2019, we have kept a record of the nationalities of employees directly employed in Japan by our major operating companies. As of the end of fiscal 2022, we had 232 employees from 20 countries and regions outside Japan; the top four nationalities in descending order are China (132), Korea (39), Brazil (30), and Philippines (4).

4.2 Diversity and Equal Opportunities for Employees

- Definitions in this section (Chapter 4.2)
- Fujifilm Group: FUJIFILM Holdings Corporation and its consolidated companies
 - Fujifilm Group Japan: FUJIFILM Holdings Corporation and its consolidated companies in Japan
 - Fujifilm Group Overseas: FUJIFILM Holdings Corporation and its consolidated companies outside of Japan

4.2.1 Basic Approach

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

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

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

Fujifilm Group Code of Conduct Chapter 1 Respect of human rights <https://holdings.fujifilm.com/en/about/philosophy/law>

4.2.2 Management System

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

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

In November 2022, we established the DE&I (diversity, equity, and inclusion) Promotion Group within the Human Resource Division. Under the banner of “Respect and support each other’s STORY in diverse situations,” the group helps female employees work more extensively, provides support for childcare and nursing care, and enables men to be more involved in childcare. The group is working to build a corporate culture with a higher awareness of DE&I among employees by holding sessions on balancing work and childcare for those who have just returned from childcare leave and their managers, and have organized an employee community, +STORY Childcare Salon.

4.2.3 Effort Results and Progress

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

1. Targets and results

Target 1: Promoting talented employees worldwide

Principal indices: Percentage of international employees*1 in major positions*2 in the Fujifilm Group
FY2030 target: 35%, FY2022 results: 27.8%

- *1 International employees: Non-Japanese. We continue to promote talents who can lead our businesses in different markets regardless of their nationalities.
- *2 Major positions: Presidents of major subsidiaries, general managers of major businesses, and several other senior positions. Taking our Group globally, we reviewed our key senior positions. In addition to the existing major positions in our Group companies, we include key senior positions in our businesses and headquarters that are becoming increasingly important when looking toward the future.

Percentage of International Employees in Major Positions					As of March 31, 2023
	FY2019	FY2020	FY2021	FY2022	FY2030 Target
Fujifilm Group	26.0%	27.1%	27.7%	27.8%	35%

Target 2: Promoting women in leadership

Principal indices: (1) Percentage of women in managerial positions in the Fujifilm Group
FY2030 target: 25%, FY2022 results: 16.5%

(2) Percentage of women in managerial positions in the Fujifilm Group Japan
FY2030 target: 15%, FY2022 results: 6.9%

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

Fujifilm and FUJIFILM Business Innovation individually formulated a five-year action plan covering fiscal 2021-2025 for promoting women’s advancement in response to the Act on Promotion of Women’s Participation and Advancement in the Workplace. Both plans have been made public.

The percentage of female managers is between 10 and 14% in the manufacturing industry in Japan. We have set steadily achievable targets based on our past records.

To attract and train as many as manager candidates as possible, we have adopted a range of systems to support female employees as a first step. To support their job and childcare, we provide a session for those who have recently returned from childcare leave and their managers. External instructors explain the keys to balancing work and childcare, the importance of support from colleagues and managers, and organize a panel discussion between employees and their managers. In this way, we are helping employees come back to work smoothly and continue to follow their careers. We have also set up three-monthly meetings for employees on childcare so that they can talk and share their feelings and any problems relating to balancing work and childcare.

We continue to work to achieve our current targets and will aim for higher targets through steadily implementing measures.

Percentage of Women in Managerial Positions						As of March 31, 2023
	FY2018	FY2019	FY2020	FY2021	FY2022	FY2030 Target
Fujifilm Group*	13.9%	14.5%	15.4%	16.1%	16.5%	25.0%
Fujifilm Group Japan	5.4%	5.4%	5.8%	6.4%	6.9%	15.0%

* Based on the definition by each overseas subsidiary

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

Principal indices: Percentage of employees with disabilities according to the group-wide calculation under FUJIFILM Holdings
FY2030 target: Higher than the legally-specified percentage (2.35%), FY2022 results: 2.45%

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

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

Percentage of Employment of Persons with Disabilities* As of May 1, 2023

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2030 Target
Fujifilm Group Japan	2.32%	2.42%	2.48%	2.47%	2.45%	2.35% (Higher than the legally specified percentage)

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

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

Principal indices: (1) Job retention rate three years after returning from childcare leave
FY2030 target: 100% (Fujifilm Group Japan),
FY2022 results: 89.4% (FUJIFILM Corporation)
(2) Job retention rate three years after returning from nursing care leave.
FY2030 target: 100% (Fujifilm Group Japan),
FY2022 results: 100% (FUJIFILM Corporation)

We are raising awareness about various systems for balancing between work and childcare, including usage of accumulated expired paid leave among employees, particularly so that male employees can be actively involved in childcare. As for nursing care, we increased the types of support available through our nursing care consultation service in addition to holding a specialist seminar to prevent employees from leaving their jobs due to nursing care. In fiscal 2022, we enhanced the home working system and work-life balance support system so that diverse employees can proactively work with motivation, balancing their work and private situations. From April 2023, we started Work Style Innovation with DX. Not limited to those currently facing major life events, all employees in the Group are encouraged to accelerate their work style innovation. While promoting digital transformation (DX)—such as utilization of the M365 communication tool and the shift to paperless—in day-to-day work, we aim to reduce the total working hours and generate business results through encouraging diverse employees to work in lively and creative ways in less hours. We continue to create a better working environment by introducing new measures to respond to the changing times.

Returning Rate from Childcare and Nursing Care leaves in FY2022

FUJIFILM Corporation Lower column: number of people

	Total	Male	Female
Returning rate from childcare leave*1	98.4% (62/63)	100% (25/25)	97.4% (37/38)
Returning rate from nursing care leave*1	100% (4/4)	100% (1/1)	100% (3/3)
Retention rate after 3 years from reinstatement (childcare)*2	89.4% (42/47)	100% (16/16)	83.9% (26/31)
Retention rate after 3 years from reinstatement (nursing care)*2	100% (1/1)	N/A	100% (1/1)

FUJIFILM Business Innovation Corp.

	Total	Male	Female
Returning rate from childcare leave*1	95.6% (87/91)	98.4% (63/64)	88.9% (24/27)
Returning rate from nursing care leave*1	100% (9/9)	100% (7/7)	100% (2/2)
Retention rate after 3 years from reinstatement (childcare)*2	70.3% (78/111)	63.8% (30/47)	75.0% (48/64)
Retention rate after 3 years from reinstatement (nursing care)*2	100% (1/1)	100% (1/1)	N/A

*1 Returning rate = $\frac{\text{Number of returned employees whose expiration date of the leave arrived in FY2022}}{\text{Number of all employees whose expiration date of the leave arrived in FY2022}}$

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

*3 Based on the same method as *2

2. Systems for balancing work and life

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

FUJIFILM Corporation

Childbirth and Childcare	Nursing Care	Others
<ul style="list-style-type: none">• Maternity leave (within seven weeks before childbirth)• Leave of absence for childcare (two-year leave at maximum)• Stock Leave* for childcare• Child medical care leave program• Shorter working hours (student in the third grade or lower of junior high school)• Limited overtime work and late-night overtime• Special leave for supporting the wife at the time of childbirth• Reinstatement to same workplace after leave of absence for childcare• Use of Stock Leave* for fertility treatment• Leave of absence for birth support (one year leave system for fertility treatment)	<ul style="list-style-type: none">• Leave of absence for nursing care program• Nursing care leave program• Shorter working hours program for nursing family member• Stock Leave* for nursing care	<ul style="list-style-type: none">• Flexible working hours• Working from home• Special leave according to length of employment• Using of Stock Leave* for volunteer work• Leave of absence for volunteer work• Stock Leave* for self-development• Leave of absence when employee's spouse is transferred• Discretionary labor system• Re-employment Program• Paid leave on an hourly basis

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

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

Childbirth and Childcare	Nursing Care	Others
<ul style="list-style-type: none">• Maternity leave (within seven weeks before childbirth)• Leave of absence for childcare (two-year leave at maximum)• Accumulated paid leave* for healthcare of employees' family• Child medical care leave program• Shorter working hours (student in the third grade or lower of junior high school)• Limited overtime work and late-night overtime• Special leave for supporting the wife at the time of childbirth• Reinstatement to same workplace after leave of absence for childcare• Use of accumulated paid leave* for fertility treatment• Leave of absence for birth support (one year leave system for fertility treatment)	<ul style="list-style-type: none">• Leave of absence for nursing care program• Nursing care leave program• Shorter working hours program for nursing family member• Accumulated paid leave* for nursing care	<ul style="list-style-type: none">• Flexible working hours• Working from home• Special leave according to length of employment/ refresh vacation• Accumulated paid leave* for volunteer activities• Leave of absence program for employees participating in socially beneficial activities• Leave of absence program for self-development• Leave of absence for education• Support program for senior employees' second career• Leave of absence when employee's spouse is transferred• Re-employment Program• Paid leave on an hourly basis

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

4.2.4 Freedom of Association

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

Code of Conduct and the Fujifilm Group Human Rights Statement.
Fujifilm Group Human Rights Statement: Consideration for Fujifilm Group Personnel <https://holdings.fujifilm.com/en/sustainability/vision/policy/statement>
Fujifilm Group Code of Conduct: Article 9, Chapter 1 Basic Labor Rights <https://holdings.fujifilm.com/en/about/philosophy/law>

1. Labor union membership As of March 31, 2023

	Total Number of Employees Represented by an Independent Trade Union	% of Employees Represented by an Independent Trade Union*
FUJIFILM Corporation and FUJIFILM Business Innovation Corp.	6,125	67.2%

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

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

FUJIFILM Corporation As of March 31, 2023

FY	Item
2018	<ul style="list-style-type: none">Partial revision of wage rulesWider range of job assignment destinations within the Fujifilm Group in Japan
2019	<ul style="list-style-type: none">Revision of maximum working hours and designation of timing to take Paid Leave, in line with the amendments to the Labor Standards Act.Revision of the F-PRO* allowancePartial revision of parts of the employee leave system to improve convenience and address inadequacies in the system
2020	<ul style="list-style-type: none">Partial revision of wage rulesPartial revision of collective labor agreement and corresponding work rules to allow paid leave for childcare or nursing care on an hourly basisAddition of group companies in Japan as destination for temporary transfer of employees (e.g. FUJIFILM Healthcare Corporation)
2021	<ul style="list-style-type: none">Partial revision of wage rules (revision of starting salary)Establishment of a new site (Amagasaki)Change in job assignment destination within the Fujifilm Group in Japan (FUJIFILM Business Innovation Corp. and else)
2022	<ul style="list-style-type: none">Partial revision of wage rules (revision of the F-PRO* allowance and supplement expansion of Shinkansen expense supplement etc.)Revision of childcare leave rules (newly established childcare leave at a childbirth)

* F-PRO: Discretionary labor system of FUJIFILM Corporation

FUJIFILM Business Innovation Corp. As of March 31, 2023

FY	Item
2018	<ul style="list-style-type: none">Revision of regulations for employees working abroad (January 1, 2019)Revision of regulations of travel expense (January 1, 2019)Revision of personnel systems (April 1, 2019)Expansion of coverage for remote working system (April 1, 2019)Expansion of coverage for home working system (April 1, 2019)
2019	<ul style="list-style-type: none">Updates to the employee holiday and leave system (including congratulatory/condolence leave, alternative holidays, etc.)
2020	<ul style="list-style-type: none">Introduction of hour-based paid leave for nursing children or other family membersRevision of basic conditions at the time of transfer
2021	<ul style="list-style-type: none">Fixation of the number of annual scheduled holidaysChange of normal working hours per dayRevision of welfare system
2022	<ul style="list-style-type: none">Provision of a childcare counseling office, and procedure to confirm the intention of childcare leave usage based on the revised Act on Childcare Leave, Caregiver Leave.Revision of treatment when returning from leave for private/injury/illness reasonsRevision of childcare-related rules based on the Act on Childcare Leave, Caregiver Leave.Revision of remote working systemRevision of work-childcare balancing system (shorter working hours for childcare, child nursing care leave, pre-birth leave, accumulated expired leave)Revision of retirement benefit system

4.2.5 Standard entry level wage

We confirmed that the standard entry level wage paid by the Fujifilm Group companies for fiscal 2022 exceeded the current local minimum wage where the company is located.

