2 Nature-Related Risks and Opportunities, and Fujifilm's Initiatives (in Ashigara and Fujinomiya)

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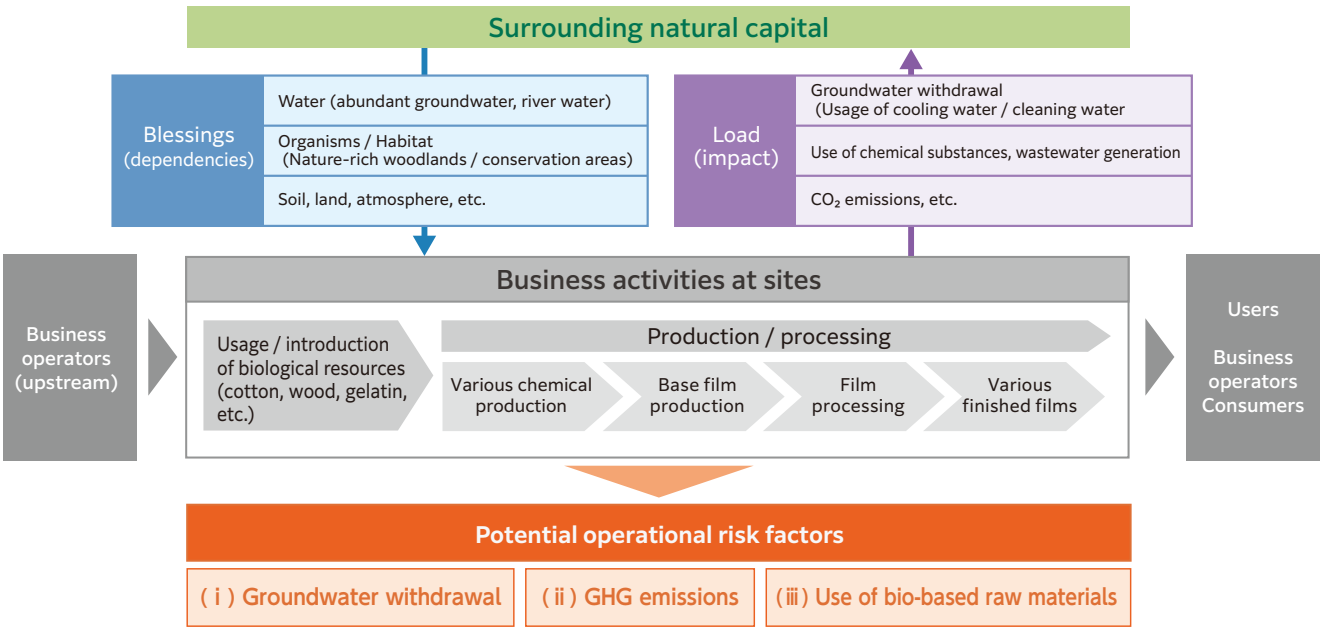
2.1 Identification of Nature-Related Risks and Opportunities in Ashigara and Fujinomiya

2.1.1 Dependencies, impacts, and potential operational risk factors in Ashigara and Fujinomiya

The Ashigara Site produces instant films and other photographic materials, as well as products from other business divisions. Meanwhile, the Fujinomiya Factory specializes in manufacturing various functional films, such as X-ray films. We conducted an assessment based on the LEAP approach to identify the nature-related dependencies and impacts at the Ashigara Site and Fujinomiya Factory, and the associated risks and opportunities. As a result of desktop research confirming the natural characteristics and considerations of the surrounding areas based on location data, and through assessments conducted by way of questionnaires, interviews, and on-site surveys regarding direct operations, we identified potential operational risk factors at the Ashigara Site and Fujinomiya Factory. Information regarding the operations at the Ashigara Site and Fujinomiya Factory can be found in 1.2 Nature of Ashigara and Fujinomiya, and details of this analysis process are described in 3.3.1 Process for identifying risks and impacts.

