About the art works on the front cover

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

Musashino (Painting by Taikan Yokoyama)
Collection of the Nara National Museum.
Photographic image courtesy of the Nara National Museum (Photo by Kyosuke Sasaki)

Nara National Museum
50 Noboriojicho, Nara, Nara Prefecture 630-8213, Japan Phone: 074-554-8600
http://www.narahaku.go.jp/english/index_e.html

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

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

We take an open and flexible attitude to innovation, combining our own original technology with human resources, expertise and technology from around the world. Through this powerful synergy, we rapidly and nimbly develop new solutions that address the true needs of our global customers.
Ensuring the principle “open, fair and clear” constant
I would like to express our sincere apologies and regret over the anxiety and concern we caused many of our stakeholders through the inappropriate accounting practices discovered at the overseas subsidiaries of Fujifilm Xerox, our Document Company.

We have responded rapidly to improve the situation by reorganizing the management organization. A number of representative directors and some executives responsible at Fujifilm Xerox have been retired, while we have also dispatched directors from Fuji Fujifilm Holdings Corporation. We have integrated the business management divisions of Fujifilm Xerox into our company to further facilitate personnel exchanges within the Fujifilm Group, and established a Governance Strengthening Committee personally spearheaded by the President of FUJIFILM Holdings Corporation. These measures are the first of many steps we are taking to implement stronger governance from five different perspectives, including the management of our Group companies, restructuring our internal audit system and greater IT development.

Moreover, we are working once again to remind all Fujifilm employees of the responsibility that trust in our company owes to our activities and to carry out their business tasks in a disciplined and ethical way. Photographic film is a major product that we have been manufacturing and selling for many years. Customers cannot check the quality of photographic film when purchasing the product; this relies solely on the reputation we have built up over the years and the trust that customers have in our products and services. Because these are our origins, we have long been aware of the importance of retaining the trust of our customers and society. There is no shortcut to gaining trust. The keys to regaining trust are the integrity of all our employees and continuing to supply products and services that are worthy of our customers’ expectations. We are committed to regaining your trust by ensuring that all our employees recognize the issue as their own responsibility and encouraging them to make our business activities always “open, fair and clear.”

Moving forward in pursuit of business growth and contributing to social issues
Under the new corporate slogan “Value from Innovation,” we announced our new CSR plan, Sustainable Value Plan 2030 and VISION 2019, to ensure further business growth. In the world, global business activities have been activated worldwide—these can be clearly seen by the UK’s Brexit decision, the “America first” policy, the withdrawal of the US from the Trans Pacific Partnership Agreement, and the rise of the far right in Europe. In addition, the emergence of geopolitical risks and military tensions in various parts of the world represent adversity for global corporations. However, solid economic growth—chiefly in Asia and Africa—and the desire for enrichment and secure livelihoods continue to grow without interruption. It is clear that this presents global businesses with opportunities for business growth and social contributions.

Fujifilm Group is a global company operating across 15 industrial sectors and employing 79,000 people in 277 Group companies all over the world. Our employees in each of these countries are able to make a great contribution by working on social issues, uncovering business opportunities and supplying products and services with precision and speed.

As the SDGs state, the human race now faces a wide range of issues that require attention. At the same time, they are intricately interrelated, requiring the coordination of a large number of people and organizations. For this reason, it is important to build a corporate climate that is “open, fair and clear,” accepting differing values and embracing diversity.

The strength of a business enterprise is in the sum total of the power of the people working in the organization. When each and every employee has the passion and a strong determination to build a better future for themselves and works hard to resolve difficult issues, both the company and society will be able to achieve sustainable growth. When a diversity of employees with different nationalities and cultures come together to achieve common goals and interact to develop and respect their own individual potential, the resulting power is greater. We will continue to create new values to fulfill our corporate philosophy: “to help enhance the quality of life of people worldwide,” and to help develop a sustainable society.

Consolidating diverse capabilities within the Group to contribute to realization of a sustainable society
Reactionary movements against globalism are emerging worldwide—these can be clearly seen by the UK’s Brexit decision, the “America first” policy, the withdrawal of the US from the Trans Pacific Partnership Agreement, and the rise of the far right in Europe. In addition, the emergence of geopolitical risks and military tensions in various parts of the world represent adversity for global corporations. However, solid economic growth—chiefly in Asia and Africa—and the desire for enrichment and secure livelihoods continue to grow without interruption. It is clear that this presents global businesses with opportunities for business growth and social contributions.

Only businesses that are able to implement medium-range strategies with a long-term perspective and foresight will be able to survive and contribute to society as truly global corporations.

The target of SVP 2030 is set for the year 2000 to show the Fujifilm Group’s long-term objectives. VISION 2019 sets out our specific business strategies for the next three years based on these objectives.

When we established SVP 2030, we comprehensively assessed social issues on a global scale, including climate change and the 17 goals and 169 targets set out in the SDGs, and our business fields, technological capabilities and management and human resources. In SVP 2030, we plan to (1) tackle issues in four areas: the environment, health, daily life, working styles; (2) enhance the CSR framework to ensure that the environment, ethics and human rights are respected across the supply chain; (3) strengthen our corporate governance. As for the corporate governance, we will promote a thoroughly open, fair and clear corporate culture in which, as a group corporation, we place a long-term emphasis on our Code of Conduct. Naturally, social issues cannot be resolved overnight. With the announcement of numerical targets for environmental issues and progress indicators for key issues, we will ensure that all employees recognize their own plans and promote their plans into certain achievement. SVP 2030 sets out the foundations of our business operations. With the concerted efforts of both management and employees, we will survive and achieve success in the coming industrial revolution.

Surviving and succeeding in the new industrial revolution with SVP 2030 and VISION 2019
Founded on solid results and experience, in August 2017 we announced our new CSR plan, Sustainable Value Plan 2030 (SVP 2030), and our new Medium-Term Management Plan, VISION 2019, to ensure further business growth.

In the world, global business activities have been activated aiming to achieve the long-term Sustainable Development Goals (SDGs) adopted by the United Nations in 2030, the goals of the Paris Agreement on arresting climate change, and other global efforts. Especially governments and global business corporations around the world are competing to trigger a new industrial revolution by mobilizing AI, IoT and other technologies.

October 2017
Megumi Homori
Chairman and Chief Executive Officer
Report on inappropriate accounting at overseas subsidiaries of Fuji Xerox Co., Ltd.

FUJIFILM Holdings would like to express its great regret and deepest apologies to its shareholders, investors, customers and other stakeholders for the inappropriate accounting practices uncovered at overseas subsidiaries of Fuji Xerox Co., Ltd. The following is a report on the incident and its background and the measures to be implemented across the Fujifilm Group to prevent any recurrence.

1. Outline of the Irregularities

In 2017, inappropriate accounting practices were discovered at Fuji Xerox New Zealand (FXNZ) and Fuji Xerox Australia (FXAU), overseas subsidiaries of Fuji Xerox (FX). The report by the Independent Investigation Committee set up by FUJIFILM Holdings contained the following findings.

1. FXNZ conducted some inappropriate accounting FY2010 to FY2015.
2. As a result of the investigation of other overseas subsidiaries, it is found that FXAU conducted a similar practice.
3. Restatement adjustments of past financial results (cumulative total of the impact FY2010 to FY2015).

<Impact on shareholders' equity>*

FXNZ JPY 18.5 billion  FXAU JPY 9.6 billion  Total JPY 28.1 billion

* Cumulative amount of impact on "net income attributable to our Company" for the past six years

2. Background of the Matter

In 2017, inappropriate accounting practices were discovered at Fuji Xerox New Zealand (FXNZ) and Fuji Xerox Australia (FXAU), overseas subsidiaries of Fuji Xerox (FX). The report by the Independent Investigation Committee set up by FUJIFILM Holdings contained the following findings.

2.1. Inappropriate Accounting by FXNZ and FXAU

3. Inappropriate Accounting by FXNZ and FXAU

1. FXNZ introduced Managed Service Agreement (MSAs) that bundled together equipment sales and maintenance services, etc., whereby equipment fees, consumables fees, maintenance fees and interest were recovered through a monthly copy service fee at the time of equipment sales.
2. Under MSAs, sales equivalent to the price of the copy machines are recorded as a single sale as a capital lease upon installation of equipment during the first year, and following that, the sales price is recovered as copying service fee determined by multiplying the copy unit price, determined according to the monthly target volume, with the actual number of sheets copied.
3. In order to record contracts as capital leases, stipulated conditions* must be satisfied, but in the case of FXNZ, all transactions including those with conditions that do not satisfy the capital lease conditions were recorded as capital leases.
4. There were problems related to internal control such as insufficient subsidiary management system at FXAP and insufficient subsidiary management system at FXAP.
5. Inappropriate accounting practices that involved recording losses related to equipment were identified.

3.1. Issues to be addressed at FXNZ—

1. FXNZ introduced Managed Service Agreement (MSAs) that bundled together equipment sales and maintenance services, etc., whereby equipment fees, consumables fees, maintenance fees and interest were recovered through a monthly copy service fee at the time of equipment sales.
2. Under MSAs, sales equivalent to the price of the copy machines are recorded as a single sale as a capital lease upon installation of equipment during the first year, and following that, the sales price is recovered as copying service fee determined by multiplying the copy unit price, determined according to the monthly target volume, with the actual number of sheets copied.
3. In order to record contracts as capital leases, stipulated conditions* must be satisfied, but in the case of FXNZ, all transactions including those with conditions that do not satisfy the capital lease conditions were recorded as capital leases.

3.2. Issues to be addressed at FX—

1. FX Chairman, President and Deputy President explained FX Chairman and President that the risk of loss was JPY 3 billion.
2. There were problems related to internal control such as insufficient subsidiary management system at FXAP and insufficient subsidiary management system at FXAP.
3. FX monitors FX, the audit system of the audit department, and the information sharing system, so that appropriate information on the situation was not reported by FX to FH.

3.3. Issues to be addressed at FXNZ—

1. Overseas sales companies commonly offer incentives such as commissions and bonus payments for achieving sales targets. The top management at FXNZ established rules that placed excessive emphasis on sales and continued inappropriate accounting practices that involved recording transactions as sales before they had been completed.
2. At FXNZ, the board of directors did not function effectively, there was a concentration of authority with the MD of FXNZ, and the business management process lacked transparency.
3. There were problems related to internal control such as insufficient subsidiary management system at FXAP and a lack of control by FX’s audit system and administration department. Consequently, information was blocked in the process of reporting to the Chairman or the President of FX.

3.4. Issues to be addressed at FX—

1. Strengthen the system of managing subsidiaries and affiliates
2. Strengthen information sharing within FX and improve transparency of the business management process
3. Strengthen the supervisory function of the board of directors and the audit function of the corporate auditors and the audit department
4. Strengthen the checking function of the accounting department
5. Improve the inadequate awareness of compliance with laws and regulations

3.5. Issues to be addressed at FH—

1. Strengthen the function of managing FX

4. Background and Issues to be Solved

<Background to the inappropriate accounting practices>

1. Overseas sales companies commonly offer incentives such as commissions and bonus payments for achieving sales targets. The top management at FXNZ established rules that placed excessive emphasis on sales and continued inappropriate accounting practices that involved recording transactions as sales before they had been completed.
2. At FXNZ, the board of directors did not function effectively, there was a concentration of authority with the MD of FXNZ, and the business management process lacked transparency.
3. There were problems related to internal control such as insufficient subsidiary management system at FXAP and a lack of control by FX’s audit system and administration department. Consequently, information was blocked in the process of reporting to the Chairman or the President of FX.

4.1. Issues to be addressed at FXNZ—

1. Strengthen the system of managing subsidiaries and affiliates
2. Strengthen information sharing within FX and improve transparency of the business management process
3. Strengthen the supervisory function of the board of directors and the audit function of the corporate auditors and the audit department
4. Strengthen the checking function of the accounting department
5. Improve the inadequate awareness of compliance with laws and regulations

4.2. Issues to be addressed at FX—

1. Strengthen the system of managing subsidiaries and affiliates
2. Strengthen information sharing within FX and improve transparency of the business management process
3. Strengthen the supervisory function of the board of directors and the audit function of the corporate auditors and the audit department
4. Strengthen the checking function of the accounting department
5. Improve the inadequate awareness of compliance with laws and regulations

4.3. Issues to be addressed at FH—

1. Strengthen the function of managing FX

<Managerial issues>

1. Review of incentives to correct the over-riding sales policy which disregards rules
2. Improve the internal system to correct the reporting line centralization
3. Strengthen the system of managing subsidiaries and affiliates
4. Strengthen information sharing within FX and improve transparency of the business management process
5. Strengthen the supervisory function of the board of directors and the audit function of the corporate auditors and the audit department
6. Strengthen the checking function of the accounting department
7. Improve the不足以前的 awareness of compliance with laws and regulations
8. Strengthen the risk management system

<Executive issues>

1. Implementation of a comprehensive review of the business and internal control systems
2. Review of incentives to correct the over-riding sales policy which disregards rules
3. Improvement of the internal investigation system
4. Improvement of the checking function of the audit department
5. Improvement of the information sharing system
5. Measures to Prevent Recurrence

FX made personnel changes in response to the case with the dismissal of three Directors, one Senior Vice President and one Full-time Corporate Auditor. Also, one Corporate Vice President was demoted. In addition to those six, the President, one Full-time Corporate Auditor and two Corporate Auditors of FX were penalized with 10-50% reductions in their compensation amounts and reduced bonuses for three months. The Chairman and President of FUJIFILM Holdings each returned 10% of their compensation for three months.

In addition to these actions, we established the FH Governance Strengthening Committee headed by the President in July and organized a comprehensive project team. We will implement a governance review and reinforce the management system, according to the type of issue.

1. Dispatch of management personnel from FH to FX

June 2017: Approved at the FX Annual General Meeting of Shareholders.
- Dispatch directors and working-level managers in charge of administration of business management from FH to FX
- Approved seven directors; Chairman, Deputy President, Director, etc. from FH at the FX Annual General Meeting of Shareholders.
- Further expand personnel exchanges within the Group

2. Strengthening FH’s governance system

- Review the composition of the Board of Directors and strengthen the governance system
- The number of directors reduced from 12 to 9 for flexible management and active deliberation in Board of Director meetings and for greater speed in decision-making in corporate management.
- Three outside directors from the legal profession and corporate management have been added to increase the ratio of outside directors by 1/3, to enable exchange of opinions from a diverse perspective and ensure validity in decision-making.

3. Revision of organization

Strengthen the business management process by integrating the business management divisions in charge of accounting and auditing of FX into FH.

- September 2017: Integration completed for accounting and auditing division.

Promotion system to strengthen governance

- FH Governance Strengthening Committee

Project to Strengthen FH Governance Strengthening Project

- Project to Strengthen Group Company Management
- Project to Strengthen Accounting
- Project to Strengthen Auditing Practices
- Project to Strengthen Compliance
- Project to Strengthen IT Governance

Top Management Speaks Directly to Employees

In response to the discovery of the inappropriate accounting practices, FH President Sukeno, FX President Kurihara and other top executives sent messages to employees in their own words. They called for each and every employee of the Fujifilm Group to recognize what the findings show and the issues involved and encourage them to clearly understand the importance of compliance in their business actions, and etch an “open, fair and clear” corporate culture in each of their mind.

(3)
(1)
(2)

Compliance Training for Everyone in Leadership Positions

Compliance training was conducted for all leaders in July and August to increase employee awareness of social responsibility and compliance, urging them to recognize the matter as their own issue. The program was conducted in Japan by assembling all participants in a single venue, conducted on a face to face basis.

President Sukeno urged participants to regard the matter as their own issue and expressed his commitment once again to instill in every employee the need to be “open, fair and clear” in both attitude and behavior in the drive to build a working environment in which everyone is able to speak up when something is wrong.

This compliance training is introduced for all employees by the managers of divisions and presidents of Group companies all over the world. The compliance training program will be followed by an awareness survey of all employees to assess the degree to which awareness of the irregular accounting practices and compliance has spread and to study the culture and issues at each workplace.

Employee Communication Meetings Held in Japan and Overseas

FX President Kurihara visited Fuji Xerox and its affiliates in Japan and other countries to attend communication meetings with employees to explain the inappropriate accounting practices.

In overseas, he visited FXNZ in July and FXAU in August to provide employees with information on the background to the issue and developments to date. At the communication meetings, he received many questions on job security, changes in the management structure, management responsibility regarding the issue and other subjects. Mr. Kurihara pledged that FX and FXAP would give the utmost support to recovering customer trust and that strong employee awareness and working to provide value to customers will provide the power to overcome the situation.

In meetings with executives, there was lively debate on how to regain trust and foster growth, while recognizing the gravity of the issue.
The Fujifilm Group’s Technologies and Innovation

The Fujifilm Group, with its business origins in photographic film, today runs wide ranging businesses utilizing the technologies based on advanced silverhalide 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. We will continue to provide products and services that create new value for society and to enhance and upgrade our core technologies for the continuous growth of the Fujifilm Group. This resolve is reflected in our corporate slogan: “Value from Innovation.”

Application of Exclusive Technologies

Our business covers three areas: prevention, diagnosis and treatment. In addition to advanced examination equipment that assists with early detection and medical IT that makes efficient use of diagnostic findings, the development of cosmetic products and supplements aimed at prevention and pharmaceuticales for animal medical needs is underway.

Healthcare

Advanced technology cultivated through photographic film manufacturing is applied to deliver a variety of highly functional materials. We make efforts to develop new materials that reduce environmental impact and create energy, including the polarizer protective films essential for LCD displays.

Highly functional materials

We offer high-precision lenses based on refined technology. Our TV camera lenses, artificial satellite lenses, security camera lenses and other lens systems deliver high resolution, high quality and high precision images.

Optical devices

We develop and market digital cameras, color paper for printing and printing equipment. We are working to support the development and expansion of a photography culture by offering new ways to enjoy photos, including Instax and Photo Books.

Document solutions

We are in the document business including both paper documents and electronic data. We offer office equipment, solutions and services that aid in resolving energy, conserving resources and other environmental issues to resolve business issues that are diversifying and growing in sophistication.