Comparison Rate Between Standard Entry Level Wage and the Local Minimum Wage

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

* Consolidated companies

4.3 Health, Safety and Wellness of Employees

Definitions in this section (Chapter 4.3)
• Fujifilm Group: FUJIFILM Holdings Corporation and its consolidated companies
• Fujifilm Group Japan: FUJIFILM Holdings Corporation and its consolidated companies in Japan
• Fujifilm Group Overseas: FUJIFILM Holdings Corporation and its consolidated companies outside of Japan

4.3.1 Basic Approach

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

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

* Kenkoikei® is a registered trademark of Nonprofit Organization Kenkoikei.

Fujifilm Group Employee Wellness Declaration and related information <https://holdings.fujifilm.com/en/sustainability/vision/policy/health-safety>

Fujifilm Group Occupational Safety and Health Policy

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

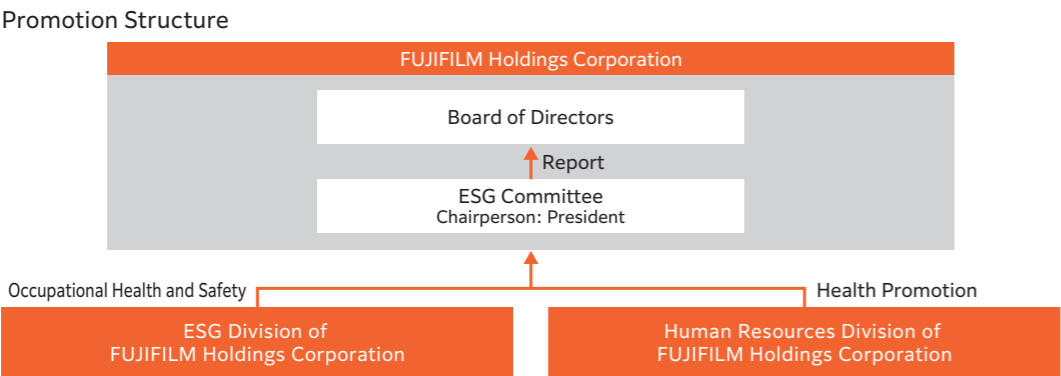
1. We will consider the occupational safety and health of employees including dispatched workers and contractors as the top priority, and maintain safe, healthy and fit working environments.
2. We will comply with applicable occupational safety and health laws and self-regulations, such as those designed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

Established in January 2010, Revised in April 2019

Fujifilm Group Code of Conduct: Article 8, Chapter 1 Occupational Safety and Health/Health Promotion <https://holdings.fujifilm.com/en/about/philosophy/law>

4.3.2 Management System

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



4.3.3 Occupational Safety

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

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

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

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

1. Efforts for occupational health and safety

Group-wide target 1: Zero serious workplace accidents * Serious workplace accident: An accident that causes death or permanent disability.

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

Number of Employees Taking Occupational Health and Safety Training

		FY2022
Fujifilm Group*		21,195

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

2. Serious workplace accidents in fiscal 2022

Fujifilm Group: 0

Number of Fatal Workplace Accidents

		FY2018	FY2019	FY2020	FY2021	FY2022	FY2023 Target
Fujifilm Group	Employees	0	1	0	0	0	0
	Contracted	0	1	0	0	0	0
Fujifilm*	Employees	0	0	0	0	0	0
	Contracted	0	0	0	0	0	0
FUJIFILM Business Innovation*	Employees	0	1	0	0	0	0
	Contracted	0	1	0	0	0	0

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

3. Workplace accident rate and workplace accident severity

() : chemical industry average in parenthesis*6

Japan		FY2018	FY2019	FY2020	FY2021	FY2022	Target
Workplace accident rate*4	Fujifilm Group (Japan)	0.12 (0.47)	0.42 (0.42)	0.29 (0.32)	0.36 (0.58)	0.36 (0.34)	Workplace accident rate of 0.1 or less by FY2030
	Fujifilm and its group companies in Japan*1	0.00	0.30	0.31	0.29	0.34	
	FUJIFILM Business Innovation and its group companies in Japan*2	0.18	0.54	0.28	0.43	0.39	
Overseas		FY2018	FY2019	FY2020	FY2021	FY2022	Target
Workplace accident rate*4	Fujifilm Group (Overseas)*3	2.71	1.36	2.01	1.40	1.94	Workplace accident rate of 0.1 or less by FY2030
	Fujifilm and its group companies outside of Japan	2.71	1.53	1.85	1.40	1.87	
	FUJIFILM Business Innovation and its group companies outside of Japan	–	1.23	2.24	1.39	2.05	
Japan		FY2018	FY2019	FY2020	FY2021	FY2022	
Workplace accident severity*5	Fujifilm Group (Japan)	0.00 (0.01)	0.003 (0.01)	0.004 (0.01)	0.006 (0.01)	0.007 (0.01)	
	Fujifilm and its group companies in Japan*1	0.00	0.005	0.003	0.007	0.010	
	FUJIFILM Business Innovation and its group companies in Japan*2	0.00	0.002	0.004	0.006	0.003	
Overseas		FY2018	FY2019	FY2020	FY2021	FY2022	
Workplace accident severity*5	Fujifilm Group (Overseas)*3	0.06	0.031	0.036	0.025	0.031	
	Fujifilm and its group companies outside of Japan	0.06	0.043	0.033	0.021	0.040	
	FUJIFILM Business Innovation and its group companies outside of Japan	–	0.022	0.041	0.029	0.018	

TRIR (Fujifilm Group)

	FY2018	FY2019	FY2020	FY2021	FY2022
TRIR*7	–	2.10	2.34	2.07	2.70

*1 Fujifilm: Unconsolidated until 2018; total data for Fujifilm and its group companies were used for calculation starting in FY2019.

*2 FUJIFILM Business Innovation: FUJIFILM Business Innovation were unconsolidated until FY2018. Total data for FUJIFILM Business Innovation and its group companies were used for calculation starting in FY2019.

*3 Fujifilm group companies outside of Japan until FY2018.

*4 Workplace accident rate (LITR) = $\frac{\text{Number of employees involved in workplace accidents}}{\text{Gross number of hours worked}} \times 1,000,000$

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

*6 Source for chemical industry average: 2021 Survey on Industrial Accidents, Ministry of Health, Labour and Welfare

*7 Total recordable incident rate (TRIR) is the number of injuries per million working hours (accidents not associated with lost work time + accidents involving lost time & deaths)

4.3.4 Employee Wellness

We have appointed President of FUJIFILM Holdings as Chief Employee Wellness Officer for the Group and Corporate Vice President, General Manager of FUJIFILM Holdings Human Resources Division as Employee Wellness Officer for the Group. Our Employee Wellness Promotion Group of FUJIFILM Holdings Human Resource Department acts the key role to manage each wellness promotion department in the Fujifilm Group, and to plan and roll out group-wide wellness

promotion initiatives. The Fujifilm Group Employee Wellness Declaration has been disseminated to all Group companies across the world, and the companies are now taking actions that most suit to their region and country.

In Japan, the Group companies are working closely with the Health Insurance Association and employee organizations (labor union and employees union), and healthcare staff (occupational health physicians, health nurses, and clinical nurses) to maintain and promote employee wellness. Since fiscal 2019, we have assigned individuals responsible for employee wellness promotion in every company in Japan at the officer and person-in-charge levels. Groupwide wellness promotion meetings are organized to share the Group wellness policy and related information.

1. Enactment and dissemination of Fujifilm Group Employee Wellness Declaration

We regularly publish messages from the president concerning employee wellness to all Fujifilm Group employees.

From fiscal 2019 we have also been providing a health-related e-learning course under the supervision of occupational health physicians. More than 43,000 employees in Japan participate in the course to raise their health awareness. At the same time, we shared wellness information via FUJIFILM Holdings' and Group companies' intranets and newsletters. All executive officers of FUJIFILM Corporation and FUJIFILM Business Innovation and the presidents of their subsidiaries have declared their personal wellness commitments on the intranet. With the disclosed commitments including endoscopic screenings and no-smoking declarations by executive officers, we accelerate employee wellness under the leadership of the top management.

We also established the Seven Actions for Good Health in July 2020 to help employees put into practice those habits that will support them maintain their healthy lifestyles.

2. Central management and analysis of employees' health data

In 2015, we introduced an information system that centrally manages employees' health checkup results linked to their working hours and results of stress level checks. It visualizes each employee's health status per company or across the entire Group.

On top of that, we analyze the health data combined with medical data provided by Fujifilm Group Health Insurance Association to evaluate collective employee health level for each Group company and issue a health report that includes specific advice for further wellness enhancements. Those reports enable each company to clarify health issues to be addressed.

3. Setting the mid-term target for wellness issues

Since fiscal 2018, we have focused on five priority areas associated with employee wellness: behavior-related diseases; smoking; cancer; mental health; and long working hours. For each of the priority areas, we have set KPIs and group-wide targets for fiscal 2025.

(1) KPIs and Mid-term Target

Fujifilm Group KPIs in Health issues, Mid-term Targets and Results

Priority Areas	KPIs		Mid-term Targets for FY2025	Results		
				FY2020	FY2021	FY2022
Behavior-related Diseases	Employees with BMI > 25		21%	27.0%	26.9%	26.8%
	Employees with HbA1c > 6.0%		6%	7.8%	7.7%	7.9%
Smoking	Employees who smoke		12%	20.8%	19.6%	18.3%
Cancer	Employees who received screening	Lungs	100%	98.9%	99.4%	99.3%
		Stomach	100%	84.7%	81.9%	80.0%
		Endoscope	90%+	60.7%	59.9%	64.1%
		Large intestine	100%	91.5%	88.8%	89.6%
		Breasts	90%+	79.7%	77.5%	80.1%
		Cervical	90%+	66.9%	65.9%	67.2%

Scope: Fujifilm Group employees in Japan (Screening rates for stomach and large intestine cancers are for employees aged 40 or over)

(2) Efforts against cancer

Cancer is one of the five priority areas. We launched Fujifilm Nishi-Azabu Endoscopic Screening Clinic on the first floor of Fujifilm Nishi-Azabu Building in 2014. For employees who require endoscope, we use our own system which incorporates our unique advanced technology. The system includes transnasal endoscope which reduces nausea caused by gag reflex that tends to occur with conventional transoral endoscope.

In April 2022, we opened FUJIFILM Mediterrace Yokohama, a medical clinic for Fujifilm Group Health Insurance Association members, in FUJIFILM Business Innovation Yokohama Minatomirai Center. The clinic is equipped with the Fujifilm Group's latest endoscope and mammography systems, as well as an AI-driven medical IT system, enabling us to offer high-quality health checkup services to our employees.

Moving forward, by fiscal 2025, we strive to bring this employees' health checkup rate to 90% at lowest for stomach cancer, large intestine cancer, breast cancer, and cervical cancer. We promote this initiative with our strong will to minimize the number of Group employees passing away from cancer by increasing the chances of early cancer detection and receiving appropriate treatment.

Cancer Screening (Fujifilm Group Health Insurance Association Subsidy Program)


Cancer type	Procedure	Target Group	Interval
Stomach	Endoscopy (X-ray)	Over 35/over 40	Annual
Esophagus			
Large Intestine	Fecal occult blood test	Over 35/over 40	Annual
	Colonoscopy	Over 50	Once during employment period
Breast	Ultrasound (under 39)	Female	Annual
	Mammography (over 40)		
Cervical	Cytologic diagnosis	Female	Annual
Prostate	PSA (blood)	Male over 50	Biennial
Lung	Chest helical CT	Over 40	Annual
Liver, kidney, pancreatic, biliary tract	Ultrasound	Over 35/over 40	Annual

4. Wellness initiatives

We have started a wide range of initiatives for employees wellness under the leadership of the Employee Wellness Officer assigned in each company.