No.	Potential operational risk factors	Reason for selection	Current initiatives to mitigate risks
(i)	Groundwater withdrawal	The Ashigara Site and Fujinomiya Factory utilize a significant volume of groundwater in their production processes. According to an initial assessment using the Aqueduct*5 water stress evaluation tool, the geographical locations of both sites were assessed as Medium-High. However, to ensure a more detailed analysis, we assessed the water supply capacity of the watersheds surrounding each site using GETFLOWS. It was confirmed that the risk from water stress is exceptionally low, and that water usage at both sites does not exert an excessive impact on the local water supply. Based on this detailed investigation, we have concluded that groundwater withdrawal—an operational factor—does not pose a risk. * For the details of GETFLOWS analysis results, see 1.3 Analysis Results of Nature-Related Information in Ashigara and Fujinomiya.	Currently, the Ashigara Site and Fujinomiya Factory are implementing measures to reduce water withdrawals, such as by recycling cooling water. Additionally, at the Ashigara Site, we strive to maintain water sources through conservation efforts at the Yusui-no-mori.
(ii)	GHG emissions	The Ashigara Site and Fujinomiya Factory generate GHG emissions due to the use of city gas in production activities.	The Fujifilm Group has established company-wide GHG emission reduction targets and is deploying various initiatives at each site. The Ashigara Site and Fujinomiya Factory are also included in these efforts, promoting the reduction of emissions through the adoption of renewable energy, energy-saving activities, and fuel switching.
(iii)	Use of bio-based raw materials	Products manufactured at the Ashigara Site and Fujinomiya Factory utilize biological resources—such as wood, cotton, and animal gelatin—as part of raw materials, making the production process dependent on these resources. Details regarding the dependencies and impacts across the value chain of products made at the Ashigara Site and Fujinomiya Factory are provided in 2.1.3 Value Chain and Dependencies and Impacts of Products Made in Ashigara and Fujinomiya.	To ensure the stable procurement of raw materials, including those of biological origin, while giving due consideration to natural capital throughout the entire supply chain, we promote sustainable procurement through collaboration with our suppliers.

Relationship Between Natural Capital and the Ashigara Site / Fujinomiya Factory



2.1.2 Risks and Opportunities in Ashigara and Fujinomiya, and Our Future Approach

Based on the results of the LEAP approach assessment, the table below organizes the potential nature-related risks and opportunities and the measures to mitigate risks and create opportunities. For the measures, we have listed not only initiatives currently being implemented at the Ashigara Site and Fujinomiya Factory, but also actions the entire Fujifilm Group will undertake going forward.

Nature-related Risks and Opportunities, and Response Measures

Potential Operational Risk Factors	Main risks and opportunities at Ashigara Site and Fujinomiya Factory				Response measures
	Risk / opportunity details		Risk / opportunity categories	Timeframe	
(i) Groundwater withdrawals	Opportunity	Long-term improvement in product added value through increased efficiency in water resource usage	・Corporate performance - Resource efficiency	Mid to long term	・Improve water efficiency in production processes ・Reduce water consumption by recycling cooling water (A / F) ・Maintain water source recharge capacity and preventing landslides through forest ecosystem conservation (A) ・Contribute to the regional environment by conserving rivers and engaging with stakeholders through tours of the Nature Symbiotic Site (F)
		Protection, restoration, and regeneration of the natural environment surrounding the sites, and resultant enhancement of relationships with local stakeholders	・Corporate performance - Reputational capital ・Sustainable performance - Ecosystem protection, restoration and regeneration	Long term	
(ii) GHG emissions	Risk	Increased taxation associated with tighter GHG emissions regulations, higher operating costs and capital expenditures for new facilities	・Transfer risks - Policy	Short to mid term	・Systematically promote various initiatives, including investments to reduce GHG emissions (A / F) ・Reduce GHG emissions throughout the product lifecycle ・Obtain sustainability-related certifications for products
		Shift toward sustainable preferences among customers and consumers, and the resulting decline in demand for non-low-carbon products	・Transition risks - Market	Mid to long term	
	Opportunity	Cost reductions due to improved energy efficiency	・Corporate performance - Resource efficiency	Short to mid term	
(iii) Use of bio-based raw materials	Risk	Raw material shortages caused by natural disasters or similar events, generating losses from temporary operational suspensions and increased financial burdens.	・Physical risks - Acute	Short to mid term	・Diversify risks through transactions with multiple suppliers ・Promote sustainable procurement activities through collaboration with suppliers ・Procure and use sustainability-certified raw materials
		Unintended changes in procurement sources due to strengthened procurement regulations and other factors, and the resulting increase in financial burdens	・Transfer risks - Policy	Short to mid term	
	Opportunity	Improved utilization efficiency of bio-based raw materials, resulting in reduced impact of raw material price fluctuations and enhanced product value added	・Corporate performance - Resource efficiency	Mid to long term	
		Reduced environmental impact due to the use of certified raw materials	・Sustainable performance - Sustainable use of natural resources	Long term	・Procure certified raw materials ・Request suppliers to set environmental targets ・Use recycled materials
Others	Opportunity	Enhanced investor preference through environmentally conscious operations, and expanded access to capital (including ESG funds)	・Corporate performance - Capital flows and financing	Mid to long term	・Implement TNFD disclosures (A / F) ・Incorporate biodiversity perspectives into management strategy ・Registration for Nature Symbiotic Site (A / F)