Creating a New Growth Strategy

Demand for our main product, photographic film, dipped after peaking in 2000, we have restructured our business framework and revised our R&D approach to create new business that can take over from our photographic film business. The businesses were categorized into four quadrants according to the technologies and market, and the related technologies were thoroughly identified. We selected the key themes in our businesses through these processes.

Technology Cultivated through Silver Halide Photography

Coating multiple layers of functional materials simultaneously on a thin film

The surface of the photographic film is coated with multiple layers of materials that boast a variety of functions. Fujifilm possesses the technology to make an optically warp-free, thin, uniform film in units of microns. In addition, it is possible to design functional materials at the nanometer level, align and maintain minute homogeneous particles, and to design coated at high speed multiple layers at the same time.

Precision controlling chemical reactions of coated functional substances

In the developing and printing of photographs, Fujifilm achieves high color reproducibility and image reproducibility by precisely controlling the chemical reactions of a variety of functional substances coated on photographic film and color paper. Moreover, Fujifilm boasts high-level system design technologies that help build systems for printing equipment including minilabs.
Fujifilm Group’s Corporate Social Responsibility (CSR)

The roots of CSR are the trust of stakeholders and consideration for the environment. The Fujifilm Group’s business originated with photographic film, a product for which lots of clean water and fresh air are essential to the manufacturing process. It is also a film, a product for which lots of clean water and fresh air are essential. The Fujifilm Group’s approach to corporate social responsibility (CSR) activities and continues to be passed down within our Group, as the Fujifilm Group’s “DNA.”

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

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

Contributing to building a sustainable society through both management planning and CSR planning

To celebrate the 80th anniversary, the Fujifilm Group founded its new corporate slogan, “Value from Innovation,” which seeks to continue creating new technologies, products and services that inspire and excite people everywhere, and empower the potential and expand the horizons of tomorrow’s business and lifestyle. Under this slogan, we revised the Approach to CSR in 2014 to identify the social challenges and more actively seek their solutions. We have announced our Medium-Term Management Plan, Vision 2016 and our Medium-Term CSR Plan Sustainable Value Plan 2016 (SVP 2016) (see page 14). We believe that creating new value through our unique and advanced technologies and solving social issues through our business activities present opportunities for our business growth and at the same time allow us to contribute to society.

The Fujifilm Group is committed to contributing to the sustainable development of society by creating new value through our activities under Vision 2016 and SVP 2016.
FUJIFILM Sustainable Value Plan 2016

Under the corporate slogan, “Value from innovation,” established to coincide with our 80th anniversary, the Fujifilm Group has created a new Medium-Term CSR Plan covering FY2014 to FY2016, titled, “Sustainable Value Plan 2016” (SVP 2016), and commenced work on its implementation. Following SVP 2016, we aimed to be a corporation that contributed to the “development of sustainable society” by proactively creating “new value” toward resolving social issues.

Social Background & Basic Approach

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

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

Creating the Triple Promotion Policy

The SVP 2016 Triple Promotion Policy was established in the four steps.

1. Clarifying the Basic Policies
2. Extracting Social Issues Based on Business Strategy
3. Materiality Mapping for Extracting Priority Issues
4. Planning and Review

The following two approaches have been implemented:
1) Solving social issues through business activities
2) Conscious on environmental and social impact within business processes

Four Steps for the Triple Promotion Policy

STEP 1 Clarifying the Basic Policies

Making it clear in the Basic Policies through a review of existing CSR activities.


STEP 2 Extracting Social Issues Based on Business Strategy

1. Listing social issues based on indicators found in ISO 26000, GRI guidelines, etc.
2. Clarifying possible products, services, and technologies by division

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

<table>
<thead>
<tr>
<th>Social Issues</th>
<th>Fujifilm Group’s Products, Services, and Technologies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health</td>
<td>Health-related products, services, and technologies</td>
</tr>
<tr>
<td>Daily Life</td>
<td>Daily life-related products, services, and technologies</td>
</tr>
<tr>
<td>Work Style</td>
<td>Work style-related products, services, and technologies</td>
</tr>
<tr>
<td>Environment</td>
<td>Environmental protection, sustainability solutions</td>
</tr>
<tr>
<td>Social Issues</td>
<td>Social issues-related products, services, and technologies</td>
</tr>
</tbody>
</table>

STEP 3 Evaluation of Materiality

The following two approaches have been implemented:
1) Setting goals for priority issues, along with internal reviews and approval
2) Conscious on environmental and social impact within business processes

Materiality Mapping for Extracting Priority Issues

1. Setting goals for priority issues
2. Conscious on environmental and social impact within business processes

STEP 4 Planning and Review

Planning for priority issues with an internal reviews and approval
## Activities Summary of the FUJIFILM Sustainable Value Plan 2016

### Self Assessment

<table>
<thead>
<tr>
<th>Priority Issues</th>
<th>Self Assessment</th>
<th>Pages in This Report</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Health</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Improve accessibility to medical services</td>
<td>〇 Contributing with active support to providing education &amp; training and various products, etc., in emerging countries.</td>
<td>Page 18, Pages 21-29</td>
</tr>
<tr>
<td>2. Contribute to identifying diseases at an early stage</td>
<td>〇 Contributing with medical diagnostic imaging systems, medical IT technology, endoscopy, etc.</td>
<td></td>
</tr>
<tr>
<td>3. Response unmet medical needs</td>
<td>〇 Drug development for cancer, infectious diseases, mental disorders, etc.</td>
<td></td>
</tr>
<tr>
<td>4. Promotion of health and contribution to beauty</td>
<td>〇 Providing cosmetics and supplements utilizing our exclusive technologies including ASTALIFT, Metabolizem, etc.</td>
<td></td>
</tr>
<tr>
<td><strong>Daily Life</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Contribute to creating a safe and secure society</td>
<td>〇 Contributing with Bara-based data storage media.</td>
<td></td>
</tr>
<tr>
<td>2. Contribute to enriching humanity and relationships</td>
<td>〇 Photo Renaissance activities to foster the culture of photography that enriches people's lives (inset, Year Calendar, X series cameras, etc.)</td>
<td></td>
</tr>
<tr>
<td>3. Response to energy issues</td>
<td>〇 Contributing to improving communication through our Document Archiving and Communication System, Scan Translation Service, etc.</td>
<td></td>
</tr>
<tr>
<td><strong>Environment</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Global warming countermeasures</td>
<td>〇 Contributed to reducing CO2 emissions.</td>
<td></td>
</tr>
<tr>
<td>2. Response to water problems</td>
<td>〇 Developed environmentally conscious technologies and products, including: magnet tape, magnetic tape that can store 75% of the data, etc.</td>
<td></td>
</tr>
<tr>
<td>3. Response to energy issues</td>
<td>〇 Contributed to improving communication through our Document Archiving and Communication System, Scan Translation Service, etc.</td>
<td></td>
</tr>
<tr>
<td><strong>Work Style</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Promote communications that transcend the information barrier</td>
<td>〇 Executing our own Work Style Reform, achieved concrete results, and helped promoting work style reform at customers.</td>
<td></td>
</tr>
<tr>
<td><strong>Promotion Policy 1</strong></td>
<td>〇 Contributing with active support to providing education &amp; training and various products, etc., in emerging countries.</td>
<td></td>
</tr>
<tr>
<td><strong>Promotion Policy 2</strong></td>
<td>〇 Contributing with medical diagnostic imaging systems, medical IT technology, endoscopy, etc.</td>
<td></td>
</tr>
<tr>
<td><strong>Promotion Policy 3</strong></td>
<td>〇 Drug development for cancer, infectious diseases, mental disorders, etc.</td>
<td></td>
</tr>
<tr>
<td><strong>Promotion Policy 4</strong></td>
<td>〇 Providing cosmetics and supplements utilizing our exclusive technologies including ASTALIFT, Metabolizem, etc.</td>
<td></td>
</tr>
</tbody>
</table>

### Relationship with SDGs

- **Health**: Contributing to improving the health and well-being of the global population.
- **Daily Life**: Contributing to the quality of life of the global population.
- **Environment**: Contributing to environment sustainability.
- **Work Style**: Contributing to the promotion of human rights.

### Solving social issues through business activities

- **Support for education & training for medical staff in emerging countries**
- **Promoting industrialization of regenerative medicine with the Group’s steady technologies**
- **Contributing to the early detection of infectious diseases**
- **Providing products that reduce the burden on medical staff**
- **Promoting Smart Work Gateway that supports customers’ work style reform**
- **Developing and distributing products with outstanding effect on reducing environmental impact at customers**

### Priority Issues

- **Global warming**: Contributed to reducing CO2 emissions. Reduced waste by 5% (reducing target by 8% over FY2012 level).
- **Water usage**: Achieved FY2016 target (creating an input control system).
- **Waste reduction**: Achieved FY2016 target (reducing waste generated by 9% compared to FY2005 by FY2016).
- **Drastic revision and execution of rules on management of chemical substances according to international trends; reinforcing and promoting management of chemical substances across the supply chain under the new rules.**
- **Reducing CO2 emissions across the entire product lifecycle for FY2020 target**
- **Smart Work Gateway**

### Conscious on environmental and social impact within business processes

- **Conscious on environmental and social impact within business processes**
- **Starting new rules on the management of chemical substances and reinforcing CSR procurement activities including management of chemical substances**
- **Promoting CSR procurement activities steadily through the measures including revision and dissemination of Procurement Policy**
- **Acquiring information on current status and trends of laws and regulations in each country**

### Key Figures

- **CO2 Emissions across the Entire Product Lifecycle**
- **Carbon Dioxide Emissions**
- **Reduction of CO2 Emissions**

### Target

- **Reducing CO2 emissions by 10% over FY2005 level**
- **Reducing waste generation by 9% compared to FY2005 by FY2016**
- **Maintaining water usage per sales (water usage) at FY2012 levels**
- **Reducing waste generation (reducing waste generated by 9% compared to FY2005 by FY2016)**
- **Reducing CO2 emissions across the entire product lifecycle for FY2020 target**

### Contributions to Reducing CO2 Emissions at Customers

- **Contributions to Reducing CO2 Emissions at Customers**
- **Reducing CO2 emissions at customers**
- **Reducing CO2 emissions by 10% over FY2005 level**
- **Reducing CO2 emissions by 8% over FY2012 level**
- **Maintaining water usage per sales (water usage) at FY2012 levels**
- **Reducing waste generation (reducing waste generated by 9% compared to FY2005 by FY2016)**
- **Maintaining water usage per sales (water usage) at FY2012 levels**
- **Reducing waste generation (reducing waste generated by 9% compared to FY2005 by FY2016)**
Health

Health is listed as one of the goals of SDGs. For example, the number of people suffering from diseases has increased in many countries, particularly in developing countries, although it is preventable and treatable disease. One of the diseases’ main causality is obesity, an illness of modern society. About 422 million adults and children are obese, and the number is expected to increase to 2.2 billion in 2030. The total number of people is expected to increase from 1999 to 2017 due to this increasing rate. Increased burden on medical staff, a shortage of doctors, increasing medical costs. The Fujifilm Group started producing X-ray film in 1936, after the company’s establishment. Since then we have been a long-term contributor in the field of Medical Diagnosis. Our business has recently expanded into the Prevention and Treatment fields, as a part of a strategic move towards the Group Medical Diagnosis business. We have contributed to improving access to medical services and reducing the burden on medical staff. By expanding the scale of our “PHOTO IS” 50,000—Person instant photo system that gives you printed photos on the spot, our technological and management capabilities to industrialize production by commission business. We have strengthened our technological and management capabilities to industrialize production by commission business.

Basic Approach
Health is the most personal and important topic for people, yet there is a range of associated problems, such as disparities in medical access, shortage of doctors, increasing burden on medical workers, and surging medical costs. The Fujifilm Group started producing X-ray film in 1936, after the company’s establishment. Since then we have been a long-term contributor in the field of Medical Diagnosis. Our business has recently expanded into the Prevention and Treatment fields, as a part of a strategic move towards the Group Medical Diagnosis business. We have contributed to improving access to medical services and reducing the burden on medical staff. By expanding the scale of our “PHOTO IS” 50,000—Person instant photo system that gives you printed photos on the spot, our technological and management capabilities to industrialize production by commission business. We have strengthened our technological and management capabilities to industrialize production by commission business.

Health

To achieve its goal of becoming a total healthcare company, the Fujifilm Group has made a great contribution in the four priority issues developing high performance medical equipment and pursuing MIAs centered to reinforce our business structure.

1. Improve accessibility to medical services
   Our support for education and training for the Medical Diagnosis business.

2. Contribute to identifying diseases at an early stage
   We have contributed to the early detection of diseases through the wider use of endoscopes and other medical diagnostic imaging systems and rapid influenza diagnostic systems.

3. Response unmet medical needs
   We have contributed to the treatment of various diseases, such as disparities in medical access, shortage of doctors, increasing burden on medical workers, and surging medical costs. The Fujifilm Group started producing X-ray film in 1936, after the company’s establishment. Since then we have been a long-term contributor in the field of Medical Diagnosis. Our business has recently expanded into the Prevention and Treatment fields, as a part of a strategic move towards the Group Medical Diagnosis business. We have contributed to improving access to medical services and reducing the burden on medical staff. By expanding the scale of our “PHOTO IS” 50,000—Person instant photo system that gives you printed photos on the spot, our technological and management capabilities to industrialize production by commission business. We have strengthened our technological and management capabilities to industrialize production by commission business.

4. Promotion of health and contribution to beauty
   The expertise we acquired through our research into oxidation resistance for photographic film and our exclusive nanotech technologies have enabled us to create new supplements and cosmetic products that contribute to extending healthy life expectancy and to the active participation of women in society.

Towards the New CSR Plan, SVP 2030
In order to respond to demands for unmet medical needs, we will focus on the development of medicines to treat cancer and infectious diseases, and developments concerning the prevention, diagnosis, and treatment of Alzheimer’s dementia. We are also proceeding with projects that (a) contribute to the treatment of disorders unbearable by conventional medicine through our development of regenerative medicine and (b) contribute to medical care to cope with the aging society and alleviate the burden on doctors, (c) enhance early disease detection in emerging and other countries, and (d) extend healthy life expectancy.

Major Activities and Results in SVP 2016

Healthcare

Promotion of health and contribution to beauty

Related Business Fields

Social Issues

Priority Issue

1. Improve accessibility to medical services

1.1. Document solutions

1.2. Digital imaging

1.3. Optical devices

Priority Issue

2. Contribute to identifying diseases at an early stage

2.1. Development and sales of functional cosmetics and supplements that contain ingredients to slow aging and extend healthy life expectancy

Priority Issue

3. Response unmet medical needs

3.1. Development and sales of medical and pharmaceutical frontlines

Priority Issue

4. Promotion of health and contribution to beauty

4.1. Development and sales of functional cosmetics and supplements that contain ingredients to slow aging and extend healthy life expectancy

Global number of adults in Japan. Source: Global report on diabetes (WHO).
**Environment**

**Major Activities and Results in SVP 2016**

- Highly functional materials
- Graphic systems
- Document solutions

**Priority Issue 1**

Global warming

**Target:** Reduce CO2 emissions by 20 million tons by FY2020 (compared to 2005)

**Priority Issue 2**

Response to water problems

**Target:** Reduce and restrict of water usage

**Priority Issue 3**

Response to energy issues

**Target:** Contribute to reducing energy with low environmental impact

**Sustainable Value Plan 2016**

FUJIFILM is now providing solutions services to create environments that will enable a diversity of work styles that suit people's individual situations regardless of time and place. We have made major contributions to two of our priority issues in this area.

1. **Promote communications that transcend the information barrier**

   We have contributed to improving communication through our DocWorks, our own document handling software that integrates paper and digital documents, for the effective transmission, sharing and storage of data. Cloud On-Demand Print that offers a versatile printing environment shared between offices and companies and our Scan Translation Service that supports multilingual communication.

2. **Promote diversity**

   We are contributing to work style reform at our customers to bring greater productivity by offering various solutions and workplace schemes based on the results of our longstanding research and experience in Work Style Reform, including DocWorks Mobile, which allows seamless integration of multifunction devices, and our Working Folder cloud service, thus facilitating mobile working, and in reforming business processes to simplify over-complicated processes.

**Towards the New CSR Plan, SVP 2030**

We continue to create working environments that inspire workers through promoting our own case studies to solve business issues, offering ICT to solve customers’ issues and cloud-based products that realize new work styles, and developing and offering solution services.

However, it is impossible to support diverse and flexible work styles in which individual workers can exert their ability to the highest standard by a single company’s products and services—especially in time of rapid ICT innovation. We plan to expand our collaboration with other cloud service providers for more efficient business operations, quicker responses, and effective communications. We will bring office work to a higher level by supporting other companies’ efforts to realize a better working environment for their staff.

---

**Related Business Fields**

- Document solutions

**Related Activities in SVP 2016**

- **Document solutions**
  - Solution services that support mobile work
  - Support for multilingual communications against globalization

---

**Social Issues**

- Risk to society

**Related Business Fields**

- Document solutions

**Related Activities in SVP 2016**

- **Solution services that support mobile work**
  - Support for multilingual communications against globalization

---

**Working Style**

**Social Issues**

- Risk to society

**Related Business Fields**

- Document solutions

**Related Activities in SVP 2016**

- **Working diversity**
  - Work Style Reform activities leading to solutions for the whole of society
  - Business processes improvement to realize better productivity and skill development
  - Offering new work styles utilizing teleworking
In addition to the promotion of energy saving and efficient resource usage, under the theme of Promote Resource Recycling, we continued resource output reduction across the entire product Recycle. As for the environmental perspective, as we are reinforcing risk management for the safer and more effective usage of chemical substances.

Towards the New CSR Plan, SVP 2030

In addition to the promotion of energy saving and efficient energy usage, we will expand usage of renewable energy in order to promote Global Warming Countermeasures. Under the issue, Promote Resource Recycling, we continue to promote the reduction of waste input under the three Priority Issues to direct our efforts and resources.