(1) Initiatives in Japan

<Example activities in Japan in the priority areas>

Priority Areas	FY2022 Programs	FY2022 Results, etc.
Behavior-related diseases	<div>Establishment of the “Seven Actions for Good Health*” to acquire wellness practices</div> <div></div> <div>* Seven Actions for Good Health is a set of practices for employees to acquire healthy habits. (1) Check weight once a week; (2) Confirm your health checkup results; (3) No alcohol day once a week; (4) More than 6 hours of sleep every day; (5) 30 min. walk every day; (6) Participate in the walk event (<i>Arukatsu</i>); (7) No smoking.</div>	<div>Results of the implementation survey for “Seven Actions for Good Health”</div> <div><div>YesNo</div><div>(1) Checking weight once a week smoking49.7%50.3%</div><div>(2) Watching your health checkup results96.9%3.1%</div><div>(3) No alcohol day once a week84.3%15.7%</div><div>(4) More than 6 hours of sleep every day63.1%36.9%</div><div>(5) 30 min. walk every day66.4%33.6%</div><div>(6) Participated in the walk event (<i>Arukatsu</i>)44.5%55.5%</div><div>(7) No smoking80.9%19.1%</div></div> <div>Scope: All employees of the Fujifilm Group Japan 41,059 (FY2022)</div>
	Smoking	Online program for quitting smoking
Free distribution of two weeks’ worth of antismoking patches		143 participants
Free distribution of antismoking chewing gum		123 participants
Non-smoking during working hours		Incorporated into working regulations since April 2020
Smoking areas on company premises closed		All of the 131 smoking areas in the Group were closed since fiscal 2020.
Training by medical specialists		Lecture video over the intranet in Japan • Quit smoking seminar (Jun.) Provided for wellness officers and wellness managers in group companies (Nov., Feb.)
Cancer	Training by medical specialists	Lecture video over the intranet in Japan • Breast cancer seminar (Sep.) E-learning seminar for all employees • Recommendations for stomach & colon cancer screening (43,259 viewers)
Mental health	Mental health-related training	• Mental health selfcare training (Mar.) • Improved conditions in high stress workplaces judged by stress check results
	Mental health consultation office	Established a mental health consultation office via phone, face-to-face meeting, and web (24/7)

Raising health awareness among employees

To further promote employee wellness, we set up the Seven Actions for Good Health Committee in fiscal 2022 jointly with all domestic group companies, the Health Insurance Association and employee organizations (labor union and employees union).

We plan to expand the programs through which group employees can improve their health in a fun manner, such as *Arukatsu*, a twice-yearly walking event (in spring and autumn) jointly organized by the Health Insurance Association and employee organizations (labor union and employees union), and *Arukatsu Koshien*, a group-wide walking competition in which 33 (spring) and 38 (autumn) domestic group companies participate.

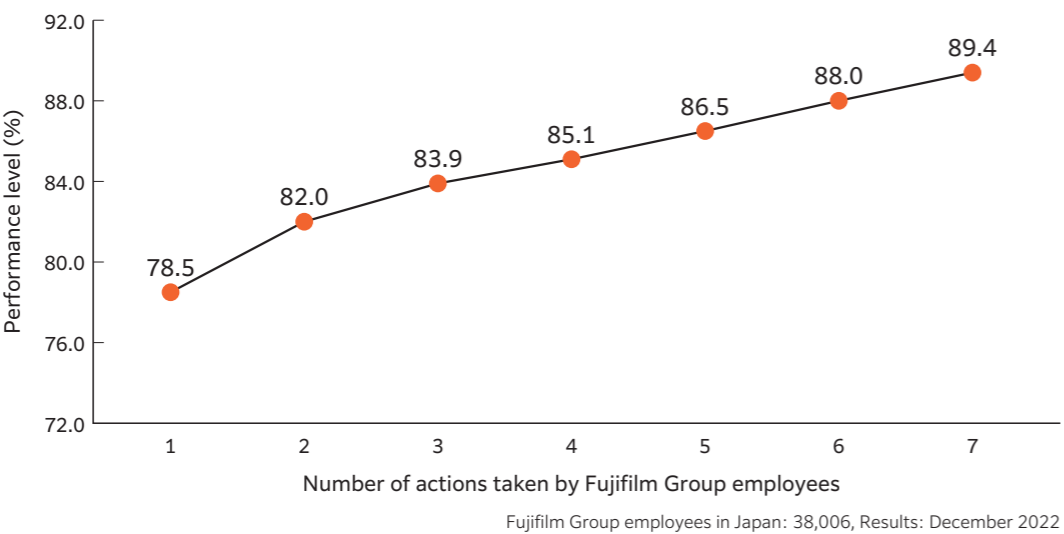
We found that there is positive correlation between the number of actions actually taken from the Seven Actions for

Good Health, and the level of performance*¹ and work engagement.*² We recommend employees to put these actions into practice.

*¹ Level of performance: Employees assess their own work performance over the last four weeks compared to their 100% performance when they are free from illness or injury, using the Single-Item Presenteeism Questionnaire developed by the University of Tokyo.

*² Work engagement: Defined as the state where three aspects are fulfilled. (1) Feeling refreshed or obtaining energy from one's work (vigor); (2) Feeling pride and a sense of satisfaction in one's work (dedication); and (3) Devoting significant energy to one's work (absorption). We measure this using the 3-item Utrecht Work Engagement Scale.

Seven Actions for Good Health and Performance Level



Seven Actions for Good Health and Work Engagement



(2) Initiatives around the world

FUJIFILM Holdings Employee Wellness Promotion Group started regular communications with the wellness promoters in the U.S., Europe, China, and Asia Pacific in fiscal 2019. For our overseas employees, various wellness programs are developed and implemented taking into account local conditions such as medical care system and wellness practices in each region or country.

Due to the COVID-19 pandemic, we have given the first priority to keeping our employees across the world safe from infection. We are now exchanging healthcare information regularly with our companies in China, and strongly recommend their employees to take the Seven Actions for Good Health. We will recommence information exchange with companies in other regions one by one.

(3) Health promotion among suppliers

We confirm that our suppliers have external assessment results and certificates concerning their employees' wellness. We also provide a lecture every year for suppliers to raise health awareness among their employees by explaining the importance of employee wellness and describing our own health promotion activities.

(4) Recognition

In March 2023, FUJIFILM Holdings was listed on the Health and Productivity Stock Selection for the third consecutive year. The Health and Productivity Stock Selection certifies industry leader companies listed on the Tokyo Stock Exchange that are actively promoting health and productivity management from a strategic perspective, recognizing the importance of health and productivity management. The certification was started in 2015 jointly by the Ministry of Economy, Trade and Industry, Japan (METI) and the Tokyo Stock Exchange.

Also, 36 companies (as of April 2023) in the Fujifilm Group were certified as "Health and Productivity White 500" for 2023 accredited by METI. The certification is given to the 500 businesses engaged in excellent employees' well-being practices promoted by Nippon Kenko Kaigi (Health and Productivity Management Organization). The honor indicates that the active health and productivity management initiatives by those companies are highly recognized.

Listed on the Health and Productivity Stock Selection for the third consecutive year



Certified as "Health and Productivity White 500" for the seventh consecutive year



4.4 Employee Development, Talent Attraction and Engagement

Definitions in this section (Chapter 4.4)

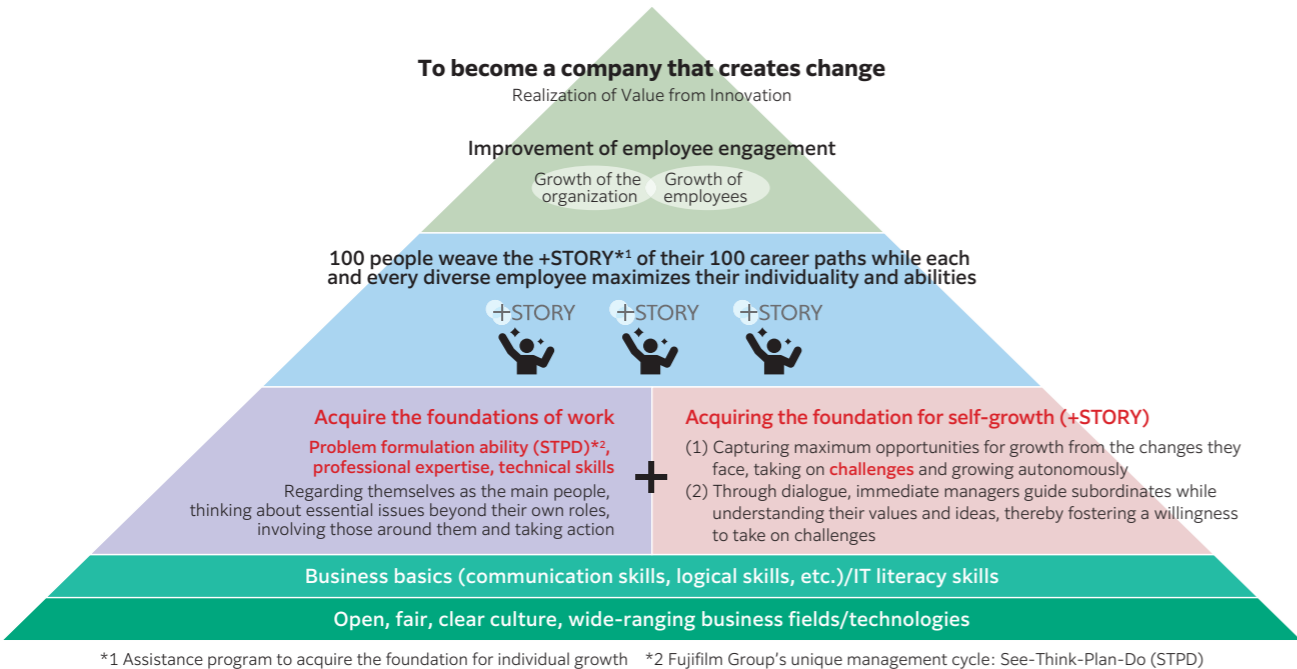
- Fujifilm Group: FUJIFILM Holdings Corporation and its consolidated companies
- Fujifilm Group Japan: FUJIFILM Holdings Corporation and its consolidated companies in Japan
- Fujifilm Group Overseas: FUJIFILM Holdings Corporation and its consolidated companies outside of Japan

4.4.1 Fujifilm Group’s Human Resource Development

—Develop employees who leverage change and pursue their own growth through proactively setting stretch goals.

Under our “open, fair and clear” corporate culture, we aim to increase employee engagement while creating an upward spiral of individual and organizational growth. For this aim, we place emphasis on building the basics of work and the foundation for individual growth.

Fujifilm Group Employee Development



4.4.2 Structure for Human Resource Development

1. Human resource development programs

(1) Build on the basics of work (Strengthening Problem formulation ability)

The Fujifilm Group defines its basics of work as the FF method. This method is implemented in all divisions and departments across the Group. The FF method refers to the See-Think-Plan-Do (STPD) cycle, where See is to collect the factual information, Think is to capture their essence through consideration, Plan is to formulate approaches, and Do is to implement the plan. We develop all employees—from new employees to those working overseas—to acquire the FF method as an approach to their work.

The Fujifilm Group’s Unique Management Cycle – STPD (See-Think-Plan-Do)



(2) Strengthen foundation for individual growth (self-development assistance program “+STORY”)

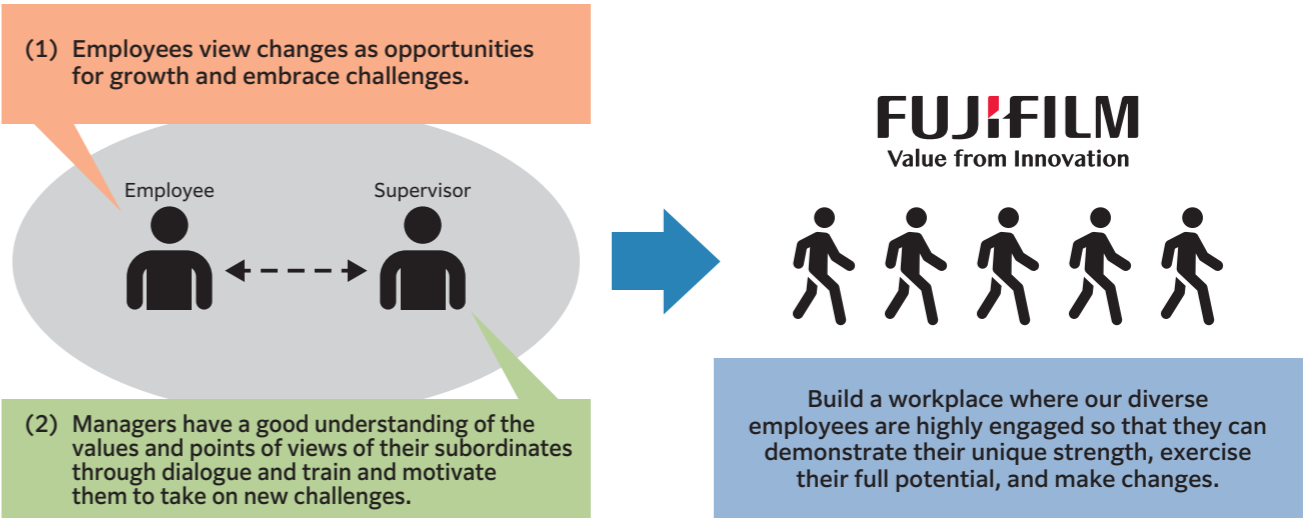
The Fujifilm Group has offered a self-development assistance program called “+STORY” with the aim of capturing maximum opportunities for growth from the changes they face. Fostering a willingness to take on challenges and growth autonomously.