* The response measures labeled (A) and (F) refer to the measures that are already underway at the Ashigara Site and Fujinomiya Factory, respectively.

2.1.3 Value Chain, Dependencies, and Impacts of Products Made in Ashigara and Fujinomiya

For the main products manufactured at the Ashigara Site and Fujinomiya Factory, we organized the value chain and conducted an assessment using ENCORE to identify nature-related dependencies and impacts across each process of the value chain, from upstream to downstream. As a result, we confirmed that production processes with high nature-related dependencies and impacts tend to be concentrated upstream.

For the upstream supply chain at the Fujifilm Group, we require our business partners to conduct biodiversity-conscious procurement in line with our Sustainable Procurement Guidelines and request suppliers to consider human rights and environmental issues through surveys and other means. Going forward, we will work with suppliers to advance initiatives such as identifying high-impact commodities contained in raw materials used in production and introducing certified raw materials, thereby enhancing the sustainability of the entire value chain.

・Sustainable Procurement Guidelines

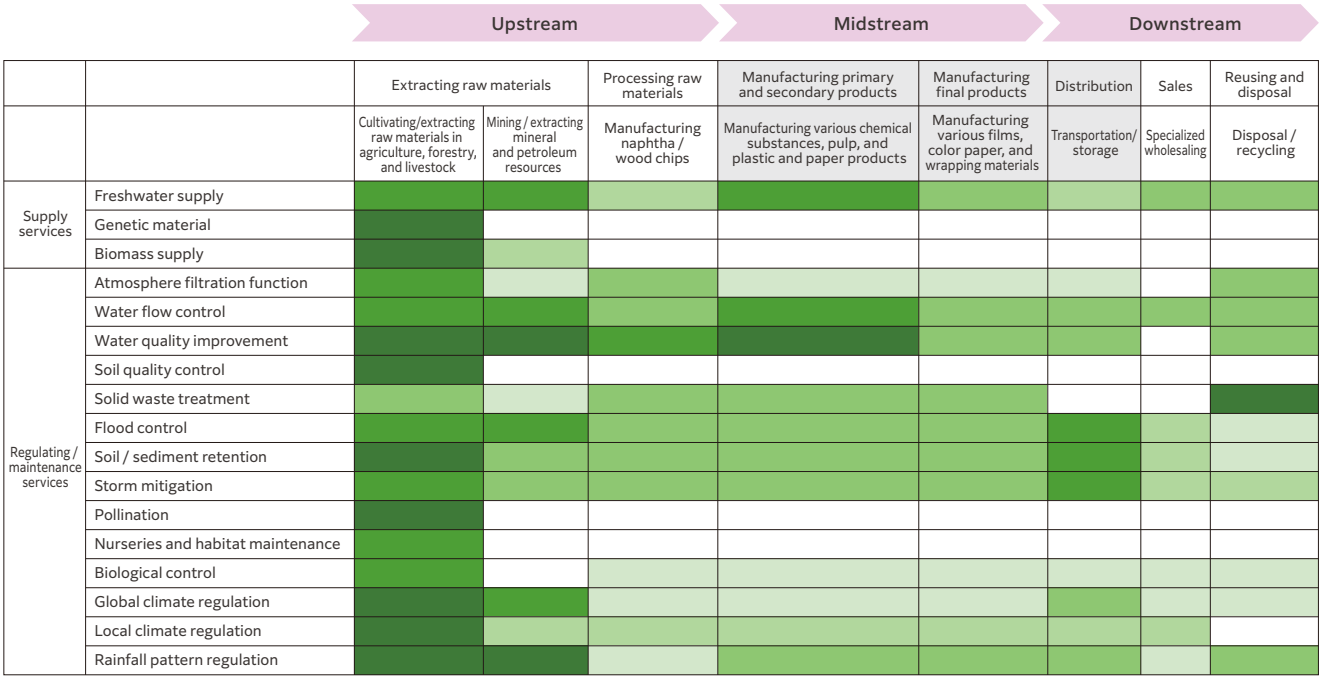
https://holdings.fujifilm.com/ja/sustainability/vision/policy/procurement#link01