**Major Activities and Results in SVP 2016**

<table>
<thead>
<tr>
<th>Year</th>
<th>Procurement</th>
<th>R&amp;D/Manufacturing</th>
<th>Transportation</th>
<th>Use</th>
<th>Disposal/Recycling</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>5049</td>
<td>154</td>
<td>34080</td>
<td>121</td>
<td>1142</td>
</tr>
<tr>
<td>2016</td>
<td>5072</td>
<td>154</td>
<td>34410</td>
<td>121</td>
<td>1142</td>
</tr>
</tbody>
</table>

**CO2 Emissions across the Entire Product Lifecycle**

<table>
<thead>
<tr>
<th>Year</th>
<th>Procurement</th>
<th>R&amp;D/Manufacturing</th>
<th>Transportation</th>
<th>Use</th>
<th>Disposal/Recycling</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>5049</td>
<td>154</td>
<td>34080</td>
<td>121</td>
<td>1142</td>
</tr>
<tr>
<td>2016</td>
<td>5072</td>
<td>154</td>
<td>34410</td>
<td>121</td>
<td>1142</td>
</tr>
</tbody>
</table>

**Environmental burdens due to raw materials procurement (CO2 emissions)**

- Procurement: 5049 kilotons
- R&D/Manufacturing: 154 kilotons
- Transportation: 34080 kilotons
- Use: 121 kilotons
- Disposal/Recycling: 1142 kilotons

**Environmental burdens due to raw materials procurement (other environmental burdens)**

- Procurement: Total heavy oil A: 1,828 kilotons, heavy oil C: 2,265 kilotons, kerosene: 1,311 million kWh
- R&D/Manufacturing: Total heavy oil A: 1,828 kilotons, heavy oil C: 2,265 kilotons, kerosene: 1,311 million kWh
- Transportation: Total heavy oil A: 1,828 kilotons, heavy oil C: 2,265 kilotons, kerosene: 1,311 million kWh
- Use: Total heavy oil A: 1,828 kilotons, heavy oil C: 2,265 kilotons, kerosene: 1,311 million kWh
- Disposal/Recycling: Total heavy oil A: 1,828 kilotons, heavy oil C: 2,265 kilotons, kerosene: 1,311 million kWh

**Total phosphorus**

- Procurement: 1.81 tons
- R&D/Manufacturing: 1.487 tons
- Transportation: 1.283 tons
- Use: 1.171 tons
- Disposal/Recycling: 1.094 tons

**COD**

- Procurement: 145 tons
- R&D/Manufacturing: 109 tons
- Transportation: 89 tons
- Use: 125 tons
- Disposal/Recycling: 100 tons

**Nitrogen**

- Procurement: 80.2 million tons
- R&D/Manufacturing: 73.5 kilotons
- Transportation: 74.9 kilotons
- Use: 127.5 kilotons
- Disposal/Recycling: 100 tons

**VOC**

- Procurement: 0.75 kilotons
- R&D/Manufacturing: 0.689 kilotons
- Transportation: 0.188 kilotons
- Use: 0.414 kilotons
- Disposal/Recycling: 0.167 kilotons

**Towards the New CSR Plan, SVP 2030**

Although business activities make a positive contribution to society, they also have adverse impacts. In recognition of the Fujifilm Group’s effect on and responsibility toward society, we are reaffirming our vision of an “open, fair and clear” business culture within the Group to strengthen its business foundation.

Improving and expanding these activities throughout the value chain to achieve “sustainable procurement” by strengthening our cooperation with our suppliers strength from the environmental and social aspects. We will continue to work to strengthen governance and build work environment that will make it possible to develop systems that enable each of our diverse body of employees to work with safety and enthusiasm.

**Major Activities and Results in SVP 2016**

Solid results were achieved on each of the three priority issues.

1. Raise compliance awareness and ensuring risk management

   In the promotion of energy saving and efficient energy usage, we will expand usage of renewable energy in order to promote Global Warming Countermeasures. Under the issue, Promote Resource Recycling, we continued resource output reduction across the entire product Recycle. As for the environmental perspective, as we are reinforcing risk management for the safer and more effective usage of chemical substances.

2. Develop and utilize diverse human resources

   Significant efforts have been put into developing human resources with the production of a human resources development map and the organization of training to develop global human resources. We have worked hard on the two aspects of Work Style Reform and Health and Productivity Management to encourage a wide range of people to make the best use of their abilities and to build environments in which people are able to work with energy and enthusiasm.

3. Enhance value chain management from the viewpoint of CSR

   In response to the growing global trend in recent years towards “sustainable procurement” throughout the supply chain, we reviewed the Fujifilm Group Procurement Policy in March 2015. At the same time, our Requests to Suppliers was announced, and we assessed the progress made by suppliers in promoting CSR and build closer relationship with our suppliers.

**CSR Activities Promoting throughout the Value Chain**

<table>
<thead>
<tr>
<th>Procurement</th>
<th>R&amp;D/Manufacturing</th>
<th>Transportation</th>
<th>Use</th>
<th>Disposal/Recycling</th>
</tr>
</thead>
</table>

**Requests to Suppliers**

<table>
<thead>
<tr>
<th>Respect for human rights</th>
<th>Open, fair and clear business activities</th>
<th>Preservation and protection of the environment</th>
<th>Development of management systems and schemes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Respect for basic human rights, elimination of discrimination, prohibition of non-humanitarian treatment, workers’ rights, prohibition of forced and child labor, restraint on extended work hours, wages, privacy, and occupational safety and health</td>
<td>Active communications, information disclosure, fair trade, prohibition of abuse of superior status, prohibition of corruption, offer of unfair benefits, severance of ties with antisocial forces, compliance with export/import laws and regulations, quality &amp; product safety protection, certification of confidential information, intellectual property rights protection and preservation of personal information</td>
<td>Promotion of green purchasing, prevention of global warming, waste control, prevention of environmental pollution and preservation of natural resources</td>
<td>Management system and internal/external communication</td>
</tr>
</tbody>
</table>
The New CSR Plan of the Fujifilm Group
Sustainable Value Plan (SVP) 2030

Under the Medium-Term CSR Plan, “Sustainable Value Plan 2016 (SVP 2016)” for FY2014–16, the Fujifilm Group has been creating new values to resolve problems in society. Long-term goals up to 2030 have been established in the new CSR plan, Sustainable Value Plan 2030 (SVP 2030), announced in August 2017. The Fujifilm Group aims to be a corporate body able to make a greater contribution to creating a sustainable society through implementing further action to resolve social issues through our business activities, including the launch of innovative technologies, products and services.

Social Background and Basic Approach

In addition to attention to the environment and compliance, our core targets up to now, Fujifilm declared explicitly in SVP 2016 for FY2014–16 that its goal is “solving social issues through business activities.” Embracing CSR, not in the passive approach of compliance to laws, but as an opportunity to solve social issues and to grow business, FUJIFILM Holdings’ aggressive stance is highly appreciated by external organizations (See Data and Information website).

However, the major goal of solving social issues cannot deliver results easily in a period of only three years. In addition to continuous activities in this area, we decided that we need to revise our perspective on setting our goals.

Long-term targets such as SDGs1 and the Paris Agreement2 have been announced internationally in the drive to solve social issues. In view of these developments, the new SVP 2030 aims to contribute to achieving the goals for resolving global social issues set by the SDGs, the Paris Agreement, etc., and is distinguished by its setting of long-term goals to be achieved by FY2030. This establishment of a long-term plan, allows us to set targets not through forecasting (accumulation approach) but through backcasting—looking backward from a specified future target to identify action needed for the future—thus enabling aggressive action to face the challenges.

Priority Issues in SVP 2030

Under SVP 2030, the two goals of SVP 2016 to “solve social issues through business activities (opportunities)” and “remain conscious on the environmental and social impact within business processes (risks)” were combined into one, and “the environment,” “health,” “daily life” and “working style” were announced as four priority areas to be approached from the two aspects of opportunity and risk. Additionally, in promoting global business, the plan focuses on reinforcing the CSR infrastructure for the environment, ethics, human rights, etc., for the entire supply chain, as well as reinforcing governance for greater dissemination of an “open, fair and clear” corporate culture. Fifteen priority issues were defined to implement these actions.

Especially in the area of the environment, concrete numerical targets for FY2030 were established. With CO2 emissions, action will be taken to reduce emissions from the entire product lifecycle of the Fujifilm Group by 30% over the FY2013 level, along with continuing to reduce CO2 emissions in society by 50 million tons through the dissemination of Fujifilm products and services, established to offset the cumulative CO2 emission volumes from FY2017 to FY2030. In water resources, we will reduce the amount of water the entire Group uses for production by 30% over the FY2013 level, dropping below 35 million tons by FY2030. With the highly functional materials and services we use for water treatment, we also plan to contribute to the treatment of 35 million tons of water per year used by society and to achieve an environmental contribution that equals or betters the environmental impact generated by our business activities by FY2030.

In areas outside the environment, we will establish KPIs (Key Performance Indicators) in the future for all priority issues.

Promoting SVP 2030 will allow the Fujifilm Group to create new value through the development of products, services and technology and to contribute to solving social issues, and at the same time, increase its corporate value.

Fujifilm Group’s Actions on SDGs

1. No Poverty
2. Zero Hunger
3. Good Health and Well-Being
4. Quality Education
5. Gender Equality
6. Clean Water and Sanitation
7. Affordable and Clean Energy
8. Decent Work and Economic Growth
9. Industry Innovation and Infrastructure
10. Reduce Inequality
11. Sustainable Cities and Communities
12. Responsible Consumption and Production
13. Climate Action
14. Life below Water
15. Life on Land
16. Peace, Justice and Strong Institutions
17. Partnerships for the Goals

SDGs

SVP 2030 Slogans and Priority Issues

Environment
Reduce our own environmental impacts and contribute to the resolution of environment-related issues
Priority Issue
1. Reduce global warming
2. Promote recycling of resources
3. Reduce energy issues toward a non-carbon society
4. Ensure product and chemical safety

Health
Create a healthy society through the process of prevention, diagnosis and treatment in healthcare.

Priority Issue
1. Fujifilm world medical needs
2. Improve accessibility to medical services
3. Promote healthcare and hygiene education at an early stage
4. Contribute to health promotion and beauty
5. Promote management of health and productivity

Daily Life
Support the tangible and intangible of social infrastructure of people’s lives through various products, services and technologies.

Priority Issue
1. Contribute to creating a safe and secure society
2. Contribute to enriching humanity and relationships between people

Working Style
Provide our employees, fair and clear corporate culture to further improve and maintain governance structures.

Supply Chain
Contribute to supply a safe, fair and clear corporate culture to further improve and maintain governance structures.

Governance
Strengthen CSR foundations across the entire supply chain, including issues affecting the environment, ethics, and human rights.

Priority Issue
1. Strengthen CSR foundations across the entire supply chain, including issues affecting the environment, ethics, and human rights

Characteristics of SVP 2030

1. Establishment of long-term goals (FY2030)
   - To become a corporation that promotes social revolution through innovation involving all employees and action on social issues from a long-term perspective.
   - 2030 was set as the target year for goals which is the base year for international social issues (Paris Agreement and SDGs).

2. Numerical targets for FY2030 defined for global environmental issues
   - 15 priority issues established in the four areas of the environment, health, daily life, working style, and adding supply chain and governance
   - Priority areas further identified both to “solving social issues through business activities” and “reducing the impact of our business activities.”
   - We will also standardize and promote demand for us as a global corporation to advance our management of the entire supply chain from the viewpoint of CSR, “supply chain” has been established as a priority area.
   - “Governance” is important in preventing inappropriate accounting, and has been added as a priority area.

Under SVP 2030, the two goals of SVP 2016 to “solve social issues through business activities (opportunities)” and “remain conscious on the environmental and social impact within business processes (risks)” were combined into one, and “the environment,” “health,” “daily life” and “working style” were announced as four priority areas to be approached from the two aspects of opportunity and risk. Additionally, in promoting global business, the plan focuses on reinforcing the CSR infrastructure for the environment, ethics, human rights, etc., for the entire supply chain, as well as reinforcing governance for greater dissemination of an “open, fair and clear” corporate culture. Fifteen priority issues were defined to implement these actions.

Especially in the area of the environment, concrete numerical targets for FY2030 were established. With CO2 emissions, action will be taken to reduce emissions from the entire product lifecycle of the Fujifilm Group by 30% over the FY2013 level, along with continuing to reduce CO2 emissions in society by 50 million tons through the dissemination of Fujifilm products and services, established to offset the cumulative CO2 emission volumes from FY2017 to FY2030. In water resources, we will reduce the amount of water the entire Group uses for production by 30% over the FY2013 level, dropping below 35 million tons by FY2030. With the highly functional materials and services we use for water treatment, we also plan to contribute to the treatment of 35 million tons of water per year used by society and to achieve an environmental contribution that equals or betters the environmental impact generated by our business activities by FY2030.

In areas outside the environment, we will establish KPIs (Key Performance Indicators) in the future for all priority issues.

Promoting SVP 2030 will allow the Fujifilm Group to create new value through the development of products, services and technology and to contribute to solving social issues, and at the same time, increase its corporate value.
The Fujifilm Group has been offering support to improve medical technologies and provide training in emerging countries to help solve the medical issues they face through spreading our products and Japanese-style medical services. To propel this international outbound expansion of Japanese-style medical services, we have been proactively utilizing government-led public-private collaboration projects since 2013. To date, we have been involved in the Business Establishment Support Initiative for Medical Technologies and Services led by the Ministry of Economy, Trade and Industry, and the International Promotion Initiative for Medical Technology, etc. under the Ministry of Health, Labour, and Welfare, and other projects to help disseminate Japanese-style medical services in a number of countries.

1. **Improving Breast Cancer Screening Procedures in Russia**
   - Breast cancer is the most common cancer among Russian women, and also claims the highest number of victims among the different types of cancer. It is important to identify breast cancer at the early stage through screening and start treatment immediately in order to reduce the death rate from this form of cancer. However, the number of Russian women coming to breast cancer screening remains low.
   - To address this situation, we undertook a project to improve and spread a breast cancer screening program in Russia in cooperation with the Women Health Center (WHC) in Moscow, a clinic specializing in cancer diagnosis and treatment for women.
   - The initial stages of the project were as follows: (1) Installing AMIET Innovality, our latest digital mammography system in WHC and promoting the WHC as a reference clinic for other clinics to share and integrate medical information; (2) Promoting communications between Russian and Japanese doctors and radiologists; and (3) Participating in International Promotion Initiatives for Medical Technologies and Services.

2. **Regenerative Medicine**
   - Accelerating R&D in regenerative medicine using iP cells
   - FUJIFILM Holdings Corporation Sustainability Report 2017 (Page 18), 2016 (Page 14)
   - FUJIFILM, a Japanese regenerative medicine venture company, has been awarded a license for a technique to treat abdominal diseases. This technique involves the use of iPSC-derived cells to treat abdominal diseases. The company has entered into a collaboration with the German company Cynata to develop cell therapies for abdominal diseases.

3. **Joining government mission to solve medical issues in emerging countries**
   - Participation in International Promotion Initiatives for Medical Technologies and Services
   - FUJIFILM Holdings Corporation Sustainability Report 2017 (Page 18), 2016 (Page 14)
   - The Fujifilm Group has been offering support to improve medical technologies and provide training in emerging countries to help solve the medical issues they face through spreading our products and Japanese-style medical services. To propel this international outbound expansion of Japanese-style medical services, we have been proactively utilizing government-led public-private collaboration projects since 2013. To date, we have been involved in the Business Establishment Support Initiative for Medical Technologies and Services led by the Ministry of Economy, Trade and Industry, and the International Promotion Initiative for Medical Technology, etc. under the Ministry of Health, Labour, and Welfare, and other projects to help disseminate Japanese-style medical services in a number of countries.

4. **Solving social issues through business activities**
   - International Expansion of Japanese-Style Medical Services
   - Joining government mission to solve medical issues in emerging countries
   - FUJIFILM Holdings Corporation Sustainability Report 2017 (Page 18), 2016 (Page 14)
   - The Fujifilm Group has been offering support to improve medical technologies and provide training in emerging countries to help solve the medical issues they face through spreading our products and Japanese-style medical services. To propel this international outbound expansion of Japanese-style medical services, we have been proactively utilizing government-led public-private collaboration projects since 2013. To date, we have been involved in the Business Establishment Support Initiative for Medical Technologies and Services led by the Ministry of Economy, Trade and Industry, and the International Promotion Initiative for Medical Technology, etc. under the Ministry of Health, Labour, and Welfare, and other projects to help disseminate Japanese-style medical services in a number of countries.

5. **Promoted further R&D into cell therapy**
   - Regenerative Medicine Business Summary for 2016 and 2017
   - FUJIFILM Holdings Corporation Sustainability Report 2017 (Page 18), 2016 (Page 14)
   - The Fujifilm Group has been offering support to improve medical technologies and provide training in emerging countries to help solve the medical issues they face through spreading our products and Japanese-style medical services. To propel this international outbound expansion of Japanese-style medical services, we have been proactively utilizing government-led public-private collaboration projects since 2013. To date, we have been involved in the Business Establishment Support Initiative for Medical Technologies and Services led by the Ministry of Economy, Trade and Industry, and the International Promotion Initiative for Medical Technology, etc. under the Ministry of Health, Labour, and Welfare, and other projects to help disseminate Japanese-style medical services in a number of countries.

6. **Other CSR activities**
   - FUJIFILM Holdings Corporation Sustainability Report 2017 (Page 18), 2016 (Page 14)
   - The Fujifilm Group has been offering support to improve medical technologies and provide training in emerging countries to help solve the medical issues they face through spreading our products and Japanese-style medical services. To propel this international outbound expansion of Japanese-style medical services, we have been proactively utilizing government-led public-private collaboration projects since 2013. To date, we have been involved in the Business Establishment Support Initiative for Medical Technologies and Services led by the Ministry of Economy, Trade and Industry, and the International Promotion Initiative for Medical Technology, etc. under the Ministry of Health, Labour, and Welfare, and other projects to help disseminate Japanese-style medical services in a number of countries.