+STORY in the Fujifilm Group refers to the experience that each employee accumulates through their work. We named this program hoping that employees could flourish through utilizing their personal feelings and experiences they acquired through tackling the challenges they face at work and taking them as opportunities to grow. Also, learning from their valuable meetings with a variety of people, we hope that each employee will weave their own “story” of their experiences.

In this program, an employee has an annual interview with a manager—called the “+STORY Dialogue” in which the employee and manager review the experiences of the past year together. We value that the employees accumulate their stories deriving sustenance from all that they have experienced, so that managers can support their subordinates’ +STORY through this dialogue to motivate them to take on new challenges.

As each and every employee creates their own unique +STORY, we believe that such diverse +STORIES serve as a driving force for the Fujifilm Group.

Objectives of the self-development assistance program “+STORY”



2. Individual performance appraisal

The Fujifilm Group has been introducing performance assessments through the Management by Objectives approach in Group companies across the world. The Management by Objectives approach draws out employees’ sense of ownership and facilitates mutual communication with their supervisors, and hence help build an “open, fair, and clear” corporate culture. We aim to embed this approach throughout the Group companies for a better corporate culture. In those organizations or functions where the Management by Objectives approach is already in place, employees are to participate in one-on-one meetings with their supervisors for annual or biannual performance review.

4.4.3 Results and Progress

1. Human resource development programs

The Fujifilm Group globally invests in human resource development by offering comprehensive learning and training opportunities ranging from tiered programs for all levels of regular employees including people managers, executive leadership programs, and professional skill development programs on top of the mandatory trainings delivered across the Group.

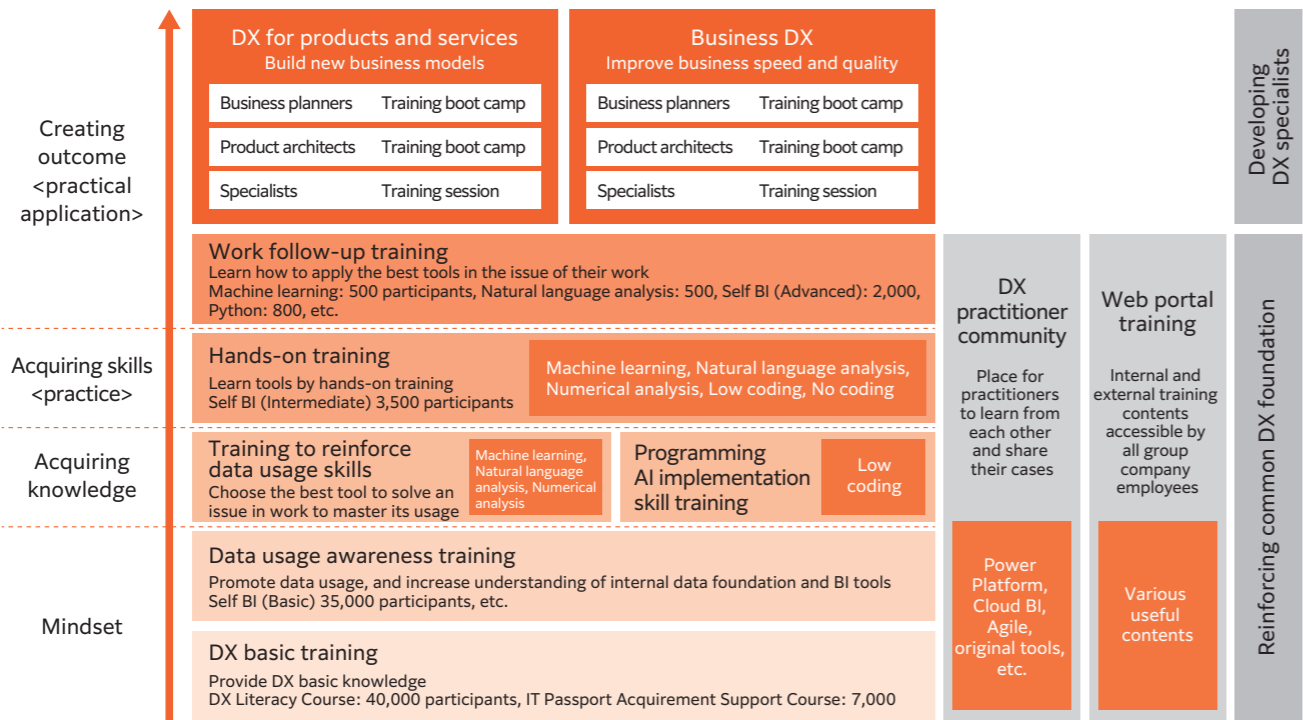
FY2022 Training and Development Inputs

	Hours/Days	Amount Spent
Total	approx. 1.60 million hours	approx. 3.1 billion yen
Average per employee	approx. 20 hours	approx. 37 thousand yen

In fiscal 2022, we focused on developing DX human resources, and reorganized our training system to take a more structured approach. Our aim is to enable each employee to incorporate DX into their work voluntarily. For this purpose, we raise awareness of the need for DX in their business and for acquiring tactical knowledge and skills to produce fruitful results.

We held the DX Literacy Course and the self BI Basic Course as an introduction to DX, in which some 40,000 employees participated. We also held a “boot camp” to develop specialists such as business planners and architects who draw up new businesses. Over a period of three months, they focused on running a cycle of learning and putting their acquired knowledge into practice on actual issues. We plan to accelerate our business reforms by enabling these specialists to play core roles in the company’s DX.

The Fujifilm Group’s Reinforced DX HR Development Program



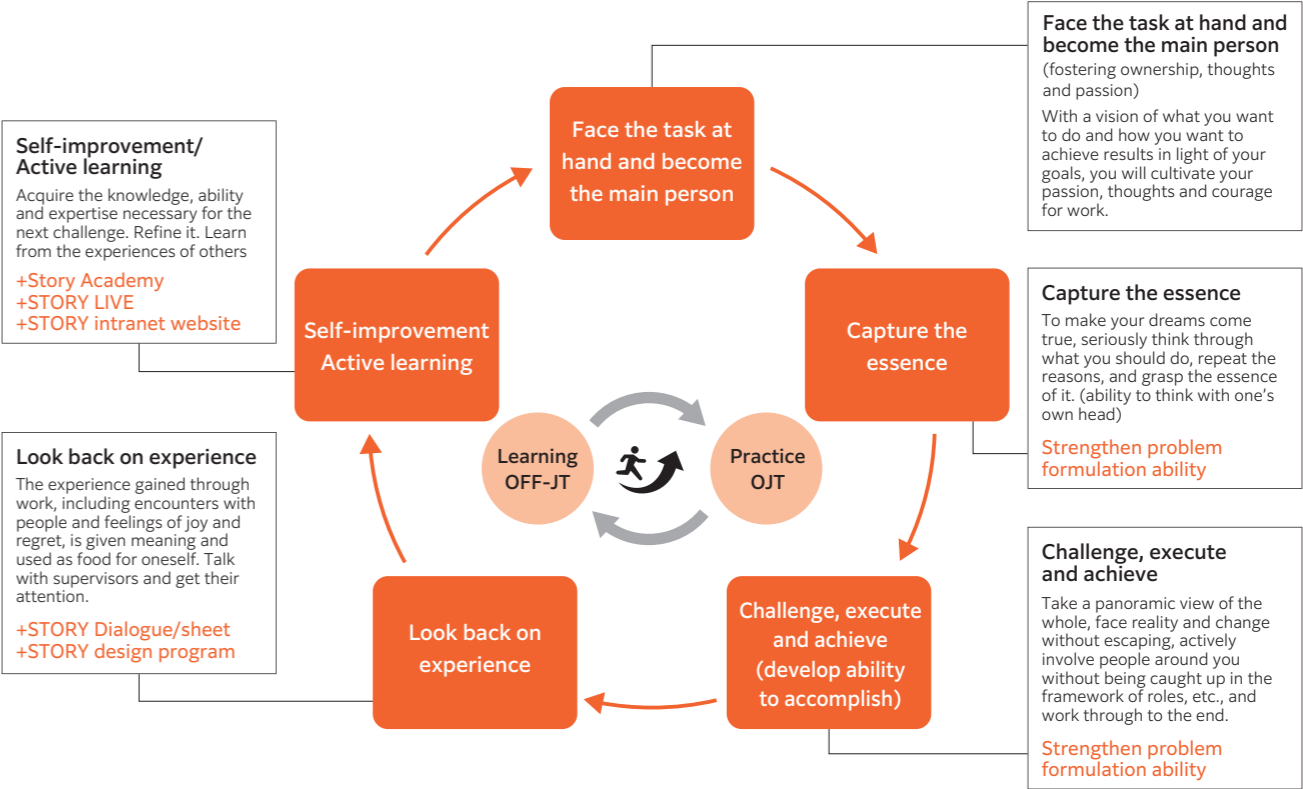
2. Self-development assistance program “+STORY” and “Challenge Cycle”

Based on the concept of +STORY, we provide the +STORY program which includes “+STORY Dialogue” for employees and managers, “+STORY LIVE” online live streaming program, “+STORY Site” intranet program which publishes employee interviews, and “+STORY Challenge System,” which offers internal job posting system. We also formed the +STORY Challenge Cycle to link these activities in the +STORY program within the +STORY philosophy.

The +STORY Challenge Cycle is presented to employees as a challenge cycle in the Fujifilm Group. The cycle has the following steps: (1) Face the task at hand and become the main person -> (2) Capture the essence -> (3) Challenge, execute and achieve -> (4) Look back on experience-> (5) Self-improvement and active learning -> Back to (1). All +STORY activities are linked to this cycle and are designed to drive forward the cycle for all ages and job classes.

In June 2023, our +STORY program, including the +STORY Academy which will be explained in the following section, received awards for excellence in the Human Resource Development category at the 12th Japan HR Challenge Awards 2023, sponsored by the HR Research Institute. Moreover, FUJIFILM Holdings was awarded the highest honor in the Corporate HR category of HR Awards 2023, bestowed by HR Vision Co., Ltd. and hosted by the HR Awards Steering Committee.

“+STORY Challenge Cycle” turning change into growth opportunities



3. +STORY Academy to support employees’ voluntary learning

+STORY Academy is a platform to support and promote employees’ voluntary learning for their growth. After employees identify the skills to be learned to create their future +STORY through the +STORY Dialogue with their supervisors, they can have free access to online training courses, such as “GLOBIS Unlimited Learning” provided by Globis, Inc., and “Udemy Business” by Benesse Corporation. More than 2,000 diverse courses are available, covering topics in specialist areas, such as business skills and MBA course essentials, to practical areas, such as languages, project management, specialized technology and programming.

The +STORY Academy also offers other programs, such as “catch UP Seminars” for engineers, which features lectures by invited experts of advanced research and projects conducted in universities and institutes, and “connectJAM,” to teach cross-boundary business operations, including lectures on technologies, development, and commercialization, delivered by colleagues. The catch UP Seminars are designed to reinforce knowledge that covers a wide range of fundamental manufacturing technologies from cutting-edge bio technology to functional material synthesis technology. We held 40 to 50 seminars in the year from April 2022 to March 2023, with nearly 1,400 participants.

With the +STORY Academy, we are building an environment in which our employees can continue learning in alternating OJTs (practicing) and Off-JTs (learning) throughout their career path.

4. Employee engagement

We believe that maintaining an organization in which employees are highly engaged in their work and are acting spontaneously while embracing the corporate philosophy and vision, will lead to corporate growth. In December 2022, we

conducted an Employee Engagement Survey of over 76,000 group employees across the world. The response rate was as high as 90% and the resulting engagement score* was 80%, which is satisfactory.

We plan to conduct this survey every year to identify any issues across the entire Group. We also plan to provide each workplace with an opportunity to discuss their survey result to identify both their strengths and any issues to be addressed. We intend to utilize these discussions to improve employee engagement across the Group and support the growth of both employees and organizations.