・Environmental initiatives in the supply chain

https://holdings.fujifilm.com/ja/sustainability/activity/supply-chain/supply-chain-management/sustainable-procurement#link04

The results of the ENCORE assessment are summarized in the heat map below.

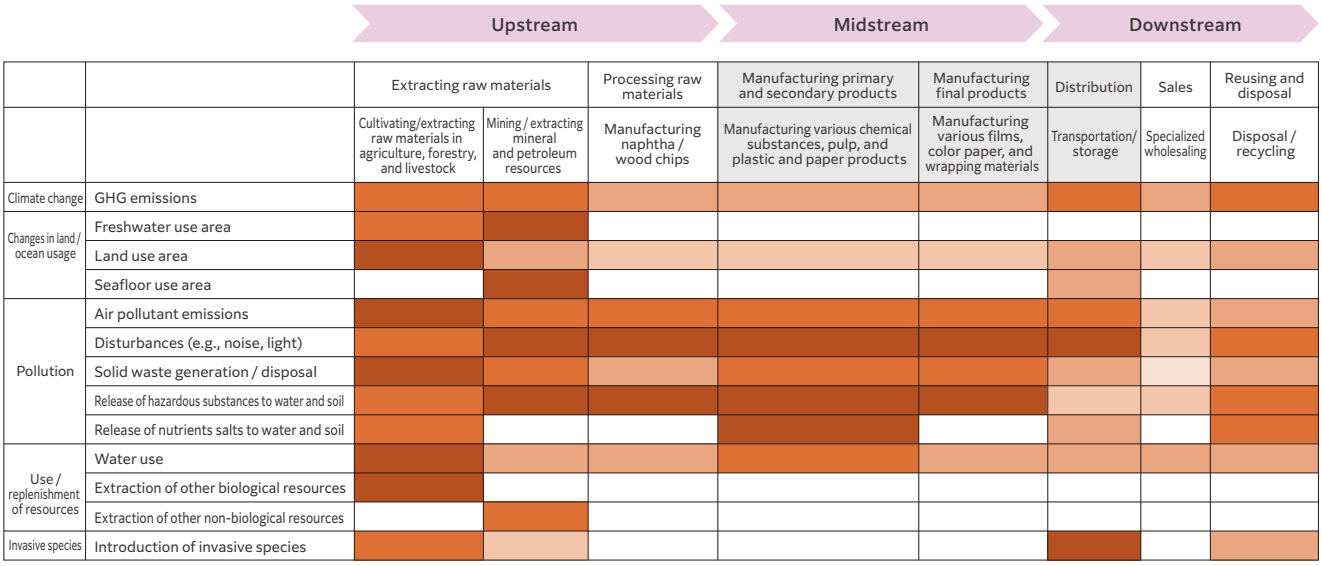
Heat Map of Dependencies in the Value Chain of Main Products at Ashigara Site and Fujinomiya Factory



Very Low、Low、Medium、High、Very High、N/A

- The highest scores from the risk assessment of the product sectors corresponding to the main products are presented. Only dependency items (ecosystem services) assessed as High or above are shown across the upstream-to-downstream area.
- Processes in the gray boxes ▭ are direct operations.