7. **Promotion of diversity**
   - FUJIFILM Holdings Corporation Sustainability Report 2017 (Page 18), 2016 (Page 14)
   - The Fujifilm Group has been offering support to improve medical technologies and provide training in emerging countries to help solve the medical issues they face through spreading our products and Japanese-style medical services. To propel this international outbound expansion of Japanese-style medical services, we have been proactively utilizing government-led public-private collaboration projects since 2013. To date, we have been involved in the Business Establishment Support Initiative for Medical Technologies and Services led by the Ministry of Economy, Trade and Industry, and the International Promotion Initiative for Medical Technology, etc. under the Ministry of Health, Labour, and Welfare, and other projects to help disseminate Japanese-style medical services in a number of countries.

8. **Community revitalization activities with “Mirai Zukuri”**
   - FUJIFILM Holdings Corporation Sustainability Report 2017 (Page 18), 2016 (Page 14)
   - The Fujifilm Group has been offering support to improve medical technologies and provide training in emerging countries to help solve the medical issues they face through spreading our products and Japanese-style medical services. To propel this international outbound expansion of Japanese-style medical services, we have been proactively utilizing government-led public-private collaboration projects since 2013. To date, we have been involved in the Business Establishment Support Initiative for Medical Technologies and Services led by the Ministry of Economy, Trade and Industry, and the International Promotion Initiative for Medical Technology, etc. under the Ministry of Health, Labour, and Welfare, and other projects to help disseminate Japanese-style medical services in a number of countries.

9. **Activities at five locations in Japan (Fujifilm)**
   - FUJIFILM Holdings Corporation Sustainability Report 2017 (Page 18), 2016 (Page 14)
   - The Fujifilm Group has been offering support to improve medical technologies and provide training in emerging countries to help solve the medical issues they face through spreading our products and Japanese-style medical services. To propel this international outbound expansion of Japanese-style medical services, we have been proactively utilizing government-led public-private collaboration projects since 2013. To date, we have been involved in the Business Establishment Support Initiative for Medical Technologies and Services led by the Ministry of Economy, Trade and Industry, and the International Promotion Initiative for Medical Technology, etc. under the Ministry of Health, Labour, and Welfare, and other projects to help disseminate Japanese-style medical services in a number of countries.
Mycoplasma pneumonia is caused by an atypical bacterium, Mycoplasma pneumoniae, that primarily infects the walls of the airway and the stroma of the lung and bronchial tube. Infants or children are rather easily infected, and 80% of patients are children under 14. The incubation period between infection and symptoms is usually two to three weeks, which is relatively long. It spreads quickly in homes and schools through coughing. Many cases end with mild symptoms, but some can develop into serious illnesses. The disease can be treated effectively without further development or secondary infection if antimicrobial agents are administered while the amount of bacteria is still small. To realize this, accurate diagnosis at the early stage of infection has been a goal on the medical situation.

Fujifilm first launched its highly sensitive immunochromatographic influenza diagnostic system in 2011. The product was an application of the silver amplification technology used in the photographic film development process. Our exclusive technology that enables the detection of minute amounts of the influenza virus in the very early stage of infection was highly evaluated, and the system is now widely installed in medical institutions. Application of the same technique to detect other types of infection are also underway. Densitometric analyzer FUJI DRI-CHEM IMMUNO AG1 (left) is used in the hospital situation.

Hospital-Acquired Infection Countermasures
Reducing infection risks in the medical and care situation through unique antibacterial technology.

The risk of hospital-acquired infections is rising in recent years due to the emergence of multi-drug-resistant bacteria* and the increasing number of elderly and cancer patients, who are susceptible to infection due to their weakened immune systems. In hospitals and clinics, alcohol wipers and sprays are used to clean medical equipment and items in the area where many people are in contact, as one of the means of preventing infectious diseases. However, alcohol evaporates in a short period of time, and therefore the duration of the disinfected status is limited.

The cleaning wipers and sprays that Fujifilm has launched utilize the uniquely developed Hydro Ag+ antibacterial technology, which evenly distributes silver antibacterial agents and a hyper-hydrophilic coating that leaves silver antibacterial agents on the surface of the cleaned item. These agents gradually release silver ions which prevent bacterial growth over a longer period of time—even after the alcohol has evaporated. Use of the wipers or sprays can be chosen depending on the materials and shapes of the items to be cleaned, providing the optimum results. These products should greatly contribute to infections disease prevention in medical and care workplaces by reducing the risk to patients of further infection, as well as protecting medical staff and visitors.

Sustainable Value Plan 2016 FUJIFILM Holdings Corporation Sustainability Report 2017 FUJIFILM Holdings Corporation Sustainability Report 2017

The compact body enables operation with minimal movement. Exposures of the chest and abdomen can be flexibly performed, allowing the patient to be quickly moved to different wards, and high output power for such as an electric motor to travel long corridors or be moved to an X-ray room due to physical difficulties or during an operation. However, it can take more than 400 kg and 600 kg.

Issue 2016

Mobile-X-ray diagnostic imaging system is already commercially available. The mobile equipment can be taken to the bedside of patients who cannot be moved to an X-ray room due to physical difficulties or during an operation. Many of the current models are large as they need to be equipped with various components such as an electric motor to transport long corridors to different wards, and high output power for different types of imaging. For this reason, there has been strong demand for a lightweight and compact system that can easily be used in emergency rooms, ICUs, and other medical facilities with limited space.

To respond to such demand, Fujifilm released its mobile X-ray diagnostic imaging system FUJIFILM DR CALNEO AGRO. In 2016, CALNEO AGRO is equipped with our exclusive image processing technology to realize a high image quality using only a small dose of radiation. This low-dose alleviates the physical burden placed on patients, as well as enabling the power source and X-ray system to be significantly downsized. As a result, the weight has been reduced to one-fifth that of conventional models. This compact and lightweight product offers high mobility, providing the best workflow in medical environments with limited space. This weight reduction and downsizing is achieved through our advanced technologies, aiming to deliver significant improvements in the usability of digital X-ray systems in the medical situation where prompt examination is critical. Not only functionally excellent, the visual design of the product also won the Good Design Award 2016 from the Japan Institute of Design Promotion.

X-ray Diagnostic Imaging System
Delivering suitable workflow to small emergency rooms and ICUs.

Since the launch of the world’s first digital X-ray system, FCR, in 1983, Fujifilm has continued to serve the largest market share of digital medical diagnostic imaging systems across the world. We contribute to improving medical quality and diagnosis in medical situations through our advanced and exclusive technologies to reduce radiation dosages and respond to other needs on the medical situation.

* Assuming the weight of general mobile radiography systems to be between 400 kg and 600 kg.

issue report Sustainability Report 2014 (Page 16), 2015 (Page 16), 2016 (Page 16)

Hospital-Acquired Infection Countermasures
Reducing infection risks in the medical and care situation through unique antibacterial technology.

The risk of hospital-acquired infections is rising in recent years due to the emergence of multi-drug-resistant bacteria* and the increasing number of elderly and cancer patients, who are susceptible to infection due to their weakened immune systems. In hospitals and clinics, alcohol wipers and sprays are used to clean medical equipment and items in the area where many people are in contact, as one of the means of preventing infectious diseases. However, alcohol evaporates in a short period of time, and therefore the duration of the disinfected status is limited.

The cleaning wipers and sprays that Fujifilm has launched utilize the uniquely developed Hydro Ag+ antibacterial technology, which evenly distributes silver antibacterial agents and a hyper-hydrophilic coating that leaves silver antibacterial agents on the surface of the cleaned item. These agents gradually release silver ions which prevent bacterial growth over a longer period of time—even after the alcohol has evaporated. Use of the wipers or sprays can be chosen depending on the materials and shapes of the items to be cleaned, providing the optimum results. These products should greatly contribute to infections disease prevention in medical and care workplaces by reducing the risk to patients of further infection, as well as protecting medical staff and visitors.

Sustainable Value Plan 2016 FUJIFILM Holdings Corporation Sustainability Report 2017 FUJIFILM Holdings Corporation Sustainability Report 2017

The compact body enables operation with minimal movement. Exposures of the chest and abdomen can be flexibly performed, allowing the patient to be quickly moved to different wards, and high output power for such as an electric motor to travel long corridors or be moved to an X-ray room due to physical difficulties or during an operation. However, it can take more than 400 kg and 600 kg.

Issue 2016

Mobile-X-ray diagnostic imaging system is already commercially available. The mobile equipment can be taken to the bedside of patients who cannot be moved to an X-ray room due to physical difficulties or during an operation. Many of the current models are large as they need to be equipped with various components such as an electric motor to transport long corridors to different wards, and high output power for different types of imaging. For this reason, there has been strong demand for a lightweight and compact system that can easily be used in emergency rooms, ICUs, and other medical facilities with limited space.

To respond to such demand, Fujifilm released its mobile X-ray diagnostic imaging system FUJIFILM DR CALNEO AGRO. In 2016, CALNEO AGRO is equipped with our exclusive image processing technology to realize a high image quality using only a small dose of radiation. This low-dose alleviates the physical burden placed on patients, as well as enabling the power source and X-ray system to be significantly downsized. As a result, the weight has been reduced to one-fifth that of conventional models. This compact and lightweight product offers high mobility, providing the best workflow in medical environments with limited space. This weight reduction and downsizing is achieved through our advanced technologies, aiming to deliver significant improvements in the usability of digital X-ray systems in the medical situation where prompt examination is critical. Not only functionally excellent, the visual design of the product also won the Good Design Award 2016 from the Japan Institute of Design Promotion.

X-ray Diagnostic Imaging System
Delivering suitable workflow to small emergency rooms and ICUs.

Since the launch of the world’s first digital X-ray system, FCR, in 1983, Fujifilm has continued to serve the largest market share of digital medical diagnostic imaging systems across the world. We contribute to improving medical quality and diagnosis in medical situations through our advanced and exclusive technologies to reduce radiation dosages and respond to other needs on the medical situation.

* Assuming the weight of general mobile radiography systems to be between 400 kg and 600 kg.

issue report Sustainability Report 2014 (Page 16), 2015 (Page 16), 2016 (Page 16)

Hospital-Acquired Infection Countermasures
Reducing infection risks in the medical and care situation through unique antibacterial technology.

The risk of hospital-acquired infections is rising in recent years due to the emergence of multi-drug-resistant bacteria* and the increasing number of elderly and cancer patients, who are susceptible to infection due to their weakened immune systems. In hospitals and clinics, alcohol wipers and sprays are used to clean medical equipment and items in the area where many people are in contact, as one of the means of preventing infectious diseases. However, alcohol evaporates in a short period of time, and therefore the duration of the disinfected status is limited.

The cleaning wipers and sprays that Fujifilm has launched utilize the uniquely developed Hydro Ag+ antibacterial technology, which evenly distributes silver antibacterial agents and a hyper-hydrophilic coating that leaves silver antibacterial agents on the surface of the cleaned item. These agents gradually release silver ions which prevent bacterial growth over a longer period of time—even after the alcohol has evaporated. Use of the wipers or sprays can be chosen depending on the materials and shapes of the items to be cleaned, providing the optimum results. These products should greatly contribute to infections disease prevention in medical and care workplaces by reducing the risk to patients of further infection, as well as protecting medical staff and visitors.

Sustainable Value Plan 2016 FUJIFILM Holdings Corporation Sustainability Report 2017 FUJIFILM Holdings Corporation Sustainability Report 2017

The compact body enables operation with minimal movement. Exposures of the chest and abdomen can be flexibly performed, allowing the patient to be quickly moved to different wards, and high output power for such as an electric motor to travel long corridors or be moved to an X-ray room due to physical difficulties or during an operation. However, it can take more than 400 kg and 600 kg.

Issue 2016

Mobile-X-ray diagnostic imaging system is already commercially available. The mobile equipment can be taken to the bedside of patients who cannot be moved to an X-ray room due to physical difficulties or during an operation. Many of the current models are large as they need to be equipped with various components such as an electric motor to transport long corridors to different wards, and high output power for different types of imaging. For this reason, there has been strong demand for a lightweight and compact system that can easily be used in emergency rooms, ICUs, and other medical facilities with limited space.

To respond to such demand, Fujifilm released its mobile X-ray diagnostic imaging system FUJIFILM DR CALNEO AGRO. In 2016, CALNEO AGRO is equipped with our exclusive image processing technology to realize a high image quality using only a small dose of radiation. This low-dose alleviates the physical burden placed on patients, as well as enabling the power source and X-ray system to be significantly downsized. As a result, the weight has been reduced to one-fifth that of conventional models. This compact and lightweight product offers high mobility, providing the best workflow in medical environments with limited space. This weight reduction and downsizing is achieved through our advanced technologies, aiming to deliver significant improvements in the usability of digital X-ray systems in the medical situation where prompt examination is critical. Not only functionally excellent, the visual design of the product also won the Good Design Award 2016 from the Japan Institute of Design Promotion.

X-ray Diagnostic Imaging System
Delivering suitable workflow to small emergency rooms and ICUs.

Since the launch of the world’s first digital X-ray system, FCR, in 1983, Fujifilm has continued to serve the largest market share of digital medical diagnostic imaging systems across the world. We contribute to improving medical quality and diagnosis in medical situations through our advanced and exclusive technologies to reduce radiation dosages and respond to other needs on the medical situation.

* Assuming the weight of general mobile radiography systems to be between 400 kg and 600 kg.

issue report Sustainability Report 2014 (Page 16), 2015 (Page 16), 2016 (Page 16)
Using the advanced image processing technologies cultivated through photographic technology, conversion of analog resources into digital form, duplication technology, and other techniques, the Fujifilm Group supports the preservation and reproduction of priceless cultural properties and works of art and their availability to the public.

The creation of digital images and reproduction of works that are in prodigious demand and that can be accessed only by a few researchers gives priceless works available for research and exhibition, free from concerns over degradation. In addition, it helps in passing on the value of cultural artifacts by displaying them as image websites.

- Coordinating in archiving analog assets
  - The Fujifilm Group has been offering high-quality data archiving services to national museums, libraries, and business corporations, tapping into its wealth of archiving knowledge and technology. Mobilizing its integrated management capabilities covering from photography to development and scanning, FFIS has been offered services to the National Archives of Japan on large-sized film and to carry out large-volume and high-quality scanning.

- Duplicating historical documents with advanced reproduction technology
  - As part of its social contribution activities, Fujifilm has, since 2008, been engaged in the preservation of our cultural inheritance through the reproduction of historical documents. To date, more than 200 reproductions have been donated to shrines, temples, local governments, universities and business corporations. In 2016, we reproduced the picture scroll of Hasedera-ri-Okura Rokukon Kanta Zukan in storage at Toyko Bukey. Faithful simulation of the color tones and gloss typical of old historical documents and of the unique texture acquired over the years required advanced reproduction technology. Fujifilm utilized its own color management technology to create an exact copy of the original. In addition, customized settings were added to its high-image quality, full-color reproduction device to allow the toner to settle on the traditional "wash" paper with its rougher surface and different moisture content from ordinary paper.

Another replica of the scroll was selected as one of the gifts from Japanese Prime Minister Shinzo Abe to President Vladimir Putin of the Russian Federation.

Photo Renaissance Activity

Globally promoting the culture of photography adapted to the times to enrich our lives

Using the advanced image processing technologies cultivated through photographic technology, conversion of analog resources into digital form, duplication technology, and other techniques, the Fujifilm Group supports the preservation and reproduction of priceless cultural properties and works of art and their availability to the public.

The creation of digital images and reproduction of works that are in prodigious demand and that can be accessed only by a few researchers gives priceless works available for research and exhibition, free from concerns over degradation. In addition, it helps in passing on the value of cultural artifacts by displaying them as image websites.

- Coordinating in archiving analog assets
  - The Fujifilm Group has been offering high-quality data archiving services to national museums, libraries, and business corporations, tapping into its wealth of archiving knowledge and technology. Mobilizing its integrated management capabilities covering from photography to development and scanning, FFIS has been offered services to the National Archives of Japan on large-sized film and to carry out large-volume and high-quality scanning.

- Duplicating historical documents with advanced reproduction technology
  - As part of its social contribution activities, Fujifilm has, since 2008, been engaged in the preservation of our cultural inheritance through the reproduction of historical documents. To date, more than 200 reproductions have been donated to shrines, temples, local governments, universities and business corporations. In 2016, we reproduced the picture scroll of Hasedera-ri-Okura Rokukon Kanta Zukan in storage at Toyko Bukey. Faithful simulation of the color tones and gloss typical of old historical documents and of the unique texture acquired over the years required advanced reproduction technology. Fujifilm utilized its own color management technology to create an exact copy of the original. In addition, customized settings were added to its high-image quality, full-color reproduction device to allow the toner to settle on the traditional "wash" paper with its rougher surface and different moisture content from ordinary paper.

Another replica of the scroll was selected as one of the gifts from Japanese Prime Minister Shinzo Abe to President Vladimir Putin of the Russian Federation.

Photo Renaissance Activity

Globally promoting the culture of photography adapted to the times to enrich our lives

Using the advanced image processing technologies cultivated through photographic technology, conversion of analog resources into digital form, duplication technology, and other techniques, the Fujifilm Group supports the preservation and reproduction of priceless cultural properties and works of art and their availability to the public.

The creation of digital images and reproduction of works that are in prodigious demand and that can be accessed only by a few researchers gives priceless works available for research and exhibition, free from concerns over degradation. In addition, it helps in passing on the value of cultural artifacts by displaying them as image websites.

- Coordinating in archiving analog assets
  - The Fujifilm Group has been offering high-quality data archiving services to national museums, libraries, and business corporations, tapping into its wealth of archiving knowledge and technology. Mobilizing its integrated management capabilities covering from photography to development and scanning, FFIS has been offered services to the National Archives of Japan on large-sized film and to carry out large-volume and high-quality scanning.

- Duplicating historical documents with advanced reproduction technology
  - As part of its social contribution activities, Fujifilm has, since 2008, been engaged in the preservation of our cultural inheritance through the reproduction of historical documents. To date, more than 200 reproductions have been donated to shrines, temples, local governments, universities and business corporations. In 2016, we reproduced the picture scroll of Hasedera-ri-Okura Rokukon Kanta Zukan in storage at Toyko Bukey. Faithful simulation of the color tones and gloss typical of old historical documents and of the unique texture acquired over the years required advanced reproduction technology. Fujifilm utilized its own color management technology to create an exact copy of the original. In addition, customized settings were added to its high-image quality, full-color reproduction device to allow the toner to settle on the traditional "wash" paper with its rougher surface and different moisture content from ordinary paper.