* Engagement score: percentage for the two most favorable responses out of a five-point rating scale (positive responses). The higher the score, the higher the employees' motivation and willingness to contribute.

Employee Engagement Survey

	Response Rate	Number of Responses	Engagement Score
The Fujifilm Group as a whole (global results)	90%	68,485	80%

5. Attracting talented human resources

As an organization that operates a wide range of businesses across the world, the Fujifilm Group puts the highest priority on securing talented human resources and constantly strengthens recruitment measures.

In recent years, we have been actively hosting IT-related interns and organizing events, such as the Fujifilm Group Hackathon*¹ and the Materials Informatics Academy*² to recruit human resources with advanced IT skills. These events are designed to nurture students in the AI and IT fields and to recruit excellent and talented people.

*¹ Fujifilm Group Hackathon: An event to develop human resources who has problem formulation ability to respond to that meet advanced ICT demands, proposing IT-based new services and solutions that can add value for existing businesses in the Fujifilm Group.

*² Materials Informatics Academy: Materials informatics is a field of study to accelerate materials development utilizing information science. In this academy, participants learn the technical skills and ideas on the field of study as a subject testing their implementation of its program and result accuracy.

6. Individual performance appraisal

We completed the introduction of the Management by Objectives approach to all Fujifilm Group employees in Japan by fiscal 2019. Employees have an interview with their managers every six months or one year to review their level of achievement towards the goals set at the beginning of the term, along with the processes they followed. The manager also gives the employee a relative appraisal of those in the same job class to create a plan for the following term.

Implementation of the Management by Objectives Approach (Fujifilm Group Japan)

As of March 31, 2023

	FY2022
Percentage of employees subject to the Management by Objectives approach	100%
Percentage subject to relative appraisal in the same job class	100%

7. Employee stock ownership

Fujifilm Group Japan started its employee stock ownership scheme in 1975 for Fujifilm Group employees in Japan to help motivate their job engagement.

Employee Stock Owners

	FY2018	FY2019	FY2020	FY2021	FY2022
Number of employee stock owners	10,688	11,344	13,227	14,197	15,154
% of ownership*	30%	32%	37%	39%	41%

* % of ownership = $\frac{\text{Number of employee stock owners as of relevant fiscal year}}{\text{Number of domestic Group company employees as of relevant fiscal year}}$

4.5 Human Rights

4.5.1 Basic Approach

The Fujifilm Group recognizes that respect for human rights is our responsibility. We clearly state our commitment to this responsibility in Fujifilm Group's Charter for Corporate Behavior and Code of Conduct translated into 24 languages. The Charter for Corporate Behavior and the Code of Conduct state our basic approach toward respecting human rights. We established Fujifilm Group Human Rights Statement, in which we declare our support for a range of global human rights principles, including the UN International Bill of Human Rights and the UN's Guiding Principles on Business and Human Rights and to take any necessary measures to assess and mitigate the risks that negatively impact human rights in business activities. To create the Human Rights Statement, we sought opinions and advice from our Group companies and stakeholders across the world and it was introduced after adoption by the CSR Committee (current ESG Committee), chaired by the President of FUJIFILM Holdings Corporation in 2018.

The Fujifilm Group aims to grow together with our suppliers through sharing with them the importance of social responsibility and corporate ethics in undertaking business activities. With this aim, we communicate to our suppliers our "Request to Suppliers" which refers to Fujifilm Group Charter for Corporate Behavior and Code of Conduct, and Fujifilm Group Sustainable Procurement Guidelines, and request them to operate in line with the Charter and the Code. As a company operating in Japan, we also implement initiatives to support respect for human rights in our supply chain, following the Guidelines on Respecting Human Rights in Responsible Supply Chains announced by the Japanese government in September 2022.

In step with the expansion of our healthcare business, in July 2020 we established the Fujifilm Group Global Healthcare Code of Conduct to clarify our basic principles, such as respect for the human rights of our patients in all of our activities, as well as to ensure appropriateness and transparency in our interactions with medical professionals. In April 2023, the Guidelines on the Global Healthcare Code of Conduct intended for our employees were updated. In December 2020, we adopted the Fujifilm Group AI Policy as the basis for our active utilization of AI in the drive to accelerate our efforts to resolve social issues in our various business areas. In view of the fact that AI technology has yet to reach maturity, we will examine the risks that are likely to emerge in ethics and other areas to ensure that we carry out our business activities with respect for basic human rights.

Fujifilm Group Charter for Corporate Behavior *Article 2. Social Responsibility, Article 3. Respect for Human Rights, Article 5. Vibrant Workplaces*

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

Fujifilm Group Code of Conduct *Chapter 1 Respect of human rights*

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

Fujifilm Group Global Healthcare Code of Conduct

<https://holdings.fujifilm.com/en/sustainability/vision/policy/global-healthcare>

Fujifilm Group Human Rights Statement

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

Fujifilm Group Sustainable Procurement Guidelines, Request to Suppliers and Fujifilm Group Sustainable Procurement Guidelines

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

Fujifilm Group AI Policy

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

4.5.2 Management System

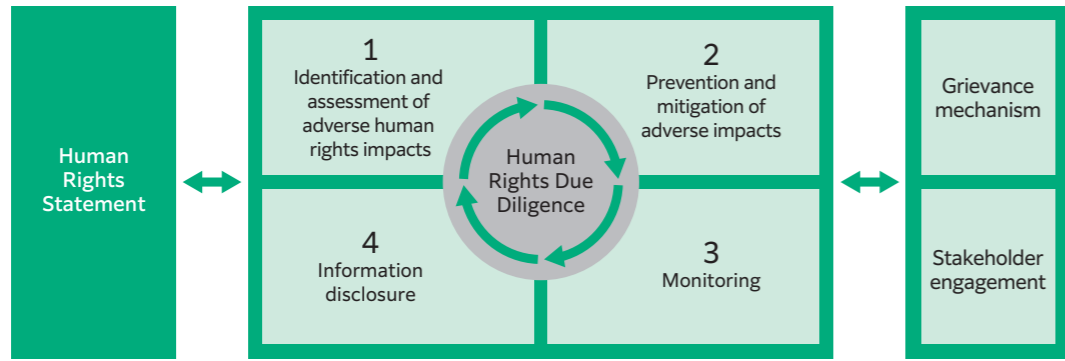
1. Promotion structure

In the Fujifilm Group, priority issues concerning human rights and the results of measures to prevent/mitigate any violations are reported to and deliberated on by the FUJIFILM Holdings ESG Committee (chaired by the President) and then reported to the Board of Directors. The ESG Committee's policy states clearly that "activities for identifying significant human rights issues in business activities and preventing and reducing any issues" shall be deliberated on and decided by the Committee.

Resources to ensure respect for human rights are allocated by the section in question on a day-to-day basis depending on the potential impact: by Human Resources Division for issues concerning Fujifilm Group employees and by procurement divisions for issues concerning suppliers or in-plant contractors. Prior to completing a merger and acquisition or at the start of a new business involving a large investment, we assess the appropriateness of the investment by reviewing the human rights status as part of our comprehensive due diligence.

2. Human rights due diligence process

The Fujifilm Group has implemented a human rights due diligence process in accordance with the procedures set out in the UN Guiding Principles on Business and Human Rights, covering all business activities we are operating or involved in.



To facilitate the process, we referred to the requirements in the UN Guiding Principles Reporting Framework with Implementation Guidance, which we studied in the Human Rights Due Diligence Working Group under the Global Compact Network Japan.

Specifically, we identify potential and actual risks, investigate where in the value chain of business activities such risks are likely to occur, specify the individuals who could be negatively impacted and how, evaluate likelihood and severity of impacts, examine and implement preventive or mitigating measures, communicate with external stakeholders, and disclose relative information. We summarize the findings from the risk assessment in a form of risk map and revisit it periodically.

In the Fujifilm Group, the ESG Committee recognizes and reviews any groupwide priority risks involved in its business activities from a human rights perspective. Issues related to human rights were identified in the groupwide priority risk mapping for fiscal 2023.

3. Human rights impact assessment to determine Fujifilm Group's priority issues

In fiscal 2019, we re-examined potential human rights issues based on the character of our businesses and the countries in which we operate. We also assessed the potential and likely severity for those issues. We have set three human rights issues as a priority which were shared and discussed among top management at the regular Board of Directors meeting of FUJIFILM Holdings held in July 2020. Since then, we have continued to implement associated activities on the following three priority issues:

- (1) Inappropriate work environment and labor practices at suppliers;
- (2) Long working hours, discrimination and harassment of our employees;
- (3) Violations of the rights of clinical trial participants in healthcare business.



4. Prevention and mitigation of adverse impact on human rights and progress

The Fujifilm Group is implementing a number of initiatives to prevent or mitigate any adverse impact on the following three group-wide priority human rights issues.

(1) Inappropriate work environment and labor practices at suppliers

The Fujifilm Group operates businesses that require assembling and processing products and parts, and has a large number of suppliers to work with. In these circumstances, one of our priority human rights issues to tackle is possible inappropriate work environment and labor practices at our suppliers. The Fujifilm Group implements actions for respecting human rights in our supply chain at the suppliers and in-plant contractors mainly within the framework of sustainable procurement.

We clearly specify the Procurement Policy and Request to Suppliers as a procurement approach and present specific checkpoints in the Fujifilm Group Sustainable Procurement Guidelines to gain the understanding of suppliers involved in our global product manufacturing regarding the importance of CSR management. On the other hand, to ensure that the suppliers understand our approach to procurement, employees who participate in our procurement activities must also be aware of the importance of sustainable procurement. Our regular in-house procurement meetings arrange for reports to be presented on sustainable procurement activities and for any issues to be shared, emphasizing the importance of acting to ensure respect for human rights.

In the Sustainable Value Plan 2030 (SVP 2030), our CSR plan announced in 2017, we committed to reinforce the CSR foundations such as labor practices, human rights, environment, and corporate ethics throughout the supply chain which we set as the base for business activities. The Group's sustainable procurement program comprises the following 4-step cycle: (1) Communication of sustainable procurement-related policies; (2) Risk assessments on suppliers; (3) Requesting suppliers to improve and offering support; (4) Improvement activities by suppliers. We provide various checks and support for suppliers, aiming to eliminate forced labor and child labor and encouraging better labor management, occupational health and safety, and consideration for migrant workers.

Procurement Policy, Request to Suppliers and Fujifilm Group Sustainable Procurement Guidelines

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

Sustainable Value Plan 2030 (SVP 2030), Mid-Term to Long-Term CSR Plan

<https://holdings.fujifilm.com/en/sustainability/plan/svp2030>

(2) Long working hours, discrimination and harassment of our employees

Employee education regarding human rights issues

The Fujifilm Group conducts the global education for all the executive officers and employees on the Human Rights Statement as well as Fujifilm Group's Charter for Corporate Behavior and Code of Conduct. All global executive officers and employees are required to declare to comply with the Code of Conduct.

As for the human rights issues on our employees, we raise awareness among Group employees in their new hire training programs and training programs for new managerial personnel. The training programs for new managerial personnel focus on workforce management in general, including prevention of long working hours and mental health measures, as well as harassment prevention. Regarding overtime working hours, trend in monthly overtime is monitored, and warnings and guidance are issued to the business divisions exceeding the designated levels and the necessary corrective measures are implemented continuously. We address harassment issues by implementing measures coordinated to fit the conditions at each company or business division, in addition to regular training programs.

(3) Violation of the rights of clinical trial participants in healthcare business

The Fujifilm Group Global Healthcare Code of Conduct published in fiscal 2020 opens with a declaration of respect for the right to self-determination, dignity, privacy and the human rights of clinical trial participants.

Our Global Healthcare Code of Conduct has been disseminated across the Fujifilm Group. It applies to all executive officers and employees in our healthcare businesses as well as to our subcontractors, temporary workers, sales agents and distributors, and all other business partners and interested parties involved in the provision, sales and support of our healthcare products and services. To ensure that the standards and requirements of the Fujifilm Group Global Healthcare Code of Conduct are respected, the In-house Guidelines on the Global Healthcare Code of Conduct that explain the Code in detail were also released. In fiscal 2020, the first effective year of the Global Healthcare Code of Conduct, Healthcare Compliance Training Programs were held for some 3,500 employees in the healthcare business, including the medical systems and pharmaceuticals businesses. A basic e-learning program was implemented for around 20,000 employees

globally. We now conduct regular training programs for all executive officers and employees in the healthcare business. Complaints related to healthcare products and services are reported promptly to the relevant business division or affiliate. Appropriate investigation will then be carried out, followed by corrective measures where necessary. Complaints may be reported to the relevant regulatory authority where appropriate.