Heat Map of Impacts in the Value Chain of Main Products at Ashigara Site and Fujinomiya Factory



Very Low、Low、Medium、High、Very High、N/A

- The highest scores from the risk assessment of the product sectors corresponding to the main products are presented.
- Processes in gray boxes ▭ are direct operations.

2.2 Metrics and Targets

At the Fujifilm Group, in relation to the issues described above and focusing on indicators associated with the priority issues defined in the long-term CSR plan SVP2030, we disclose wastewater volume, GHG emissions, non-GHG air pollutant emissions, and waste generation as TNFD global core disclosure indicators, and additionally disclose total water withdrawals as an additional indicator. We will continue to consider and work toward the disclosure of global core disclosure indicators that are not currently disclosed.

Detailed assessments, including on-site surveys, have been conducted at the Ashigara Site and Fujinomiya Factory. Going forward, we plan to select other sites for prioritized assessment based on their water withdrawal volumes. The combined water withdrawal volume for the Ashigara Site and Fujinomiya Factory, which are the subjects of this assessment, together with the water withdrawal volume for Fujifilm Business Innovation's production and development sites assessed last year, account for approximately 50% of the Group's total withdrawals in FY2024.

Fujifilm Group's indicators and targets

Metric ID	Natural change drivers	Item		Fujifilm Group performance*1		FY2030 target	Potential operational risk factors*2	GBF Target No.
				FY2023	FY2024 Ashigara and Fujinomiya figures are in ( )			
A3.0	Resource usage	Water withdrawals	Treated water	4.5 million m³	4.7 million m³	30% reduction in water usage (vs. FY2013; 15% reduction achieved by end of FY2024)	(i) Groundwater withdrawal	Target 11
			Industrial water	3.2 million m³	3.3 million m³			
			Groundwater	33.8 million m³	34.4 million m³			
			Rainwater etc.	0.2 million m³	0.2 million m³			
			Total water withdrawals	41.8 million m³	42.6 million m³ (Ashigara: 9.8 million m³; Fujinomiya: 10.9 million m³)			
C2.1	Pollution	Wastewater discharged	Sewage	15.5 million m³	8.8 million m³	No individual targets are set. (Targets set based on water usage)	—	Target 7 Target 11
			Rivers	20.2 million m³	27.4 million m³			
			Others	0.9 million m³	0.9 million m³			
			Total discharge	36.6 million m³	37.2 million m³ (Ashigara: 7.9 million m³; Fujinomiya: 11.9 million m³)			
C2.2	Pollution	Waste volume	Waste generated	100.7 thousand tons	92.8 thousand tons	No individual targets are set.	—	Target 7 Target 11
			Emissions of specified hazardous waste	2,481t	5,531t			
—	Climate change	GHG emissions	Scope 1	563 thousand t-CO_2	527 thousand t-CO_2	Scopes 1 & 2 total: 50% reduction Product lifecycle CO_2: 50% reduction (vs.FY2019; 18% reduction achieved by end of FY2024)	(ii) GHG emissions	Target 7
			Scope 2 Market basis	390 thousand t-CO_2	392 thousand t-CO_2			
			Scope 2 Location basis	454 thousand t-CO_2	425 thousand t-CO_2			
			Scope 3	7,926 thousand t-CO_2	8,095 thousand t-CO_2			
C2.4	Pollution	Non-GHG air pollutants	SOx emissions	15t	8t (Ashigara: 0t; Fujinomiya: 1.5t)	No individual targets are set.	—	Target 7 Target 11
			NOx emissions	253t	182t (Ashigara: 17.7t; Fujinomiya: 82t)			
			Dust emissions	5.0t	3.0t (Ashigara: 0.4t; Fujinomiya: 0t)			
			VOC emissions	560 tons	600 tons (Ashigara: 150t; Fujinomiya: 140t)	Below the minimum level of the past 3 years		
C7.4	—	Revenue from nature-positive products	Share of sales from Green Value Products-certified products*6 is presented as a related indicator.	Sales share: 28%	Sales share: 24%	Sales share: 60% (FY2030)	—	—

*1: Actual values cover all sites within the Fujifilm Group.
*2: Of the potential operational risk factors specified within the scope of this disclosure, those related to each indicator are presented.