Another replica of the scroll was selected as one of the gifts from Japanese Prime Minister Shinzo Abe to President Vladimir Putin of the Russian Federation.
In order for people to attain a healthy work-life balance, it is becoming a social aim to realize work style reform that enable flexible ways of working within a company to suit employees’ individual situations regarding their private and family life, while fully meeting their job responsibilities. Work style reform is an attempt to reduce normalized overtime working and at the same time improve productivity in order to compress for the reduced working hours.

FUJIFILM has been conducting research on work style reform since the 1980s and has put many research results into practice.

As a company that supports valuable communications that meet the demands of the times, we have been offering new modes of working to other companies based on our own experiences. We have introduced a range of work style reform solutions since 2013, including sales support systems that reduce complex administrative tasks, setting up mobile working environments, and establishing workplace satellite offices. These reforms have produced remarkable results, for example, total working hours in FY2016 were reduced by 13% compared with FY2015, and the number of workdays reduced by 15%. These reforms have produced remarkable results.

We are convinced that the key to productivity improvement in business processes is efficient usage of information through making it available in the format users need, at any time and wherever they are, especially in these days of rapid ICT advancement. However, there is a limit to what we can offer solely relying on our own multifunction devices and services.

In order to offer Smart Work Gateway, our new business service to reform business procedures and working styles, in the way that our customers demand, in addition to utilizing our own multifunction devices and services, we are collaborating with three business cloud service providers: Concur Japan, Ltd.; Sanbox, Inc.; and Box, Inc.

We also plan to further increase the number of such partner corporations. Fujirex took the initiative in establishing an ecosystem in which our own multifunction devices and cloud services are organically linked with our partners’ cloud services in order to provide the optimum communication environment for customers seeking to realize work style reforms. Smart Work Gateway will support our customers’ work style reform by enhancing business persons’ productivity and work process efficiency.

FUJIFILM has also developed Cloud Service Hub, a platform that supports the multiple cloud services provided by our business partners. Cloud Service Hub makes major cloud services available through a single interface, including efficient expenditure reimbursement, business card management and information sharing, and file access and printing. The platform offers an easy means of cloud service integration, which can be highly complex, improving business efficiency throughout by the most effective use of cloud services. Further, by using information collected through its own SaaS (Internet of Things) technology and linkage with various cloud services, Fujirex aims to be able to extract customer business issues and provide the optimum resolution by utilizing its long-cultivated technologies—language processing, image processing and knowledge processing—as well as big data analysis using artificial intelligence.

Through the promotion of Smart Work Gateway, Fujirex continues to support the work style reform by leading to a higher level through realization of diverse working styles in which individual employees can exert their abilities at a high level of performance.
1. Promote global warming countermeasures

- The Fujifilm Group has been setting management indicators for CO₂ emissions across the entire product lifecycle (from material procurement, product manufacturing, transportation, use and disposal) and we are continuing to actively reduce CO₂ emissions across the Group as a whole. After adopting the international targets of the Paris Agreement, we have set a new target to reduce CO₂ emissions over the entire product lifecycle by 30% compared to FY2013 by FY2030. Actions at each stage of the lifecycle will be taken in the years ahead.

- At the manufacturing stage, the Committee is actively investigating opportunities to use renewable energy and is making efforts to lower the CO₂ emissions by its energy sources including renewable energy (from wind power generation), and the Fujinomiya Factory has made the transition from heavy oil to gas to lower the CO₂ emission by its energy consumption. Additionally, we are making efforts to direct the efficient use of energy through production planning in consideration of the distinctive characteristics of the energy facility, and through in-house cogeneration systems that have the flexibility to adapt to changes in the volume of products being manufactured, and this has given a 5% year-on-year reduction in CO₂ emissions at the production stage.

- The in-house cogeneration system, which started to supply the power generated at the Fujifilm Fujinomiya Factory to the sites of our Group companies in FY2014, was expanded in FY2016 to give wider coverage. There are now in-house cogeneration systems at 19 of our Group companies’ sites, contributing to the greater leveling of power demand that the Japanese government seeks.

- The in-house cogeneration system, which started to supply the power generated at the Fujifilm Fujinomiya Factory to the sites of our Group companies in FY2014, was expanded in FY2016 to give wider coverage. There are now in-house cogeneration systems at 19 of our Group companies’ sites, contributing to the greater leveling of power demand that the Japanese government seeks.
We are currently assessing the volume of contribution for products and services based on our internal guidelines to Calculate the Environmental Contribution for the reduction in CO2 Emissions for FY2013. In FY2016, we increased the visibility of the contribution made by all our products to include software, services and IT systems products.

For water usage which is now growing world attention, we are making effort to visualize water usage across the product life cycle, under the internal guidelines to Calculate the Water Footprint formulated in 2014.

In FY2017, the first year of the new CSR plan, we will start to build the foundations for achieving the new CSR targets by making improvements to the internal assessment process for Design for Environment, etc. At the same time, we will continue our activities to reduce CO2 emissions and water consumption.

The internal guidelines to Calculate the Environmental Contributions for the Reduction in CO2 Emissions: The guidelines set out the policy and methods for calculating the volume of CO2 emissions that can be reduced when customers use our products and services by comparing to the emissions when our products or services are not in use, or when other alternatives are used.

Mr. Takejo Sueyoshi
Special Advisor, UNEP Finance Initiative
Profile: Having worked in the field of Sustainable Finance for many years, Mr. Sueyoshi has earned a number of roles, such as committee advisor to the United Nations Permanent Forum on Capacity-Building in Environmental Sustainability, a role as the 3Rs (Reduce, Reuse, and Recycle) Promotion Council’s chair in Japan, and member of the Board of Directors of Greenpeace (Japan). He is also recognized for his work in promoting sustainable development, especially in the areas of environmental issues and the social responsibility of companies in 17 countries, published books, and future directions.

Response to the third-party opinion
We are very grateful for the outstanding evaluation of the Fujifilm Group’s activities and results in addressing global warming under SVP 2016 and the new goals we have established for the year 2030.

The Fujifilm Group has made a new start in decarbonization with the Paris Agreement. We intend to work over a very long time span, adding new perspectives and approaches in the areas of promoting greater efficiency in energy use, lowering carbon emissions and implementing energy-conserving measures, as well as studying new opportunities for renewable energy use and developing products that contribute to a low carbon society. In the years ahead, we plan to review our progress each year and devote all our energies not only to achieve our 2030 goals but to further decarbonization.

(CSR Group, Corporate Planning Division, FUJIFILM Holdings)
Promote Resource Recycling

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

The FujiFilm Group has always been aware of the importance of effective use of natural resources, as the raw main material for photographic film, the main product at the time of our establishment, is the precious natural resource, silver, and to which lots of clean water and fresh air are essential in manufacturing. Since our establishment, we continuously develop our efforts to reduce the amount of virgin resources, such as by reducing water usage, reducing and reusing waste, recovering and reusing silver, and establishing a resource recycling system for multifunction devices and copiers, etc. We are conducting efforts to use resources effectively and reduce waste through measures which take into account the total lifecycle of a product, by considering the 3Rs (reduce, reuse, recycle) in the product design, reducing the loss at the manufacturing stage, collecting, reusing and reusing, and collecting waste and improving the quality of recycling, not only at our Group sites, but also at the regional and global level. For example, a resource recycling system for multifunction devices and copiers is being established to achieve a significant improvement in water usage and promote water recycling by the use of recycled water.

Future Prospects
We have set up the new target to reduce the total volume of waste generated and the material input per unit by 10% compared to FY2013 by FY2020, respectively. To achieve this new target, we are working constantly to reduce waste and use our resources effectively.

Zero Landfill from Used Products
At Fuji Xerox we collect customers’ used products and reuse or recycle them, based on the principle of treating used products as valuable resources instead of as waste. The program aims to utilize resources as effectively as possible with "Zero Landfill" as our goal. The recycling and reuse rate for used products in FY2016 was more than 99.5%, our Zero Landfill standard for all domestic and overseas sites, and 99.9% for sites in Japan. The volume of parts reused to reduce the consumption of new resources increased in FY2016 by 536 tons over the previous year. This was made possible by advanced planning for reusing parts from the new product planning stage. This led to a drastic reduction in the number of units utilizing reused parts from approx. 9,000 units in FY2015 to approx. 120,000 in FY2016.

Future Prospects
We will continue to maintain our Zero Landfill standard recycling rate of 99.5% again in FY2017 and at the same time work to increase the number of products produced with reused parts to further reduce our environmental impact.

* Definition of Zero Landfill: Reduction of simple incineration and landfill rate of no more than 0.5% of all waste produced by weight.

Response to Water Risks
Since our foundation, the FujiFilm Group has been working toward water usage reduction and water recycling. Considering increasing attention toward water risk as an important international issue, we have been promoting further reductions and more efficient water usage. As a result of the continued efforts at each site, there had been dramatic improvement in the water usage per unit (water usage/revenue), achieving a significant improvement by more than 20% in FY2016 compared to FY2012 and surpassing its medium-term target regarding for the water sources.

Furthermore, we conducted evaluation of water risk at sites, using a matrix with the two indices: “water stress regions” and “impact on company business in terms of water usage,” for all of our Group sites. In addition to continuing assessment of efforts in water management and reduction at our worksites with relatively higher water risk, we reconfirmed how low risk is at each site again for FY2016. The Group’s activities regarding water risks have been recognized, and we assessed in A- list by CDP Water 2016 for our activities.
Outline of Activities in FY2016

Management of Chemical Substances

In compliance with the international goal to minimize adverse effect of chemical substances on human health and the environment, risk-based management of chemical substances that looks at both the hazard characteristics of the substances and exposure to the substance when in use, has become increasingly important. To ensure equivalent levels of safety for workers handling chemical substances of country or region and to reduce environmental impact, we are implementing a comprehensive review of the chemical substance management system with emphasis on international compliance, and have already started to introduce new operations.

In handling of chemical substances, we are conducting risk assessments for all the substances we use, and are adapting methods of handling those substances under acceptable risk.

In addition to the current regulations on chemical substances, we are managing to voluntarily restrict the use of specific chemical substances in early step prior to regulation, based on the possibility that usage will be restricted by regulation in future and our management policy that takes social impact of chemical substances into account.

Future Prospects

We will apply our new chemical substance management scheme across the entire Fujifilm Group and ensure that it is fully implemented.

Management of Chemical Substances in Products

Fujifilm has formulated the standards for chemical substances contained in products as Fujifilm Green Procurement Standards. Founded on this standards, we manage chemical substances in raw materials, parts and components of products in cooperation with our suppliers, so as to deliver safe and secure products to the customers. In FY2016, we have prepared the new scheme “chemSHERPA” for communicating chemical substance information of products among companies, and have informed our suppliers of the use of this scheme from FY2017 (see page 55).

Future Prospects

We will cooperate with our suppliers to fully utilize “chemSHERPA” and to promote dissemination as one of major companies in the Joint Article Management Promotion Consortium (JAMP) which administrates to be responsible for the operation of “chemSHERPA.”

Reducing CO2 Emissions in Cooperation with Customers

ASTALIFT activities received the Excellence at Carbon Offset Awards

In FY2016, Fujifilm began a new activity against global warming to reduce CO2 emissions with its customers based on carbon offset. It means “purchasing one of our skin care product series ASTALIFT leads to the reduction of CO2 emissions by 6 kg, the equivalent of a day’s emissions from the customer’s daily activities.”

Future Prospects

In coordination with “Cool Choice” promoted by the Ministry of the Environment, we are supporting customers to reduce CO2 emissions simply by selecting our products with carbon offset, as well as offering tips on reducing CO2 emissions in everyday life.

We received the Excellence Award in the 6th Carbon Offset Awards for “increasing awareness for customers to prevent global warming” by linking the customer’s everyday activities with CO2 reductions. For ASTALIFT, we are working on reducing plastics used in packaging and will be actively involved in environmental activities in the cosmetics business, together with our customers.

Ground Water Conservation Activities

FUJIFILM Kyushu becomes the first Grand Prix winner of the Kumamoto Ground Water Conservation Awards

FUJIFILM Kyushu (FFQ) became the first winner of the Grand Prix of the Kumamoto Ground Water Conservation Awards organized by Kumamoto Ground Water Foundation. Kumamoto City is one of the very few local governments around the world that draws its water supplies from ground water, notwithstanding the size of its population of roughly one million. In order to preserve this valuable resource for future generations, the city is actively engaged in ground water conservation in cooperation with local companies and organizations.

As part of its ground water conservation activities, FFQ is constantly involved in planting trees in the hectares of grassland in Minami-Aso Village, water conservation in paddies, rainwater management, etc. The award was granted for these activities, as well as the community contribution activities as environmental dialogue meetings, factory tours and so on. As a company focusing on coexistence with nature and local communities, FFQ will continue various activities to protect Kumamoto’s ground water resources.

Wastewater Recycling System

Helping alleviate water shortages in California

In 2016, FUJIFILM Dimatix, Inc. (FDMX), a producer of industrial inkjet printer heads, installed an AWN wastewater tank and a reverse osmosis (RO) system with a capacity of 40 gallons (= 152 liters) per minute. The AWN tank is used to store and clean the wastewater that was previously discharged to a sanitary sewer, and the RO system is designed to remove a variety of impurities from the water. Since the beginning of the system’s operation in February 2016, approximately 80% (28,600 to 32,300 gallons = 109.4 to 124.6 tons) of wastewater were recycled and usage of new water was reduced by 30,000 gallons (= 114 tons) per day. The total amount of water recycled by June 2016 reached 13 million gallons (= 494,000 tons). FDMX is also currently working to upgrade the AWN collection tank, and when the new tank is completed in December 2017, FDMX expects to achieve zero gallon discharge to the sanitary sewer and decrease water usage even further.

The state of California has been putting strict water rationing in place due to the record-breaking drought that has been occurring in consecutive years and FDMX’s wastewater recycling system will surely contribute to help the situation within the state.

* AWN: Acid Waste Neutralizer.
**Priority Issue**

**Raise Compliance Awareness and Ensure Risk Management**

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

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

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

**Basic Approach**

**Outline of Activities in FY2016**

**Compliance**

As a set of fundamental policies, we have formulated the Fujifilm Group Charter for Corporate Behavior and Code of Conduct. The Fujifilm Group Code of Conduct is established to guide each employee to act and behave in compliance with laws, regulations and social ethics and make it clear that we give first priority to compliance in our business activities through Fujifilm Group Compliance Statement. We have a division that is exclusively responsible for promoting compliance and instilling a compliance-based mindset throughout the Group within each of our principal operating companies: FUJIFILM Corporation and Fuji Xerox Co., Ltd. Especially with anti-corruption laws being reinforced on a global scale in recent years, we have introduced anti-corruption rules and are implementing regular audits, including on-site audits. Consultation and whistle-blowing offices have been set up in operating companies in an effort to detect violations at an early stage. At the same time, attention is being paid to protecting persons seeking consultation or providing information on the handling of cases and reporting the details to the CSR Committee headed by the Chairman (see page 65).

Regarding the case of inappropriate accounting at Fuji Xerox New Zealand uncovered this year, compliance education regarding the background and the causes of this case were given to all executive officers, division heads and presidents of affiliated companies of the Fujifilm Group (see page 59). Subsequently, compliance education was provided to all employees by the heads of divisions and affiliated companies, to ensure that all Group members take this

**<About the anti-corruption matters>**

The Fujifilm Group has never been investigated by administrative authorities concerning any anti-corruption matters.
employees based on checklists created in compliance with the laws of each country. In FY2016, Fuji Xerox revised its Code of Conduct Guidebook, which describes the various items in the company’s Code of Conduct, for more global application and with attention to the latest social demands. Questions regarding compliance have also been added to the Employee Satisfaction Survey (ES Survey) conducted annually for employees, including those at overseas sites.

To reinforce governance in Japan and overseas, we will work to foster greater transparency, including increasing opportunities for inspection of local conditions, in addition to closer coordination with regional headquarters. In FY2017, the compliance awareness survey conducted on employees in Japan until now is being expanded to include all Fuji Group employees at overseas sites. Fuji Xerox plans to produce presentation videos and explanatory materials on the revised Code of Conduct Guidebook in languages for distribution worldwide. Additionally, exhaustive action will be taken to implement and create wider awareness of the rules on reporting major issues at overseas sites and on the whistleblowing system.

Outline of Activities in FY2016

Risk Management

At the Fujifilm Group, actions on risk prevention and measures for risk issues that have emerged at each business company are reported to the secretariat of the CSR Committee through the designated procedure. Major risk issues are reviewed and appropriate corrective measures are implemented by the CSR Committee.

In addition to risk prevention measures at each division and company, group-wide risk issues are examined each year, focusing on the frequency of occurrence of risks, including potential risks and the impact of each risk on business management, so that remedial measures can be implemented and activities managed on a global scale.

In business continuity planning (BCP), measures to deal with natural disasters are being added and strengthened, based on lessons learned from the recent natural disasters, including the 2011 Great East Japan Earthquake and the 2016 Great Kumamoto Earthquake, through continuous study of group-wide issues concerning disaster preparedness for the Nankai Trough earthquakes expected to occur in the ocean to the east, southeast and south of Japan, a major earthquake anticipated to occur in the Tokyo area and the possible eruption of Mount Fuji.

As for information security, we strengthen systems and measures to combat the threats on cyber security that are growing in recent years, and we conduct continual reviews.

In FY2016, we shared across the Group the case of FUJIFILM Koyuru, which made a swift recovery from the Great Kumamoto Earthquake, with disaster drills and other activities based on the experiences from Kumamoto at various factories (see page 57). With the growing number of terrorist acts occurring in other countries in recent years, we are promoting greater safety awareness among employees. For maintenance and improvement of information security levels, we are conducting drills on dealing with suspicious emails and a checklist on information security awareness across the Group. Also, audits of partner companies and study meetings are being held by third-party organizations to improve security awareness.