5. Human rights grievance mechanism for internal and external stakeholders

Chapter 1 of the Fujifilm Group Code of Conduct describes our policies on Respect for Human Rights. The Fujifilm Group employees have access to the internal whistle-blowing systems to report any concerns relating to violation of any item listed in the chapter or infringements of human rights that require correction and remedies. Reports can be submitted to either (1) each company or region, or (2) FUJIFILM Holdings. In either case, the anonymity of the whistle blower is ensured and therefore employees will not be unfavorably treated because of their report.

For the results of the whistle-blowing system in fiscal 2022, see 2.2.6-3 *Whistle-blowing and consultation reports* in this report.

As a mechanism for gathering opinions from employees, we launched a Fujifilm Group Employee Engagement Survey for the entire Group in fiscal 2022. The survey consolidates all previously conducted employee awareness surveys covering such topics as compliance and brand management. The survey is standardized on a global scale, allowing us to make developments and issues relating to Fujifilm Group employees visible from a variety of perspectives. We will utilize the findings from this survey to be conducted every year to identify and improve human rights issues related to our employees. For the results in fiscal 2022, see 4.4.3-4 *Employee Engagement*.

For external stakeholders, we provide “Contact regarding Sustainability” form on our official website to listen to the feedbacks on our sustainability activities including those related to human rights from the public at large, both anonymously and otherwise. All complaints and suggestions will be considered and handled appropriately after investigating the facts.

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



6. Collaboration with initiatives regarding human rights

(1) UN Global Compact

FUJIFILM Holdings is signed up for United Nations Global Compact, a voluntary initiative that encourages companies to undertake fair operations in the areas of human rights, labor, environment, and anti-corruption. We have also been in collaboration with the Global Compact local network in Japan, by participating in, to name those concerning human rights, the Human Rights Due Diligence Working Group, Supply Chain Working Group and Human Rights Education Working Group.

(2) Caux Round Table (CRT) Japan

FUJIFILM Holdings has been participating in the Stakeholder Engagement Program (SHE)* organized by the Nippon CSR Consortium (secretariat: CRT Japan) since 2012. Under the program, NGOs, NPOs, academic experts and other business corporations engage in discussions on human rights due diligence as recommended in the UN Guiding Principles on Human Rights and Business and human rights issues in each industry.

* CRT Stakeholder Engagement Program (SHE) (Japanese)  <http://crt-japan.jp/portfolio/she-program/>
(English)  <http://crt-japan.jp/en/portfolio/human-rights-due-diligence-workshop/>

4.5.3 Results for Measures Including Remedies and Corrective Actions

1. Establishing and disseminating policies related to human rights

(1) Fujifilm Group Charter for Corporate Behavior and Code of Conduct

In addition to providing appropriate training programs, the Fujifilm Group requires all executive officers and employees in the worldwide Group to comply with its basic stance on respect for human rights as stated in the Fujifilm Group Charter for Corporate Behavior and Code of Conduct. In fiscal 2022, all executive officers and employees worldwide complied, and 96% underwent training and have issued declarations. Additionally, stratified training on respect for human rights is being conducted for new employees, newly appointed managers and newly appointed executive officers.

(2) Fujifilm Group Global Healthcare Code of Conduct

In fiscal 2020, the Fujifilm Group established its Global Healthcare Code of Conduct to make clear its stance on respect for human rights in its healthcare business activities. In-house Guidelines on the Global Healthcare Code of Conduct that

explain the Code in detail were published at the same time and were revised in April 2023.

We have been conducting training every year since the start of the program to ensure a broader awareness and full dissemination of the Code. Training in the Global Healthcare Code of Conduct was held in October through November 2022 for all 14,017 executive officers and employees in the healthcare business in Japan. Additionally, a Healthcare Compliance Seminar has been held for employees to ensure that they understand the severity of the laws and regulations that are increasing every year and to make them aware of the need to execute their jobs to a high ethical standard. The seminar targets all employees in the healthcare business in Japan, including marketing, services, sales, R&D, manufacturing and other divisions; it has also been offered as an e-learning program for 12,503 employees.

(3) Fujifilm Group AI Policy

As AI is being implemented in the Fujifilm Group at a rapidly growing pace to resolve social issues, in December 2020 we formulated the Fujifilm Group AI Policy to define the basic principles to be observed, including respect for human rights and fair use of AI technology. With the startup of the All-Fujifilm DX promotion program in July 2021 and the increasing speed with which AI-based DX is being used in various business fields, our policy on respect for human rights, which is based on the AI Policy and includes the requirement to confirm compliance even for the trial in-house use of generative AI, is being disseminated throughout the Group.

2. Efforts for the priority issues on human rights

(1) Inappropriate work environment and labor practices at suppliers

The Fujifilm Group pledges in its Human Rights Statement to respect human rights in its business activities and its supply chain.

In the past, we assessed risks in the area of sustainable procurement with a self-check list on labor practices, human rights, the environment and corporate ethics and found that risks were minimal in our tier-1 suppliers in Japan and Western nations. In this activity, we have designated China and other countries in Asia, where a number of our manufacturing sites are located, as priority regions. In fiscal 2022, we continued to conduct risk assessment based on self-checks. We sent feedback sheets to all suppliers who responded to our self-checks, requesting improvements or revisions for any issues related to human rights and labor that require examination of conditions or review of activities.

Sample check items included: "a fine or deduction from wages imposed as a disciplinary measure" (23% of respondents said yes), "there is no management system related to human rights/labor and occupational health and safety" (14% of respondents said yes) and "newly hired employees are required to deposit money or personal identification with the company" (3% of respondents said yes). We are making constant efforts to assess conditions and make improvements at suppliers through interviews conducted via the group companies that are their business partners.

We are conducting expert on-site diagnoses for risk assessments at suppliers and supporting them in making improvements where problems in labor practices are found, to encourage improvements and revisions from the standpoint of human rights protection. In the diagnosis conducted in fiscal 2022, the following requests for improvement were made, and improvements were confirmed subsequently:

- Employee handbooks supplied by the company have not been updated with revisions to the labor law and regulation changes. Regulations for leave and holidays showed descriptions that differ from actual operation.
- Filters in the water dispensers installed in employee dormitories are changed, but drinking water inspections are not conducted regularly.

It was confirmed that improvements to important items had been made by the end of the relevant fiscal year for all suppliers that underwent expert on-site diagnosis.

At the same time, it is necessary for Fujifilm Group employees working in procurement to understand the importance of promoting respect for human rights at suppliers. Several times a year, the ESG Division together with Procurement & Equipment Manufacturing Division of FUJIFILM Holdings conducts interviews with the procurement and purchasing departments of 14 Fujifilm Group companies that directly procure materials, specifically to discuss rising social demands and Group policies and initiatives for sustainable procurement. In addition, for Group companies that request it, we hold separate training programs related to supply chains and human rights, including the risk of forced labor and other human rights violations as well as the responsibilities of the company in the supply chain.

In addition to these activities, in February 2023 outside experts were invited to take part in a seminar on business and human rights, with the focus on human rights issues in the supply chain. It was attended by around 40 people including the general managers of legal affairs, procurement and ESG divisions at FUJIFILM Holdings.

In the face of the recent increased international interest in modern slavery and human trafficking in the supply chain,

we are giving close attention to the issues and released a fiscal 2022 statement in response to the Modern Slavery Act 2015 of the UK and the Modern Slavery Act 2018 of Australia through our Group companies. In fiscal 2022, there were no reported incidents involving violations of the rights of indigenous peoples in the business activities and procurement activities of the Fujifilm Group.

For details of our sustainable procurement activities, including activities related to conflict minerals and other themes that involve potential human rights violations, please refer to *2.5 Supply Chain Management* in this report.

Response to the Modern Slavery Act at Fujifilm Group  <https://holdings.fujifilm.com/en/sustainability/activity/other-activities/human-rights#link03>

(2) Long working hours, discrimination and harassment of our employees

In fiscal 2022, long working hours, discrimination and harassment were identified as priority issues in 68 organizations in the Fujifilm Group. Preventive and mitigation measures have now been developed and implemented at all these organizations.

For details of our group-wide risk management, please refer to *2.2.4 Risk Management* in this report.

In fiscal 2022, we introduced the Fujifilm Group Employee Engagement Survey covering the entire Fujifilm Group as a new scheme to gather employee opinions. The fiscal 2022 survey response rate reached 90%, the encouraging response being that "conditions in general are satisfactory." We will hold the survey every year to constantly assess the issues affecting the entire Group and to increase employee engagement through workplace discussions based on the survey findings.

For further details on the fiscal 2022 results, please refer to *4.4.3-4 Employee engagement*.

Among the reports and consultations processed by the Fujifilm Group's internal whistle-blowing system in fiscal 2022, there were no cases of human rights violations with such severity as to be publicly reported.

Taking account that human rights issues concerning foreign workers are surfacing in Japan, the Fujifilm Group started a survey on the status of foreign workers directly employed by our operating companies in fiscal 2019. As of the end of fiscal 2022, we have 232 employees from 20 countries and regions and have received no reports of issues related to the labor environment and practices. We will continue to investigate their working conditions.

For occupational health and safety efforts, see *4.3 Health, Safety and Wellness of Employees* in this report.

We also confirm that no instances of child labor have been uncovered in our workforce in fiscal 2022.

(3) Violations of the rights of clinical trial participants

We have set up the Bioethics Review Committee to monitor clinical trials to protect the interests of participants. No violations of Global Healthcare Code of Conduct were reported in fiscal 2022.

3. Dialogue on human rights with external stakeholders

(1) Participation in the Caux Round Table (CRT) Japan's Stakeholder Engagement program

FUJIFILM Holdings has been participating in the Stakeholder Engagement program (SHE) hosted by Caux Round Table (CRT) Japan since 2012. In fiscal 2022, eight sessions were held between May 19 and July 14, with three employees from our company attending. Participating business corporations, NGOs, NPOs, academic experts and others engaged in discussions on human rights due diligence as recommended in the UN Guiding Principles on Human Rights and Business and human rights issues that require special attention in each industry were reviewed with other companies through group work.

* CRT Stakeholder Engagement Program (SHE) (Japanese)  <http://crt-japan.jp/portfolio/she-program/>
(English)  <http://crt-japan.jp/en/portfolio/human-rights-due-diligence-workshop/>

(2) Participation in Business and Human Rights (B+HR) Academy hosted by the United Nations Development Programme (UNDP)

FUJIFILM Holdings participated in the B+HR Academy hosted by the United Nations Development Programme (UNDP). The Academy was organized to support business efforts in Japan contributing to the implementation of human rights due diligence by businesses and the creation of responsible global supply chains for Japanese businesses, their affiliates, suppliers and business partners operating in 17 countries, with the cooperation of UNDP and the Japanese government. Fujifilm participated in the second session (February 27-28, 2023) held in Tokyo. Top Japanese and foreign authorities and experts in business and human rights provided insights into the laws and developments on human rights due diligence and implementation methods. We were able to look back at our initiatives through discussions with other participating companies. We will apply these findings to our human rights due diligence activities in the future.

(3) Adopting opinions of external experts pertaining to life sciences (Bioethics Review Committee)

We have set up Fujifilm Bioethics Review Committee to oversee our research and business activities related to life sciences. The committee members include external experts, allowing the committee to conduct comprehensive studies into protecting personal information and the viability of action in terms of ethics and science. The findings of such reviews are fed back to our research & development and other related activities appropriately. The targets for review are genetic analysis with the use of human-derived tissue, immunological research, clinical research and the handling of personal genetic data and related operations. In clinical trials, for example, our clinical trial plans are reviewed by the external experts to ensure that they do not affect the interests of the clinical trial participants.

In fiscal 2022, we concluded 29 bioethics reviews in total including simplified reviews. The Committee's regulations, list of members, related research documents published, and minutes of the committee meetings are available on our website.

(4) Dialogue with community

As a member of the community, the Fujifilm Group proactively discloses the Group's environmental protection activities and holds events in the form of environmental communication meetings and similar activities to collect feedbacks from the local community. We plan to upgrade the environmental activities conducted by our factories and carry out active and continuous information communication and disclosure to the public at large.

4.6 Corporate Citizenship

4.6.1 Basic Approach

The Fujifilm Group is committed to contributing to the sustainable development of society, working together with local communities as a good corporate citizen and responding sincerely to the demands and expectations of those communities. In 2008 we formulated the Fujifilm Group Social Contribution Policy. Based on the Policy, we are conducting activities focusing on the fields of education and research, culture, arts and sports, health and environment. We value cooperation and collaboration with local communities, institutions, NPO/NGOs, and others and contribution by employees' voluntary activities.

Fujifilm Group Social Contribution Policy

The Fujifilm Group will work together with local communities as a good corporate citizen and contribute to society by responding sincerely to needs and expectations of those communities. The Group has established following action plans to implement this policy.

1. Focus of activities













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

2. The Fujifilm Group will place value on following points when we conduct social contribution activities:

- 1. The Group will collaborate and work together with stakeholders. We place importance on mutual communication and partnerships with local communities, institutions, NPO/NGOs, and others.
- 2. The Group values the importance of employees to participate in volunteer activities that would enhance local community harmonization, as well as to enhance social improvements. The Group will fully support such employee volunteer activities.
- 3. As a means of social contribution, the Group will utilize its business strengths, such as products, services, technologies and know-how.

Established in April 2008, Revised in April 2019

4.6.2 Major Examples of Social Contribution through Business Activities

	Priority Activities in Each Field (Relation to Business)	SDGs	Impact on Business (Effects on Business and KPIs)	Typical Activities (Concrete Activities and KPIs)
Environment	The Fujifilm Group has always paid attention and protected the environment as clean water and fresh air are essential for our businesses. Environmental issues have a great impact on all our businesses, so we continue social contributions related to environment.	  	We control the environmental impact on our business and society by setting KPIs for CO ₂ and waste emissions, and water management.	<ul style="list-style-type: none">• Voluntary tree planting in China and Vietnam (Number of participants)• Ground Water Conservation activities in Minami Aso Village (Number of participants)
Education and research	Our Group is promoting a range of businesses, and so needs a diversity of human resources. We work with partners and NPOs to foster diversity in the coming generations in the regions where we operate. This will enable us to establish relationships with local communities through the development of human resources and to increase recognition of our Group.	 	These activities will allow us to enhance our relationship with the regions where we operate and establish the Fujifilm brand. We set the continuity of our business and sales in the region as our KPIs.	<ul style="list-style-type: none">• Offering large-font textbooks to students with low vision (Volume of our production)• Competition operated by Charitable Trust Fujifilm Green Fund and NPOs• <i>Kikigaki Koushien</i> by high school students (Number of participants)• Sponsoring All Japan High School Soccer Tournament (to be continued)
Culture, arts and sports	Since our foundation, we have operated a business of photographic films and photosensitive materials to “contribute to society by offering more informative images.” We also focus on activities utilizing multifunction devices and latest technologies under the banner of “Valuable communication beyond the times.”	   	We expect to create further printing demand in photographic products and in the graphic system business. Our approach should also create new demand for our Business Innovation business. The results will be seen in our sales and profits.	<ul style="list-style-type: none">• Holding The Heart to Heart Communication—“PHOTO IS” Photo Exhibition, and other events in FUJIFILM Square (Number of participants)• Reproduction and digitalization of historical documents (Number of documents restored)• Supporting Special Olympics Nippon• Sponsoring FUJIFILM SUPER CUP• Supporting FUJIFILM, Studio Alice Ladies Open
Health	We aim to create a healthier society and further develop our healthcare business simultaneously. This will be achieved by promoting disease prevention, diagnosis, and treatment in emerging and other countries. In this way, we can drive forward our healthcare business, which offers medical products such as mammography systems, diagnostic imaging systems, and medicines. As a part of our social contribution, we are raising health awareness, including disease prevention, diagnosis, and treatment in emerging countries which encourages people to take health checks and visit doctors. This should enhance the healthcare market. This movement should also increase our reputation in this field and help stable expansion of business development.	  	We anticipate sustainable growth of the healthcare business. Such business encompasses medical systems, contract development manufacturing of biomedicines, and life sciences. The results will be seen in our sales and profits.	<ul style="list-style-type: none">• Improving medical accessibility in all 196 countries and regions in the world in which we operate by introducing AI-based medical products and services by 2030.• Offering medical training• Supporting the Pink Ribbon campaign etc.

4.6.3 Social Contribution Activities Continued by the Fujifilm Group

Environment		<ul style="list-style-type: none">Voluntary tree planting activity in China and Vietnam (Fujifilm)Ground water conservation activities in Minami-Aso village (FUJIFILM Kyushu)Charitable Trust Fujifilm Green Fund (Fujifilm)
	Education and research	<ul style="list-style-type: none">Kankyo-Nikki, "Midori-no-Komichi" (Fujifilm)"Watashi-no-Shizenkansatsuro Competition" (Fujifilm Green Fund, etc.)
	Education and research	<ul style="list-style-type: none">Support to make large-font textbooks to students with low vision (FUJIFILM Business Innovation)Photo class for young people (Fujifilm)Kikigaki-Koshien (Fujifilm)
	Culture, arts and sports	<ul style="list-style-type: none">The Heart to Heart Communication—"PHOTO IS" Photo Exhibition (Fujifilm)Fujifilm SquareReproducing historical documents (FUJIFILM Business Innovation)Creating digital archives of cultural assets (Fujifilm)Supporting Photo rescue activities (Fujifilm)Special Olympics Nippon (FUJIFILM Business Innovation)All Japan High School Soccer Tournament (FUJIFILM Business Innovation)FUJIFILM SUPER CUP (FUJIFILM Business Innovation)FUJIFILM, Studio Alice Ladies Open (Fujifilm)
	Health	<ul style="list-style-type: none">Improving medical accessibility in all 196 countries and regions in the world in which we operate by introducing AI-based medical products and services by 2030.Offering medical trainingPink Ribbon Campaign (Fujifilm)

4.6.4 Results of Social Contribution (Fiscal 2022)

1. The amount of expense on social contribution

The Amount of Expense by Category in the Fujifilm Group in FY2022

Unit: million yen

Type of Contribution		Amount
Education for future generations	<ul style="list-style-type: none">Expenses for activities for future generationsDonations (cash and goods)	162
Harmony with the local community	<ul style="list-style-type: none">Expenses for community events and for community organizationsDonations to community events and to community organizations, etc. (cash and goods)Expenses for community exchanges and neighborhood cleanupsDonations for natural disasters (cash and goods)	132
Promote culture and the arts in society (in Japan)	<ul style="list-style-type: none">Expenses for cultural, artistic, sports activities, etc.Donations for cultural, artistic, sports activities, etc. (cash and goods)	442
Consideration for the international community and international cultures	<ul style="list-style-type: none">Expenses for international exchanges, etc.Donations for international exchanges, etc. (cash and goods)Support for natural disasters (cash and goods)	79
Cooperation with NGOs and NPOs	<ul style="list-style-type: none">Expenses for joint workDonations for sponsorship and charity fundingSupport through providing products and services	233
Total		1,047

* See Chapter 5. Sustainability Accounting

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

Monetary value of Social Contribution Activities in the Fujifilm Group in FY2022

Unit: million yen

	Cash	Goods	Volunteering Cost*	Operation Cost/ Other Expenses, etc.
Types of Social Contribution (converted into money)	530	73	6	426

* Volunteering cost = Hours spent on volunteer activities × salary

2. Community investment cases

● Fujifilm Green Fund

In 1983, in commemoration of FUJIFILM's 50th anniversary, Fujifilm contributed a billion yen and started this Fund. This is the first charitable trust in Japan established by a private company aiming to preserve nature. Through this fund, we offer financial support for nature protection activities and research bodies, and host nature protection awareness raising programs for primary and junior high school pupils.

● HASU-Club (FUJIFILM Business Innovation)

This is a volunteer support organization established in 1991 and operated by employees' own initiative. The organization is funded through the payroll giving by the employees who opted to donate a fraction (less than 100 yen) of their salary and bonus, plus an amount that the individual wishes to add monthly as 100 yen per unit. The fund is then reserved in four charity areas; "social welfare," "culture and education," "natural environment," "international aid," chosen by employees to support their volunteer activities and related NPOs.

4.6.5 Efforts to Assess the Impact on Society and the Environment

1. Contribution effect for customers through environmental activities in business (CO₂ and water)

The contribution effect for customers is the sum of customers' expenses brought by when a new product with lower environmental burden has replaced a conventional product.

Unit: million yen

Product	Amount		
	FY2020	FY2021	FY2022
1. High-density magnetic memory materials	9,148	13,242	11,007
2. Processless CTP plate that does not require developer*	2,516	5,660	4,732
3. Film for LCDs: WV films	2,476	1,964	934
4. Digital color multifunction device and printers	13,635	12,027	12,573
Total	27,774	32,893	29,246

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

2. Social impact assessment of social contribution

In 2018, FUJIFILM Business Innovation worked to “visualize” its social contribution activities in order to understand their social significance, results, and effects and make them improve. We will continue to carry out impact assessments regularly to clarify and improve our activities.

[Implementation method]

To evaluate the social impact from our major social contribution activities, including the project to offer learning materials in emerging countries and reproduction and utilization of historical documents, we created a logic model and made trial assessments. We did not find any negative impact on a local community from the result of trial assessments.

(1) Considering a logic model utilizing the Social Impact Assessment Tool Set created by GSG.*

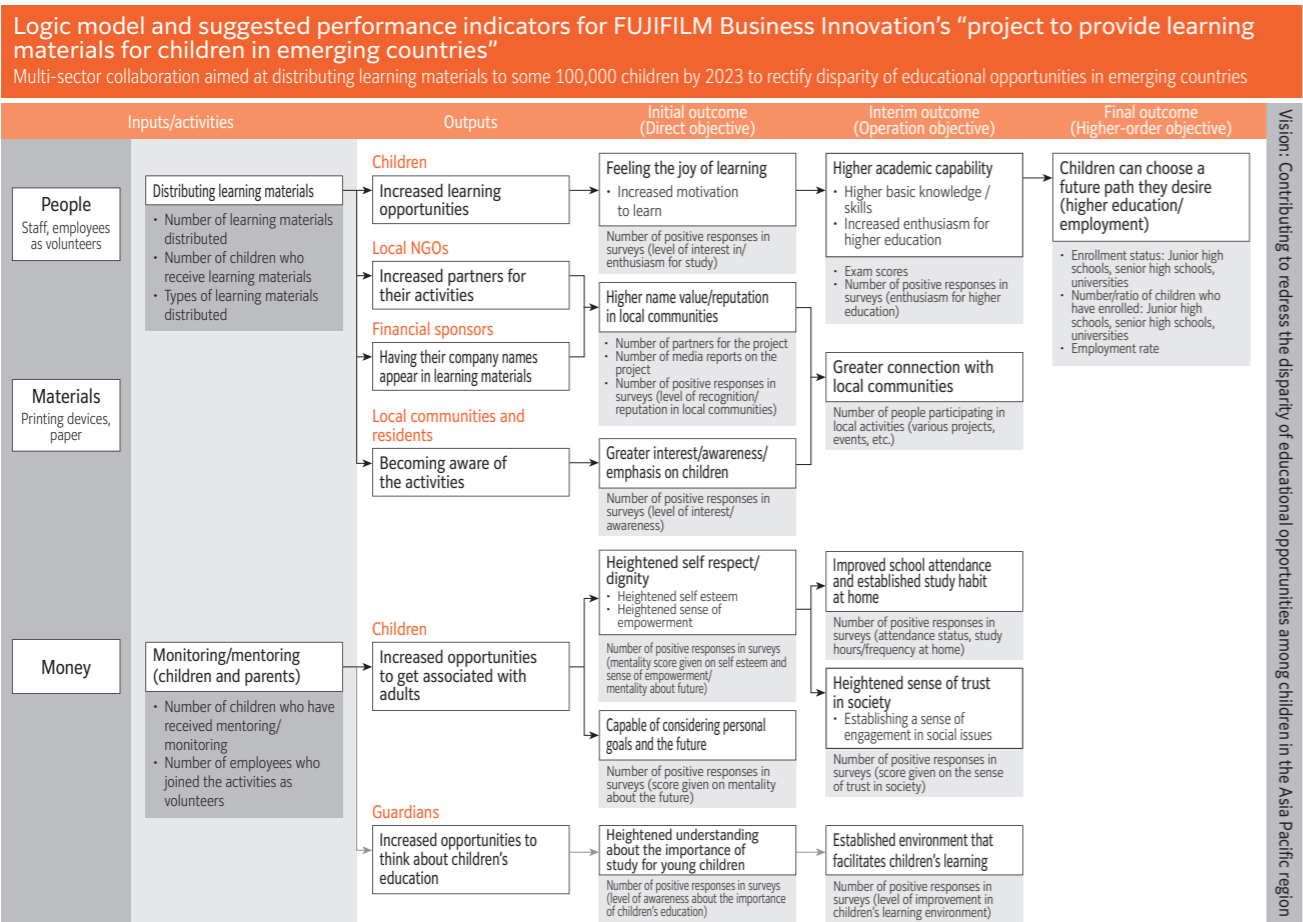
(2) Creating a logic model based on a program evaluation approach and a review by Meiji University.