Future Prospects

Fuji Xerox will identify priority risk issues through the POCA cycle and formulate and implement specific action plans. In response to the case of inappropriate accounting by overseas subsidiaries, we will implement a comprehensive scheme, both in Japan and overseas, mainly for Fuji Xerox, for reporting crises and other incidents to higher-level organizations.
In mental health, the group-wide health promotion committee composed of industrial doctors and the HR division is held every year. Special attention is paid to preventing mental health problems and early detection of symptoms through analysis of data accumulated to date. Our efforts have further decreased sick leave rate. In the activities to reform working styles, we are encouraging a working style that improves efficiency and productivity and cuts down on long working hours.

Assessment of work accidents at global sites started in FY2016 as part of occupational safety and health. Although statistical assessment based on a unified standard presents difficulties because of the differences in definitions between countries, we plan to begin an aggregate calculation based on the standards for each country, analyze trends and study corrective measures.

Fujifilm

Fujifilm is implementing measures against cancer and metabolic syndrome in its drive to prevent lifestyle-related diseases. We opened the Nishinabu Medical Center in our headquarters building in 2014, to create an environment where employees can have endoscopic examinations to improve the cancer detection rate and foster early treatment. Also, a colorectal cancer examination subsidy that covers employees to improve the examination rate.

At the same time, we are continuing our activities to raise awareness of prevention. As a result of this, the proportion of smokers has fallen from 19.1% in FY2014 to 16.8% in FY2016. In cancer prevention, we have established a company-wide system and subsidy program to facilitate medical examinations, resulting in a stomach endoscopy rate of 70% and a gynecologic cancer examination rate exceeding 70%, leading to early cancer detection and treatment. In support of mental health, we conducted our annual stress check. As the number of employees receiving counseling to reduce working hours rose by 36% against the last year, the safety and health committees in each factory is holding discussions on causes and countermeasures to manage the symptoms based on individual data, seeking to reduce the risk of damage to health from overwork.

In occupational safety and health, the safety and health committees at each site are investigating the causes of work accidents, along with a review of how to prevent recurrences.

At the same time, we are continuing our activities to raise greater awareness of prevention.

Future Prospects

We are accumulating data on stress checks, health checks on employees working long hours and regular health checks in our health database introduced in FY2016, and we utilize it for PDCA on measures to improve health. We use the data for more extensive analysis throughout the Group on how to implement measures that are more effective for occupational safety and health and promotion of better health.

Based on the aforementioned priority areas for the entire Group, we are making efforts to promote health group-wide, including the establishment of KPI based on our new CSR plan.

Human Rights Due Diligence Process

Future Prospects

To clarify our Group’s stance, we aim to strengthen action, both internally and externally, through implementation of our Human Rights Policy, along with the Group’s Charter for Corporate Behavior and Code of Conduct. We will continue to actively adopt outside opinions and joint studies with other companies and continue with our activities to raise awareness of the importance of human rights issues within the Group.

Potential Human Rights Infringement in the Fujifilm Group

(1) Long working hours and forced labor at suppliers
(2) Abuse of human rights toward temporary workers
(3) Physical and financial damage for local community caused by inappropriate procurement of raw materials
(4) Physical damage for local community caused by environmental pollution
(5) Physical damage for employees caused by inappropriate management on chemical substances
(6) Abuse of human rights (physical damage) caused by unexpected use of our products and services
(7) Physical damage caused by inappropriate management on chemical substances
(8) Physical damage caused by destructive actions on environment including illegal mining

△: Human Rights Issues Considered Important for the Chemical and Chemical Materials Industries

UNEP FI Key Human Rights Issues

1. Forced Operation/Supply chain
2. Workplace condition
3. Discrimination
4. Forced labor
5. Freedom of association
6. Community
7. Resources
8. Management
   1. Relations with governments
   2. Relationship with consumers
   Most important: Necessary
   Important

Solutions

- Revision and improvement of measures
- Dialogue with third parties
- Review of the Group's Charter for Corporate Behavior

Outline of Activities in FY2016

Occupational Health and Safety/ Promotion of Health

Fujifilm Group

The Fujifilm Group believes it essential to ensure that employees can work with energy and remain in good health both physically and mentally at their workplaces, to maintain our position as a leading company by Creating New Value which is stated in our Vision. However, we experienced further decreases in labor productivity (caused by increase in workdays lost) and an increase in medical costs in the Group. In response, in July 2013 we established a group-wide health promotion council composed of the Group companies’ HR divisions, industrial doctors and the Fujifilm Group health insurance association. The council has since been working to promote activities focusing on four priority areas: preventing serious diseases, quitting smoking, mental illness and preventing overwork. In a high evaluation of these activities, FUJIFILM Holdings was recognized under the 2017 Certified Health and Productivity Management Organization Recognition Program (see page 56).

Fujifilm

Fujifilm is implementing measures against cancer and metabolic syndrome in its drive to prevent lifestyle-related diseases. We opened the Nishinabu Medical Center in our headquarters building in 2014, to create an environment where employees can have endoscopic examinations to improve the cancer detection rate and foster early treatment. Also, a colorectal cancer examination subsidy that covers employees to improve the examination rate.

Also, a colorectal cancer examination subsidy that covers employees to improve the examination rate.

At the same time, we are continuing our activities to raise awareness of prevention. As a result of this, the proportion of smokers has fallen from 19.1% in FY2014 to 16.8% in FY2016. In cancer prevention, we have established a company-wide system and subsidy program to facilitate medical examinations, resulting in a stomach endoscopy rate of 70% and a gynecologic cancer examination rate exceeding 70%, leading to early cancer detection and treatment. In support of mental health, we conducted our annual stress check. As the number of employees receiving counseling to reduce working hours rose by 36% against the last year, the safety and health committees in each factory is holding discussions on causes and countermeasures to manage the symptoms based on individual data, seeking to reduce the risk of damage to health from overwork.

In occupational safety and health, the safety and health committees at each site are investigating the causes of work accidents, along with a review of how to prevent recurrences. At the same time, we are continuing our activities to raise greater awareness of prevention.

Human Rights Due Diligence Process

FUJIFILM Holdings Corporation Sustainability Report 2017 FUJIFILM Holdings Corporation Sustainability Report 2017
Develop and Utilize Diverse Human Resources

Target: Build a working environment with diversity**1** that enable all employees**2** to exert their individuality.

**1:** Create systems to develop human resources and utilize them to the most suitable positions.

**2:** Domestic and foreign workers, and female, elderly, or disabled employees

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

Outline of Activities in FY2016

**Human Resources Development**

- **Fujifilm**
  Fujifilm places great importance on developing its human resources. We support each of our employees in studying and improving their capabilities by developing highly marketable strengths. We aim to develop professionals who sense the environment of our whole business.
  - Fujifilm’s Human Resource Development
    - Training and Education of Human Resources
    - Focusing on Global Leadership
    - Promoting Diversity

- **Fujifilm WAY Training for employees across the world**
  (Photo: FUJIFILM Belgium NV)

**Basic Approach**

- **Basic training for newly appointed employees** to overseas positions
  - Overseas onsite training
  - For technical positions

- **For interested employees**
  - Language lessons, distance learning languages
  - OT Management training

**Fujifilm’s Training to Develop Global Human Resources**

- **For Japanese employees**
  - Training prior to overseas appointment
  - Training to develop management
  - Short-term onsite training system
  - Overseas trainee system
  - Overseas study system

- **For overseas subsidiaries**
  - Development of global leadership
  - Dissemination of corporate philosophy

**Total number of trainees:** 569 (Since 2012) [The shovel is effective for Fujifilm]

**Fujifilm’s Human Resource Development**

- **Individuals**
  - Enhancement of roles by qualification system training for newly appointed managers
  - Training for newly appointed managers
  - Training for candidates for promotion, etc.

- **Strong leaders**
  - Enhancement of professional-mindedness
  - Career life design training
  - New employee training
  - Career development program, etc.

- **Professionals**
  - Management school training for next generation

- **Diversity**
  - Enhancement of global mindset
  - Global skills and expertise

**Fujifilm’s WAY Training**

- **For Japanese employees**
  - Training prior to overseas appointment
  - Training to develop management
  - Short-term onsite training system
  - Overseas trainee system
  - Overseas study system

- **For interested employees**
  - Language lessons, distance learning languages
  - OT Management training

- **For overseas subsidiaries**
  - Development of global leadership
  - Dissemination of corporate philosophy

**Future Projects**

- **We are working to establish a basic infrastructure for expanding our business in the global market based on an organic relationship with our employees around the world.**

**Fujixerox’s Human Resources Development**

- **Fujixerox**
  - Fujixerox seeks human resources who can think and act on their own to keep pace with changes and reform business procedures. In order to enable individual employees to develop their competencies at their own initiatives and create careers in which they can sense their own growth, we implement various programs with the following focuses for reinforcement: (1) management; (2) problem solving; and (3) global human resource development.
  - In FY2016, we continued our job category education program and rank-based education program across Fujixerox and its domestic affiliates. For the job category education program, in particular, we provided thorough management skill training for sales managers in preparation for full-scale utilization of Sales Force Automation (SFA) in the sales divisions to standardize their management skills toward good organizational strength. For rank-based education program, we divide our employees from one-off on-site training program to a one-year course to support individual’s challenges over the entire period so that they can complete their tasks and act progress to higher targets.
  - This is realized by collaboration between the Human Resource Development Department, the manager, and the trainee. We also offer problem solving training across the company to create a workplace culture where people work with scientific minds.

For global human resources development programs, we offer overseas OJT and a next-generation leader training program for selected employees in their 30s. In FY2016, we dispatched 27 Japanese employees to affiliates in China, Singapore, and other Asia Pacific countries, and to the US Xerox Corporation. Also, the coverage of employees who are eligible to apply for overseas onsite training programs was expanded in FY2011 to include employees of the sales companies spread across Japan. By FY2016, we had dispatched a total of 50 employees to overseas companies.

We are currently further expanding this coverage to affiliates and plan to include a wider range of Group companies.

At the same time, we started the job rotation program for overseas company employees to work in Fujixerox in Japan since FY2011 as a part of our business skills training. By FY2016, 13 overseas employees had been appointed to a specific division for two years after they had created a training plan that includes work aspects that can only be learned in Japan.

We also offer an internship program in collaboration with major overseas technical universities towards more effective overseas market expansion and acquire advanced technologies. We accepted six students from China, one from Australia, and two from India in FY2016.

In FY2017, we continue to develop human resources who can contribute to our sustainable growth. We are also accelerating the training of employees with global capabilities.

**Future Projects**

- **In FY2017, we continue to develop human resources who can contribute to our sustainable growth. We are also accelerating the training of employees with global capabilities.**

**Fujifilm’s Human Resource Development**

- **For Japanese employees**
  - Training prior to overseas appointment
  - Training to develop management
  - Short-term onsite training system
  - Overseas trainee system
  - Overseas study system

- **For interested employees**
  - Language lessons, distance learning languages
  - OT Management training

- **For overseas subsidiaries**
  - Development of global leadership
  - Dissemination of corporate philosophy
FUJIFILM Holdings Corporation Sustainability Report 2017

Sustainable Value Plan 2016

FUJIFILM

Realization of Diverse Ways of Working

Fujifilm

Fujifilm has been implementing Work Style Innovation activities since FY2014, aiming to become a company where diverse employees can utilize their individual strengths in an effective way of working that produces results. These activities consist of the three principles of (1) Working style innovation (Each one of us tries to develop ways to increase productivity and results per hour); (2) Skill exertion of diverse workforce (Utilize your strength in work regardless of gender or age); and (3) Enhancement of support systems (Company supports flexible ways of working for child or nursing care).

To promote working style innovation, we installed IT tools across the company, and conducted activities divided by purpose and level to enlighten employees about more efficient and innovative working styles such as seminars by specialists and meetings to share good usage at each workplace. In FY2016, across the company we unified the two days of the week when employees are encouraged not to work overtime. We also promoted the varied working style encouragement program in Japan called “Premium Friday” which encourages an early leave from work on the last Friday of each month. Additionally, we started committees formed by division managers to discuss and implement measures to realize working styles leading to optimum hourly productivity. In 2016, we changed the program “Day with no overwork,” and unified the same two days of the week a across the company. In addition, we established a committee that consists of managers at each workplace across the company, and accelerate the activities to realize a working style with high productivity per hour.

Meanwhile, to enhance the support for employees with responsibilities such as childcare and nursing care, we are introducing a range of measures such as a Home Working System to enable them to keep motivated and demonstrating their abilities. A Home Working System enables employees who fulfill the conditions to work a certain number of days per week from home. In 2016, Care and Work Balance Support Seminar was held mainly for managers as one of these measures, and over 1,500 employees in total attended and learned appropriate measures in a need of nursing care at these seminars to date.

We also ensure that those who have taken childcare leave can return to their original workplace, in principle, so that their experience and expertise over the years can be utilized continuously. Also, seminars are provided for returning workers and their managers to help smooth work recovery and provide continuous support.

Further, as a part of diversity enhancement, the entire Fujifilm Group set a medium to long-term expansion target for the employment of disabled people, in addition to those re-employed after retirement. We formed the employment expansion support scheme across the Group companies to generate more job opportunities to match different people and to improve the job retention rate.

Future Prospects

We will keep enhancing support systems to enable diverse employees to demonstrate their capabilities in innovative working styles, by proceeding with activities according to our three principles.

Fujifilm

Fujixerox is promoting a range of employment improvement measures, including active employment and promotion of a diverse workforce, flexible working styles to enable diverse employees to exert their abilities, business skill development as required for globalization and service-oriented business, and opportunities for employees to learn more about social demands so that they can reflect on their work. In recognition of our Work Style Reforms that aim at enhancement of productivity, diversity, and work-life balance, which we have promoted over the years, we were presented with a number of awards in FY2016: including the New Diversity Management Selection 100, 2016, by the Ministry of Economy, Trade and Industry; the Encouragement Prize in the Large Enterprise Category, under the 1st Awards for Enterprises and Workplaces with Pleasant Working Environments and High Productivity—Enterprises Taking Actions to Balance Increased Productivity and Attractive Working Environments by the Ministry of Health, Labour and Welfare; and the Excellent Prize in the Telework in Practice category, 17th Telework Promotion Awards (see page 56).

The Act of Promotion of Women’s Participation and Advancement in the Workplace was enforced in FY2016 and obligated companies with more than 300 employees to disclose information on the working status of their female workers. In response to this act, we set up an action plan based on the said act at each Fuji Xerox Group company in Japan, and disclosed this information for Group companies, including those with less than 300 employees. Each company is now implementing their own action plan to encourage the further involvement of women in work. We also have the Relocation System for Employees whose Spouses are Transferred, which is designed to prevent career disruption for women whose careers could be compromised due to managing or the work transfer of their husband. The system enables female employees to choose a workplace close to their new home, and this is now available across Group companies in Japan. As a result, the number of resignations due to such reasons has been significantly reduced by allowing women to continue their careers. We also offer a training program for selected women and active promotion of women to management positions, not only for their career continuation but for the empowerment of women in general.

For older employees, the Second Life Program was introduced in FY2006 to make use of the abilities of employees after retirement, as well as to support their livelihood in retirement. We are also implementing a variety of measures for people with disabilities, which include a consultation service and information about carrying out their tasks and obtaining specific support in the workplace, and workshops for the managers and colleagues of teams with people with disabilities.

Future Prospects

As a part of the measures to further spread and promote respect for human resources, we plan to introduce campaigns and welfare schemes to include LGBT people in the workplace. In FY2017, we also plan to closely analyze the obstacles faced by women in building up their careers and set up countermeasures to suit each issue, regardless of the scope of their demands. At the same time, we plan to submit useful information more frequently through the Diversity Website available on our intranet, so that all workers can recognize the company’s efforts toward women’s participation and advancement in our workplace. For older employees, we are continuing revising our system so that they can have greater satisfaction and motivation in their jobs even after their retirement.

LGBT: Lesbian, Gay, Bisexual, and Transgender.

Care and Work Balance Support Seminar with more than 1,500 participants over two years

Care and Work Balance Support Seminar

More than 1,500 participants in total

Care and Work Balance Support Seminar Fujifilm

Care and Work Balance Support Seminar with more than 1,500 participants over two years

Developing human resources both systematically and in a well-planned manner is highly commendable

The Fujifilm Group upholds “Develop and Utilize Diverse Human Resources” as a priority issue in its Medium-Term CSR Plan SVP 2016 and in the new CSR plan SVP 2030. Under SVP 2016, the Fujifilm Group has made solid achievements in both work style reform and health and productivity management. It is highly commendable that the Company is developing professional talent that contributes to sustainable growth, both systematically and in a well-planned manner and on a group-wide basis, as the foundation of its CSR.

On the other hand, there are concerns over the “outcome” of its drive in compliance training, promoting awareness of human rights, diversity management, reinforcement of global capabilities and other human resources development measures regarding how they are connected to the development of each employee and to reform of the corporate culture. I believe that data disclosure on employee engagement and more moral surveys and development of narratives from the employee perspective will foster greater understanding of human resources development both inside and outside the organization.

In this report, we look forward to greater achievements being made in the long-term in management commitment and a greater sensitivity by all employees toward society, and to the Fujifilm Group leading the reform to create a society where everyone finds fulfillment in work.

Response to the third-party opinion

Thank you very much for your appraisal for some of the Fujifilm Group’s activities from a longer-term perspective, namely, “work style innovation” and “health and productivity management.” Development and use of diverse human resources has become increasingly important for global companies. We hope to direct greater energy to this area so that various employees can play their parts actively. Furthermore, regarding your comment, the lack of visibility in the outcome of human resources development measures that contribute to corporate growth and culture, we will plan to show this through explanations and the results of progress towards the targets for each business field in our new CSR Plan, including employee satisfaction rates, etc.