To enhance the reliability of our own assessments, we asked the Institute for Program Evaluation of Meiji University to review our assessment results in FY2017.

* GSG: <http://impactinvestment.jp/about/> (in Japanese only)

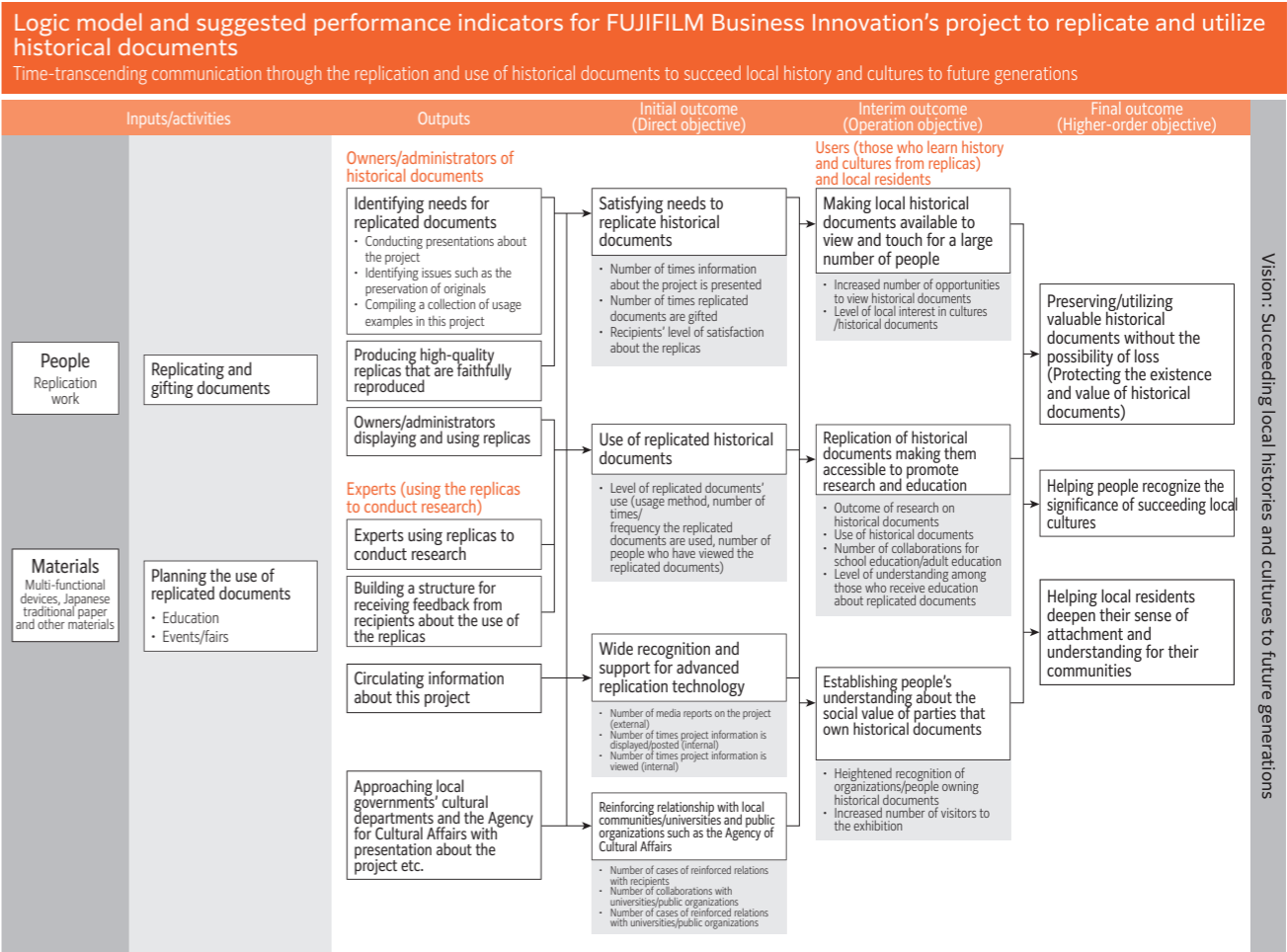
3. Discussion example: Suggested social impact assessment logic model and indices

(1) Project to provide learning materials for children in emerging countries



* This shows a logic model and suggested performance indicators for social impact measurement as of June 2018.

(2) Project to replicate and utilize historical documents



* This shows a logic model and suggested performance indicators for social impact measurement as of June 2018.

5. Sustainability Accounting (Labor Environment and Social Benefit Accounting, Environmental Accounting)

<Period of coverage>
<Scope of sustainability accounting>

• Fiscal 2022 (April 1, 2022 to March 31, 2023)

• 28 domestic companies in the Fujifilm Group
(FUJIFILM Holdings, FUJIFILM Corporation and 19 Fujifilm affiliates, FUJIFILM Business Innovation Japan Corp. (33 branch offices), FUJIFILM Business Innovation Corp. and 5 FUJIFILM Business Innovation affiliates)

* All the sales companies under FUJIFILM Business Innovation were consolidated in April 2021 and reorganized as FUJIFILM Business Innovation Japan.

5.1.1 Labor Environment and Social Benefit Accounting

<Basic items>

●Objectives of labor environment and social benefit accounting

These accounts are prepared to get the picture of our activities in this area. The amounts spent for improving the working environment of our employees and social contributions are calculated with classification by each stakeholder.

●Accounting method

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

* For “Occupational health and safety,” “Promote physical and mental health (Health and Productivity)” was classified as a separate item. “Promote physical and mental health (Health and Productivity)” includes the expenses for members of the Fujifilm Group Health Insurance Association (insured and dependent of special-case retired insured persons system).

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

Breakdown of Labor Environment and Social Benefit Accounting

Unit: million yen

Stakeholder	Goal	Cost Totals	
		FY2021	FY2022
Employees	Occupational health and safety	712	918
	Promote physical and mental health (Health and Productivity)	2,133	2,518
	Human resource development	853	1,078
	Protect diversity	18	30
	Develop a workplace in which employees can work comfortably	578	3,142
Customers	Ensure appropriate customer response and safety	180	115
Future generations	Education for future generations	120	162
Communities (local society and government)	Harmony with the local community	96	132
	Promote culture and the arts in society (in Japan)	423	442
International community	Consideration for the international community and international cultures	152	79

Stakeholder	Goal	Cost Totals	
		FY2021	FY2022
NGOs and NPOs	Cooperation with NGOs and NPOs	32	233
Suppliers	Consideration for products	14	22
Total		5,313	8,879

Volunteer Activities During Working Hours

	FY2021	FY2022
Hours spent on volunteer activities (hours)	3,338	3,435
Volunteering cost (million yen)	5	6

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

Overview of fiscal 2022

- We concentrated to promote physical and mental health (Health and Productivity) and develop a workplace in which employees can work comfortably.
- In physical and mental health promotion (Health and Productivity), we accelerated employee wellness initiatives, including in-house seminars and training. We also concentrated to strengthen health events (*Arukatsu*, etc.), insurance guidance and wellness promotion officers.
- In development of workplace wellness, we improved the facility of canteens and kitchens.
- In culture and the art promotion, expenditure includes Fujifilm Square as the base for preservation and communication concerning photographic culture, as well as for photo contests.

5.1.2 Environmental Accounting

<Basic items>

●Objectives of environmental accounting

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

●Accounting method

- Based on the “Environmental Accounting Guidelines (2018 edition)” published by the Ministry of the Environment in Japan.
1. Depreciation is calculated in principle according to the straight-line method over a three-year period.
 2. When costs include expenditures for both environmental and non-environmental purposes, the portion relating to non-environmental purposes has been excluded.
 3. Economic impact within the Group: The difference in value terms from the previous year in pollution load levy and usage of energy, raw materials, water, and other resources is accounted for, as well as the real impact of recovery, recycling, and other measures in value terms for the year in question.
 4. Economic impact outside the Group: The difference in value terms from the previous fiscal year has been shown for SOx, VOCs, and CO₂. For recycling, the anticipated benefit in value terms has been shown for the year in question.

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

1. Environmental Accounting

Unit: million yen

Environmental Conservation Costs					Environmental Conservation Benefits					
	Capital Investment		Expenses		Economic Impact inside the Group			Economic Impact outside the Group		
Fiscal Year	2021	2022	2021	2022	Fiscal Year	2021	2022	Fiscal Year	2021	2022
1. Costs incurred within the business site	1,943	2,124	6,181	7,659						
(1) Environmental damage prevention	517	501	1,479	1,786	Reduced pollution load levy	1	11	Reduction in SOx emissions*	0	0
								Reduction in volume of SOx emissions	3 t	1 t
								Reduction in volume of NOx emissions	5 t	
								Reduction in VOC emissions*2	-30	30
								Reduction in volume of VOC	-87 t	85 t
(2) Global environmental preservation	1,390	1,565	2,137	2,845	Energy saving	2,176	2,803	Reduction in CO2 emissions*3	-150	739
								Reduction in volume of CO2 emissions	-15 kilotons	58 kilotons
(3) Resource recycling	36	59	2,565	3,029	Reduced raw materials and resources used	8,259	5,748	Reduced waste materials through reuse and recycling*4	8,180	7,798
					Reduced water resource consumption*5	130	583			
					Recovery and Recycling					
					Silver	3,911	3,018	Reduced volume*6	81.8 kiloton	78.0 kiloton
					Polymeric materials	223	22			
					Aluminum materials	633	760	Reuse of aluminum materials	328	461
					Others	198	171	Reduced volume of CO2 emissions	40 kilotons	40 kilotons
2. Upstream/downstream costs	0	0	5,635	6,430	Parts recovered from used equipment	7,202	7,914			
3. Cost of management activities	70	58	10,777	10,801						
4. Research and development costs	493	836	9,550	9,914				Customer benefits*7	32,893	29,246
5. Costs for social programs	0	374	1	1						
6. Costs for handling environmental damage Pollution load levies	3	0	25	24						
Total	2,509	3,018	32,168	34,828		22,733	21,030		41,220	38,274

*1 SOx emissions reductions: 5.4/ton
Bidding price of SOx emissions credits offered by the United States Environmental Protection Agency in March 2023 (US\$0.04/ton).

*2 VOC emissions reductions: 350,000/ton
From the "Economics Evaluation Report on Countermeasures for Harmful Atmospheric Pollutants" issued by Japan Environmental Management Association for Industry, February 2004.

*3 CO2 emissions reductions: 12,790/ton
Trading price of EU emissions credit 2022 futures (€89.23/ton) at the end of March 2023.

*4 Landfill costs for the waste product (¥100/kg).

*5 Water resource consumption reduction: ¥200/ton for clean water supply, ¥200/ton for sewage water times the reductions amount.

*6 Volume of recycle and valuable resources in generated industrial waste

*7 For further details of customer benefits, please refer to 4.6.5 *Efforts to Assess the Impact on Society and the Environment*.

2. Overview of fiscal 2022

●Environmental conservation costs

Total costs was increased by 9% year-on-year. The facility investment was approx. 20% and expenditure was approx. 8% increased. Cost of R&D and resource recycling increased notably over last year.

[Facility investments] Increased by 20% year-on-year.

[Expenditure] Increased by 8% year-on-year.

●Environmental conservation benefits

This resulted in a year-on-year decrease of 7% when internal and external economic effects were combined.

[Internal economic effect] Decreased by 7% year-on-year.

[External economic effect] Decreased by 7% year-on-year.

6 Independent Assurance Report

FUJIFILM Holdings Corporation commissioned SGS Japan Inc. to conduct an independent assurance of the environmental and social data contained in its Sustainability Report 2023.

[The scope of the assurance]

- Data on greenhouse gas (GHG) emissions (Scope 1 including fluorocarbons, 2, and category 1, 11 of Scope 3)
- Energy consumption
- Aount of water emission and disposal
- Waste
- VOC emissions
- Social data on employees
- The management systems supporting the reporting process
- The stakeholder management process