(Human Resources Division, FUJIFILM Holdings)
### Outline of Activities in FY2016

**Enhancement of CSR Procurement Activities Promoting Comprehensive CSR Activities with Major Suppliers**

#### FujiFilm

Once a year, FujiFilm affiliated companies check and assess the risks involved in their business activities, including CSR aspects, using a group-wide checklist. If any issues are identified, we make an improvement plan and implement it. In terms of procurement, we provide training for suppliers and our own procurement officers based on our Procurement Policy, which was revised in 2015. This supplier survey utilizes the Fuji-Supplier CSR Checklist, comprising 58 questions, which was designed with external experts’ opinions and employs all the important items commonly found in global supply chain CSR initiatives, such as the UN Global Compact and EICC. Since 2015, we have also been conducting supplier surveys aiming to cover over 80% of the total procurement amount in Japan and China. This survey was completed by all such divisions by the end of FY2016, and the response rate was approx. 90%. The survey results did not show any serious issues, however, regarding 10% of the suppliers, we plan to request suppliers’ cooperation to promote CSR activities for improvement under close communications.

#### FujiXerox

Since 2007, FujiXerox has requested suppliers to conduct a self-assessment on their own CSR procurement using the CSR Self-Checklist in order to attain 90% or more compliance with the most important items in the list. The CSR Self-Checklist related to production materials is also revised every year, as social demand for CSR compliance in corporations (production plants) has increased in recent years. FujiXerox also provides a range of support for suppliers to improve their CSR procurement so that suppliers can control their procurement from the same viewpoint as our own. For example, FujiXerox of Shenzhen (China) had a stability risk in their operations and product supply due to a production line suspension caused by a CSR issue at their suppliers. To alleviate this risk, we worked together with the suppliers as a part of our CSR procurement activities to improve their labor management over a period. As a result, FujiXerox of Shenzhen managed to reduce the time of production line stop resulting from the supplier’s CSR issue to zero in FY2015 and FY2016. In FY2016, FujiXerox of Shanghai also started an onsite survey and improvement support for their suppliers.

### Progress in Procurement from the Viewpoint of CSR

#### FujiFilm Holdings

- **FY2015**
  - Establishment and announcement of FujiFilm Group Procurement Policy
  - Collection plus response survey on the greenness of companies
  - Survey on the situation of waste procurement department, and launch of A3 production by relevant staff
- **FY2016**
  - Awareness raising about the FujiFilm Group Procurement Policy
  - Establishment of internal checklist (whistle-blowing system, etc.)
  - Implementation of second pilot survey
  - Survey on the situation of waste procurement department, and launch of A3 production by relevant staff

#### FujiFilm

- **FY2015**
  - Establishment of a practical Group Procurement Policy
  - Survey to clarify the purpose of Group Procurement Policy
- **FY2016**
  - Survey to clarify the purpose of Group Procurement Policy
  - Conducting training on Group Procurement Policy

#### FujiXerox

- **FY2015**
  -自律的なCSR活動の推進方針の推進
  - Pushing the Group Procurement Policy
- **FY2016**
  - Pushing the Group Procurement Policy
  - Establishment of a practical Group Procurement Policy
  - Survey to clarify the purpose of Group Procurement Policy

### Survey Response Rate from Marked Suppliers

- **93%** FujiFilm

### Future Prospects

- **FujiFilm**
  - We will continue the supplier survey in FY2017, expanding the coverage of supplier to those in the U.S. and Europe. We are also considering visiting Group production sites and suppliers’ factories to further improve the efficacy of our surveys.

- **FujiXerox**
  - In FY2017, we held briefing sessions for our suppliers to raise awareness of avoiding conflict mineral usage throughout the supply chain and the necessity of accurate information. We also continued the survey targeted on suppliers, and Fuji Xerox, which particularly faces a strong demand regarding conflict minerals due to the nature of the industry, managed to achieve a 96.5% survey response rate from their suppliers. Further, the percentage of Conflict Free Smelters (CFSs) in our supply chain has increased by 20.5 points, reaching a total of 40%.

### Response to Conflict Minerals

The Fujifilm Group has declared that it will not use any minerals mined or refined by illegal practices, and does not take part, directly or indirectly, in supporting such activities. Further, it has clearly declared in the basic policy for procurement transactions that we are sincerely addressing the issue of conflict minerals.

The Fujifilm Group started an internal education program concerning conflict minerals step by step in 2010, and established internal guidelines to gather mineral source information using the Conflict Minerals Reporting Template supplied by OGC2. Further, Fujifilm joined the Responsible Procurement of Minerals formed by the Japan Electronics and Information Technology Industries Association (JEITA) in 2011, and Fuji Xerox followed in 2013. Those business divisions and Group companies that are subject to strong customer expectations constantly gather the latest information concerning conflict mineral regulations, while improving information accuracy with the help of suppliers. In FY2016, we held briefing sessions for our suppliers to raise awareness of avoiding conflict mineral usage throughout the supply chain and the necessity of accurate information. We also continued the survey targeted on suppliers, and Fuji Xerox, which particularly faces a strong demand regarding conflict minerals due to the nature of the industry, managed to achieve a 96.5% survey response rate from their suppliers. Further, the percentage of Conflict Free Smelters (CFSs) in our supply chain has increased by 20.5 points, reaching a total of 40%.

### Future Prospects

- **FujiFilm**
  - In FY2017 the Fujifilm Group continues efforts in conflict mineral information gathering and accuracy improvement through providing regular briefing sessions and individual support for our suppliers. We particularly aim at maintaining a 95% survey response rate or higher to FujiFilm’s survey in order to further refine information accuracy.

- **FujiXerox**
  - In FY2017, we plan to start CSR improvement support in FujiXerox Hai Phong (Vietnam). Working together with our suppliers, we continue to improve our CSR situation, aiming to attain 90% or higher compliance.
Outline of Activities in FY2016

- Activities to conserve the water source at each factory
- Participation in JBIB
- Fujifilm participates in the Japan Business Initiative for Biosafety (JBIB)
- Overseas tree planting activities
  - Tree planting activities in the Hirono Desert of the Inner Mongolia Autonomous Region in China
  - Support in the restoration of Can Gio mangrove forests in Vietnam, that are approaching extinction as a result of the use of defoliants (started in 2017)
- Training courses for Nature Conservation Educators by the Nature Conservation Society
  - Since FY2001, more than 400 employees in total have attended at the training courses including co-sponsored ones by Fujifilm
- Suideru-Otsusuke-Tai
  - Regional conservation activities to preserve groundwater in Minami-Aso Village. FUJIFILM Kyushu has been participating in these activities since FY2010.
- Cooperation with NGOs, etc.
  - Approved Specified Nonprofit Corporation Network for Consistence with Nature, etc.: "Kyokasho-Kushiri"
  - Charitable Trust Fujifilm Green Fund, etc.: "Wataashi-no-Sittensankauroshi Competition"
  - Green Cross Japan: Kashiwaki Nikkei, "Makoto-no-Kirishiri", etc.
- Support to the Monitoring Site 1000
  - We have been supporting to develop sensor cameras used in surveying mammals.
- Support to the Biodiversity Action Award Japan
  - We have been providing digital cameras for the photo prize winners as "Fujifilm Award" through the Japan Committee for UNBD (United Nations Decade on Biodiversity) that host the Award.

The Biodiversity Action Award Japan is a scheme,chemSHERPA and our CSR procurement activities at briefings to suppliers.
Based on the Fujifilm Group Procurement Policy, Fujifilm Green Procurement Standards have been established for materials and goods procured by Fujifilm. In view of the reinforcement of chemical substances control in recent years around the world under the international goal of "minimizing adverse impact of chemical substances on human health and the environment," Fujifilm promptly decided to develop a new scheme named "chemSHERPA," a new scheme for sharing information on chemical substances control. We introduced the plan for deployment to suppliers along with CSR procurement in a briefing held in FY2016. At the briefing, we explained the detailed procedures for providing information on chemical substances control for suppliers to control to deliver goods that comply with the standards.

- Three-year plan for seminars on environment/health and safety/management for suppliers completed
- Fujifilm has been working on improvements, especially for suppliers of Fujifilm Xerox of Shenzhen (China), through visits and consulting by its specialists in environmental issues, labor management, etc. However, only visiting one supplier at a time has not been possible to expand the scope of consulting. For this reason, in addition to company visits, a three-year plan was implemented in FY2014 to hold seminars on environment/health and safety/management for suppliers. The seminars have been attended by top executives and managers of supplier manufacturing sites, and Fujifilm Xerox members present activities being organized in the areas of health and safety/management for persons responsible for procurement, methods of dealing with new regulatory frameworks and other knowhow.
Seminars on health and safety were held in FY2014, followed by seminars on labor management and environmental protection in FY2015. In addition to these themes, explanation was added of the support programs provided by Fujifilm Xerox for its employees, resulting in the successful communication of the programs. Fujifilm Xerox managers at its suppliers (total attendance was more than 1,000). In FY2016, seminars were held for roughly the same themes including business ethics and control, spotlighting items required by law and giving examples of improvements.

Future Prospects
We will continue our design for environment and various regional activities. In addition, we will construct reliable measures for the Nagoya Protocol to/accompany with each country's laws and regulations, as well as in continued reinforcement in the control of paper suppliers.

Future Prospects
We will continue our design for environment and various regional activities. In addition, we will construct reliable measures for the Nagoya Protocol to/accompany with each country's laws and regulations, as well as in continued reinforcement in the control of paper suppliers.

Main Activities for Biodiversity Conservation

- Biodiversity Conservation
  - Since its foundation, the Fujifilm Group has engaged in a wide range of environmental protection activities for the conservation of nature, preservation of biodiversity, and protection of ecosystems. Based upon a philosophy of “environmental consciousness and environmental protection are at the core of our corporate activities,” as we have needed lots of water and clean air to produce photographic films. In June 2009, we clarified our guideline for group-wide efforts to biodiversity conservation and introduced the “Fujifilm Group Concepts and Actions Guidelines for Biodiversity Conservation” (hereafter, “Guidelines for Biodiversity”).
  - In 2012, we reviewed our biodiversity approach under the four key elements of factors, policies, social contribution, and communication, in order to implement biodiversity conservation activities linked with our businesses. Fujifilm and Fujifilm Xerox work on a number of biodiversity conservation activities related to their businesses respectively (see page 75).

Fujifilm is engaged in development of products based on Design for Environment that have been implemented from the standpoint of biodiversity conservation. At the same time, we are engaged in continued regional collaboration activities, such as cooperation with the Kumamoto Ground Water Conservation Awards. As of 31 March 2016, FUJIFILM Kyushu’s activities become the first Grand Prix winner of the Kumamoto Ground Water Conservation Awards (see page 41). In FY2014, we participated in the Taskforce Committee for the Nagoya Protocol on Access and Benefit Sharing for Genetic Resources (ABS) led by the Ministry of Economy, Trade and Industry in Japan, and since then, we have been working to obtain the latest information on Japan’s measures under consideration and trends in overseas legislation and exchange opinions on them.

Fujifilm Xerox requires its suppliers of paper, which is an important product for the Company, to comply with laws and regulations, as well as to comply with its global business activities. Following the revision of the Fujifilm Group Procurement Policy in March 2015, the company issued a “Guideline for Biodiversity and launch of the next level of corporate philosophy and vision in the group and its global business operations.” Following the revision of the Fujifilm Group Procurement Policy in March 2015, the company issued a “Guideline for Biodiversity Conservation” (FF) in March 2015, the company issued a “Guideline for Biodiversity Conservation” (FF)

FUJIFILM Holdings Corporation Sustainability Report 2017
FUJIFILM Holdings Corporation Sustainability Report 2017

Supply Chain Management

Response to risks in CSR procurement

FUJIFILM Group CSR Procurement Promotion Program

1. Communication for Awareness and Understanding of Our Policy and Requests
  - Understanding about Procurement Policy and Requests to Suppliers
  - Fujifilm Group
  - Group Company
  - Business Partners
  - Suppliers

2. Assessment of Suppliers
  - Primary risk evaluation (selecting suppliers from a self-check)
  - Self-assessment questionnaire (self-check)
  - On-site assessment

3. Education to Suppliers
  - Self-assessment by suppliers based upon self-checklist
  - Share results of audits with suppliers and Fujifilm Group

4. Improvement Activities
  - Request improvements to suppliers
  - Support each supplier in improving their capabilities (capacity building)

Sustainability of the Group’s Approach to CSR

- Our approach to CSR is the result of our commitment to corporate ethics. From the standpoint of "Corporate Philosophy and Vision, Charter for Corporate Governance, Green Cradle 2020, and Guideline for Biodiversity and launch of the next level of corporate philosophy and vision in the group and its global business operations." Following the revision of the Fujifilm Group Procurement Policy in March 2015, the company issued a “Guideline for Biodiversity Conservation” (FF)

FUJIFILM Holdings Corporation Sustainability Report 2017
FUJIFILM Holdings Corporation Sustainability Report 2017
Since Fuji Xerox commenced its Work Style Reform in FY2013, the Company has been working to change employees’ awareness, corporate culture, task prioritization, and process reform in order to improve productivity, enhance workforce diversity, and achieve a good work-life balance. During FY2014, we promoted a home working system and reformed sales business processes such as: (1) Revision of the man-hour system to encourage work in the mornings to ensure work sharing and liaising; (2) Introduction of the Home Working System that employees can work in good health—both physically and mentally—this is the reason that our comprehensive health and safety approach is focused on the two pillars of “work style reform” and “promotion of health.” In FY2013, we established the group-wide health promotion committee, composed of the Group companies’ HR divisions, industrial doctors, and the Fujifilm Group health insurance association (see page 46). In FY2015, we also introduced the Health Data Bank system that manages the results of the regular health checks and stress checks for each employee in a comprehensive manner. In FY2017, this system was expanded to cover almost all employees of both the Fuji Xerox and Fujifilm Group companies within Japan.

These efforts resulted in minimizing the medical cost increase within the Group, and a reduction in the total working hours. Based on the data gathered in the Data Bank, we continued to develop more effective health promotion measures and disease prevention schemes.

Employee Health Management Across the Group

Fujifilm Holdings recognized as one of the White 500 enterprises

FUJIFILM Holdings was recognized under the 2017 Certified Health and Productivity Management Promotion Recognition Program (Large Enterprise Category)—White 500, jointly hosted by the Ministry of Economy, Trade and Industry and Nippon Kenko Kaigi (Japanese Health Council). The program aims to highlight outstanding enterprises engaged in health and productivity management through efforts towards resolving local health-related issues or incorporating the health promotion schemes recommended by Nippon Kenko Kaigi into their corporate activities. In the first year of this recognition program, 230 companies were listed in the Large Enterprise category (White 500) and 95 in the Small-to-Medium Enterprise category.

The program’s objective is to provide an environment in which each employee can work in good health—both physically and mentally—and this is the reason that our comprehensive health and safety approach is focused on the two pillars of “work style reform” and “promotion of health.” In FY2013, we established the group-wide health promotion committee, composed of the Group companies’ HR divisions, industrial doctors, and the Fujifilm Group health insurance association (see page 46). In FY2015, we also introduced the Health Data Bank system that manages the results of the regular health checks and stress checks for each employee in a comprehensive manner. In FY2017, this system was expanded to cover almost all employees of both the Fuji Xerox and Fujifilm Group companies within Japan.

These efforts resulted in minimizing the medical cost increase within the Group, and a reduction in the total working hours. Based on the data gathered in the Data Bank, we continued to develop more effective health promotion measures and disease prevention schemes.

Summary of Major Health Promotion Schemes

- Introduction of the Health Data Bank system
  - We aim to utilize the health data gathered through this system to create further health promotion measures, and help enable each employee to work in good health.
  - In FY2015, projects are being included visualization of changes in health status such as blood pressure and body mass index. These efforts are aimed to detect individuals who are at risk of diseases and provide intensive support to them for disease prevention.

- Improve health check supports
  - Increase cancer screening check items covered by the corporate health insurance association and also increase subsidies
  - Promote utilization of FUJIFILM Nihonkaibu Endoscopy Clinic

- Encouraging employees to quit smoking
  - Introduction of subsidy to take a quitting smoking class
  - Through implementation of non-smoking environments.

- Utilization of the KenCom service
  - Provide information of health promotion activities and events in a fun and motivating manner

Work Style Reform Evaluation

Work Style Reform by Fujixerox wins various awards

Since Fuji Xerox commenced its Work Style Reform in FY2013, the Company has been working to change employees’ awareness, corporate culture, task prioritization, and process reform in order to improve productivity, enhance workforce diversity, and achieve a good work-life balance. During FY2014, we promoted a home working system and reformed sales business processes such as: (1) Revision of the man-hour system to encourage work in the mornings to ensure work sharing and liaising; (2) Introduction of Home Working System that employees can work in good health—both physically and mentally—this is the reason that our comprehensive health and safety approach is focused on the two pillars of “work style reform” and “promotion of health.” In FY2013, we established the group-wide health promotion committee, composed of the Group companies’ HR divisions, industrial doctors, and the Fujifilm Group health insurance association (see page 46). In FY2015, we also introduced the Health Data Bank system that manages the results of the regular health checks and stress checks for each employee in a comprehensive manner. In FY2017, this system was expanded to cover almost all employees of both the Fuji Xerox and Fujifilm Group companies within Japan.

These efforts resulted in minimizing the medical cost increase within the Group, and a reduction in the total working hours. Based on the data gathered in the Data Bank, we continued to develop more effective health promotion measures and disease prevention schemes.

Awards Concerning Work Style Reform

- Excellent Prize in the Telework in Practice category, 17th Telework Promotion Awards
  (Japan Telework Association) These awards are for companies that encourage telework, and the 17th Telework Promotion Awards were given to the top 10 companies. Fujixerox received an award for teleworking.

- New Diversity Management Selection 100, 2016
  (Host: Ministry of Economy, Trade and Industry) This program, introduced in FY2012, aims to promote diversity management among enterprises by publishing the best practices conducted in those enterprises that gained successful business results through such management. A total of 174 enterprises have been selected over the last four years. In FY2016, 31 enterprises were selected out of 122 applications.

- Encouragement Prize in the Large Enterprise Category under the 1st Awards for Enterprises and Workplaces with Pleasant Work Environments and High Productivity—Enterprises Taking Actions to Balance Increased Productivity and Attractive Working Environments (Ministry of Economy, Trade and Industry) These awards are designed to encourage enterprises to improve both productivity and working environment, by introducing effective measures and location to workers. This award program has been introduced in 144 companies and enterprises applied for the first year. A total of 19 enterprises were selected for the awards, and three received the Excellent Prize, four the Superior Prize, and eight the Encouragement Prize.

- Disaster Recovery Manual
  (Ministry of Internal Affairs and Communications) The Ministry of Internal Affairs and Communications made an appeal for disaster prevention. The Fujifilm Group participated in this recognition program and have continued to improve it, while conducting regular emergency drills. The Group has also participated in various campaigns to promote disaster prevention.

Harassment Prevention Seminars

Sexual harassment prevention program for female workers provided via e-learning

Harassment in the workplace is a serious issue that damages the working environment and severely impacts employees’ working motivation. Fujifilm has already provided compliance-related education including a topic on harassment prevention and had set up the Compliance Helpline. In FY2016, we took a new approach and offered a sexual harassment prevention program for female workers through our e-learning system. Based on the fact that more than 80% of harassment sufferers are women, the program is designed to give female employees some ideas concerning preventive measures against harassment.

It is said that one of the issues related to the occurrence of harassment is “recognition difference” between the harasser and the sufferer concerning the situation. As a means to avoid such recognition difference, this program provided a lesson about a communication skill called “assertion.” This is a skill to enable someone to assert their intention while still valuing both parties engaged in the conversation.

The e-leaning program also provided a comprehensive picture of sexual harassment by giving practical examples in a quiz format. It also introduced the approach that women can adopt to prevent sexual harassment and the communication tips with assertion skills.

The program received favorable response even from male employees who hoped to participate in the program, reporting that there was much they did not notice in the past.

Fujifilm conducts awareness surveys on all employees in Japan to confirm the understanding of compliance among employees and identify any compliance issues. We aim to create an open, fair, and clear working environment, and promote persistent measures that take account of employees’ ideas and social backgrounds.
Products and Services Which Reflect Our Customers’ Views

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

**FUJIFILM Osaka Service Station**: Moved and reopened in 2017

**Other CSR Activities**

*J.D. Power Asia Pacific Japan Color Copier Customer Satisfaction Study (Fuji Xerox)*

<table>
<thead>
<tr>
<th>Year</th>
<th>Top Management</th>
<th>Sales and Marketing</th>
<th>Design</th>
<th>Development</th>
<th>Research</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>95%</td>
<td>90%</td>
<td>85%</td>
<td>80%</td>
<td>75%</td>
</tr>
<tr>
<td>2017</td>
<td>98%</td>
<td>95%</td>
<td>88%</td>
<td>85%</td>
<td>80%</td>
</tr>
</tbody>
</table>

**Mechanisms for Communicating with Customers (Fujifilm Xerox and its affiliates)**

1. Telephone inquiry handling
2. Resistance to refusing defects or defects
3. Number of days for written documents to be completed
4. Ease in understanding the response
5. Willingness to use Fujifilm products in the future
6.愿意性を示す要因で見解する

**Number of Queries on FUJIFILM Web Service System**

- **2016**: 500 replies
- **2017**: 98% of respondents rated the service either “satisfactory” or “very satisfactory” in FY2016. The CS rating was also high in the satisfaction survey of customers who submitted queries to the Integrated Customer Support Center, roughly 98% of respondents rated the service either “satisfactory” or “very satisfactory” in FY2016.

**Customer Satisfaction Questionnaire Survey Results**

- **Customer Satisfaction Index**:-index

**ISO 10002 (International Standard for Complaints Handling Management System)**

- **ISO 10002**: View of the Customer (VOC) collection system; (3) official website; (4) market research; and (5) the CS programs to make improvements based on the CS survey results.

- **Top management’s CS activities**
- **PDCA**
- **Company-wide CS improvement activities at customer contact points**
- **Elimination of complaints and claims, improvement of processing processes based on opinions and requests, etc.**
- **CS improvement activities by each core group**
- **Strategic importance of customer satisfaction**
- **Top management’s CS activities**
- **Implementation of countermeasures to improve handling of customer satisfaction issues based on the Senior Vice President–Chairman CS Executive Meeting, etc.”

- **Fujifilm Xerox’s CS Programs**
- **FY2016 External Appraisals (Fujixerox)**
- **Highest in overall evaluation**
- **The Japan Color Copier Customer Satisfaction Study (Large/Mid-size business segment)**
- **The Japan Color Printer Customer Satisfaction Study**
- **Gartner/Magic quadrant**

- **FUJIFILM Holdings Corporation Sustainability Report 2017**

- **FUJIFILM Sustainable Value Plan 2016**
### Social Contribution Activities

The Fujifilm Group is committed sincerely to contributing to the sustainable development of society in aspects of working together with local communities as a corporate citizen, thereby contributing to the sustainable development of society. In addition to distinctive activities utilizing the unique characteristics of the Group, such as creation of archives of cultural assets and artistic works (record storage), restoration & application of historical manuscripts, providing medical devices in disaster site and developing regulations, education aid in emerging nations, and production support in publishing of large-font textbooks for children with weak sight, we continuously undertook various activities in environmental and other education assistance and in promotion cooperation with local communities. Workshops for children and the Pink Ribbon Movement are spreading all over the world.

In recognition of Fujifilm Kyushu's long-term dedication to groundwater conservation, the company received the Kumamoto Ground Water Conservation Awards 2016 from Kumamoto Ground Water Foundation as the first Grand Prix winner (see page 41). Also, Fuji Xerox's continuous cultural contribution utilizing its documentation technologies has been highly appreciated. One such example was that a copy of the Hiedzura- ni-okeru Rokusui Guankan Kiryou Kiryo Zukan, owned by Toyo Buriko and replicated by Fuji Xerox, was selected as one of the gifts from Japanese Prime Minister Shinzo Abe to President Vladimir Putin of the Russian Federation (see page 30). Also, we continue our support for recovery from the Great East Japan Earthquake and the Great Kanto Earthquake (see page 63).

Overseas, Fuji Xerox started offering learning materials to children who have limited access to primary education in the Philippines in 2014 in order to reduce educational disparity in emerging countries. This activity then spread to Myanmar and Thailand in FY2015, and to Vietnam and Indonesia in FY2016. In FY2017, we plan to start activities in Malaysia, in addition to maintaining and expanding coverage within the above countries. As for tree planting activities in China, it is 19 years since we started. We are continuing with these activities, including maintenance of the planted trees, and they have now developed into extensive activities involving the entire Chinese printing industry.

We will continue to move forward with our social contribution activities that aim to realize the resolution of social issues, taking advantage of our mainstream business activities and paying attention to communication and partnerships with our stakeholders.

#### Social Contribution Activities Continued by the Fujifilm Group

- Connecting Photo Project (Fujifilm)
- Creating digital archives of cultural assets (Fujifilm)
- The Heart to Heart Communication—“PHOTO 10” 5,000—Person Photo Exhibition (Fujifilm)
- Album Call (Fujifilm)
- Reproducing historical documents (Fujifilm)
- Pink Ribbon Campaign (Fujifilm)
- Class photo for young people (Fujifilm)
- Offering large print textbooks to students with low vision (Fuji Xerox)
- Offering learning materials in emerging countries (Fuji Xerox)
- Fuji Xerox Kobayashi Fund (Fuji Xerox)
- Fuji Xerox Print Collection (Fuji Xerox)
- Special Olympics (Fuji Xerox)
- Kitsuki-Koshien (Kitsuki)
- Kankai-Nikki, “Makoto-no-Koroshi” (Kankai)
- “Kids’ ISD 14020” program (Fujifilm)
- Charitable Trust Fujifilm Green Fund (Fujifilm)
- “Kidz no Shizenkai” (Fujifilm)
- Creating digital archives of cultural assets (Fujifilm)
- Volunteer tree planting activity in China (Fujifilm)
- Training sessions for nature guides (Fujifilm)
Supporting a photographic project for children facing bereavement

Through collaborations with a social photographer, FUJIFILM UK Ltd. has donated instant cameras to Child Bereavement UK, a charity that supports families who have lost or are facing the death of a child or who have a child facing bereavement in the family. As a part of their project, the organization planned a session for young people aged between 11 and 25 who have experienced a death in their family to give them an opportunity to talk about topics such as loneliness and friendship through the self-portraits taken with our instax cameras.

Support for Ride 4 Women Tour, a women’s cancer awareness-raising project

In cooperation with the Ministry of Health of the Republic of Turkey, Cancer Department of the National Public Health Agency, Turkey, and European Society of Gynaecological Oncology, FUJIFILM Di. Testier A. G. FTFR is proactively supporting the Ride 4 Women Tour, a European tour by professional cyclists to raise awareness of women’s cancer. FTFR was awarded a plaque in recognition of our contribution as operational staff of the tour, not only as a sponsor.

Book donations started by our staff members suggestion now cultivates children’s dreams

Fujicolor Hpai Phong Co., Ltd. started donating books to elementary schools nearby in 2017 to support deprived children. The donations started with an idea from our staff members suggesting offering an opportunity for children to gain a wide ranging knowledge of the world through books, enabling them to see the future. In 2017, we donated 514 books to Thu Thua elementary school along with notebooks and pencils for children in deprived areas so that they too can have an opportunity to study.

Offering learning materials in emerging countries to reduce educational gap

In 2014, Fuji Xerox started offering learning materials in the Philippines to reduce educational disparities among children. Now the activity, has expanded to other emerging countries in the Asia and Pacific regions. Offerings in Myanmar and Thailand started in FY2015, and expanded to Vietnam and Indonesia in FY2016. The number of children who are enjoying our learning materials has now reached 72,000. We plan to start offering in Malaysia in FY2017, aiming to help 100,000 children by 2023.

Photographs capture the joy of flight by children with rare or intractable diseases

To mark Rare Disease Day, on February 27, an event was held in a Philippine Navy base for children with rare diseases and their parents to experience flying in a navy airplane. Considering the children’s wishes, the event was arranged to help photograph the children. Our staff members flew in the aircraft and helicopter together with the children and took photos of them enjoying precious moment of flying in a special aircraft that they hardly experienced of. These photographs were later exhibited in a shopping mall in the Philippines. Thanks are extended from Photography with a Difference led by John Chua and Harvey Chua together with the Core group members; Pet Salvador, Santia Zahra and Agnes Lepina.

Support for recovery from the Great East Japan Earthquake and the Great Kumamoto Earthquake

Volunteering to rebuld a coastal windbreak

Since 2013, Fujifilm has been volunteering for an activity to recover the coastal windbreak in Iwaki, Fukushima Prefecture. A sand dune that had lost most of its sand due to heavy waves caused by typhoon activities is organized by the Fujifilm Labor Union, and Fuji Xerox and their family members plant trees and reseed weeds in the windbreak area. A total of 37 people, including Group company staff members, participated in the session held on October 15, 2016. They removed weeds, planted 200 Japanese black pine seedlings.

March for Disaster Recovery

The March for Disaster Recovery is a sake event held in Fujifilm Group companies, where produce of areas affected by the Great East Japan Earthquake and the Great Kumamoto Earthquake are sold. In July 2016 Fujifilm America started the Authentic Recovery Collection Project, where the company placed an order to the Prefecture of Kumamoto Group members, asking for the purchase of the tamami inn, in support of the region. Fujifilm and Kumamoto have long-term business relationships, and Fujifilm purchased 1,800 sets of tamami inn, and Fujifilm in their head office in Tokyo Molbren also held a March for Disaster Recovery only for employees in the region. Fujifilm raised funds by selling the tamami inn and by asking other companies to join the cause.

Annual participation in the Youngsters’ Science Festival to spread interest in science

Toyama Chemical Co., Ltd. participated in the Toyama Convention of Youngsters’ Science Festival, a scientific competition held across Japan to promote interest in the sciences among children and young people. Since 2014, we newly started staff members participated in the 2016 Toyama Convention as support staff. With the focus on how we can encourage children to become interested in sciences, each day we discussed the experiment to be presented at the Convention. We eventually decided to organize a hands-on session to make an eco-friendly hand-warmer under the theme of “thermal reaction” and 150 children enjoyed making their own hand warmers in our booth.

Occupational training program for future entrepreneurs to learn manufacturing basics

Since 2015, Fuji Xerox Advanced Technology Co., Ltd. has been offering help with an occupational training program in Hino Chuo Special Needs High School in Yokohama. This is our attempt to contribute to students’ skill development through our program. In FY2016, the students gave a presentation of their achievements in an activity results report session under the Hamako Future Company Project hosted by the Board of Education, Yokohama City. We are truly pleased with their growth and advancement. We plan to further refine the program so that we can offer it to a greater number of schools.

Participation-based photography exhibition of the thoughts and feelings of 50,000 people

Since starting in 2008 as PHOTO 5 Exhibition by 10,000 People, the exhibition will be expanded in scale from 2017 as PHOTO 50,000 Person Photo Exhibition. Through the display of 3 million photos of 50,000 people, each participant will be displayed in 378 photos with their thoughts reflected in their works, the exhibition drew a total of 1,705,250 people during the period. In addition, visitor numbers reaching nearly six million. A photo postcard is put at the exhibition to enable visitors to send hand-written messages to participants on what they felt after seeing their works.
The State of Corporate Governance

FUJIFILM Holdings is aiming to foster sustainable growth, achieve higher corporate value and contribute to the sustainable development of society through sincere and fair business activities. We regard corporate governance as the foundation for achieving these goals and a key issue in business management. Regarding matters of the inappropriate accounting at overseas subsidiaries of Fuji Xerox Co., Ltd., uncovered this year, actions have been taken responding to the report of the Independent Investigation Committee sincerely. We are establishing a transparent business process to strengthen Group governance and prevent any recurrence by integrating part of Fuji Xerox’s headquarters and management functions into FUJIFILM Holdings, further expanding personnel exchanges within the Group, including management personnel, and rebuilding and strengthening internal control at Fuji Xerox and its subsidiaries, including the system for reporting to FUJIFILM Holdings (see page 8).

Corporate Governance Structure

FUJIFILM Holdings has positioned the board of directors as the foundation for determining basic Group management policies and strategies and other important matters relating to business execution, as well as supervising the implementation of business affairs. The Company’s Articles of Incorporation stipulate that the board can consist of up to 12 directors. Currently, the board has nine directors, including three outside directors (changed on June 29, 2017). To better clarify their missions and responsibilities, the directors have a one-year term of office. The attendance of outside directors to the board of directors meetings held during the term ended March 2017 was 88% (13 meetings in total). Additionally, FUJIFILM Holdings has adopted an executive office system to facilitate speedier business execution. The Company currently has 13 executive officers, including six concurrently serving as Board Members. The executive officers have a one-year term of office, the same as the Company’s Directors. The Company discloses the number of individuals to whom remuneration is paid and the total amount of remuneration by Directors as well as Audit & Supervisory Board members. Meanwhile, we have adopted a remuneration system under the stock option program to make its directors and executive officers, excluding outside directors, share a mutual interest—the effect of stock price fluctuations—with their shareholders. In this way, the directors and executive officers are in actual fact encouraged to have stronger drive and morale toward achieving higher corporate value.

Audit

FUJIFILM Holdings has adopted a system of Audit & Supervisory Board, which currently consists of four members, including two outside members. Each Audit & Supervisory Board member attends directors’ meetings, while full-time members attend all Management Council meetings in order to assess our overall business operations. The attendance of outside auditors to the board of directors meetings held during the term ended March 2017 was 92% (13 meetings in total). Also, the attendance of outside auditors to the Audit & Supervisory Board meetings held during the term ended March 2017 was 96% (13 meetings in total). The restructuring of our audit system led to the establishment of the Global Audit Division in September 2017, consisting of 56 members, which will strengthen the internal audit function and introduce global auditing. The new division will assess and verify the current state of internal control and business operations through the Group. These improvements are supervised by FUJIFILM Holdings for greater transparency and speed of action.

CSR Management

The Fujifilm Group’s CSR Promotion System and Related Policies

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

The Fujifilm Group established the CSR Committee chaired by the Chairman of FUJIFILM Holdings. The Committee takes decisions on the important matters relating to the CSR activities of the entire Group. The CSR Committee reports to the General Meeting of Shareholders. The CSR Committee is also a management council that makes decisions relating to corporate social responsibility and receives reports on CSR-related activities from the CSR Department and various operating companies.

Communication with Stakeholders

Companies conduct their activities while interacting and maintaining relations with a wide variety of stakeholders, and it is important to listen carefully to their various views and expectations. At the Fujifilm Group, we ensure that we make appropriate information disclosures as well as verifying, at various opportunities, whether or not our business activities are responding to the demands and expectations of all our stakeholders, and reflecting our findings in our business activities. To ensure that our stakeholders’ views are reflected in our CSR activities, we also review them in our Sustainability Report. In addition to opinions relating to our CSR activities as a whole, regarding priority issues such as the promotion of anti-global warming measures, the promoting body for each issue conducts briefings on the content of the activities and presents the respective report to external parties, to receive their advice and evaluation. Looking back over our activities and obtaining the views of external parties in this way provides a good opportunity to reassess our activities. We plan to continue these efforts to make them better activities in the future.

* See pages 37, 51, 80, 81.

The Fujifilm Group’s Approach to CSR and Related Policies

FUJIFILM Corporation Charter for Corporate Behavior and Code of Conduct

Fujifilm Charter for Corporate Behavior and Code of Conduct

FUJIFILM Holdings Corporation Sustainability Report 2017
Communication with Stakeholders

Fujifilm Values these opinions and has already conducted a potential risk assessment within the supply chain (see page 47). We plan to incorporate such opinions into the human rights policies that we are currently developing.

Fujifilm, through its partnership with the University of Tokyo, has made great strides in the area of wind power. This partnership has helped Fujifilm to better understand the technology and potential of wind power, and has allowed the company to develop new products and services that will help to reduce its carbon footprint. This is just one example of the many ways in which Fujifilm is committed to sustainability and responsible business practices. We hope that our partnership with the University of Tokyo will continue to be successful, and that we will be able to make even greater contributions to the environment in the future.

Dialogue concerning Human Right Due Diligence

In September 2016, Fujifilm participated in the 2016 Business and Human Rights Conference in Tokyo, hosted by Caux Round Table Japan (co-hosted by Institute for Human Rights and Business, etc.), and held individual meetings with human right experts from across the world. We sought opinions and advice from these experts on our Group CSR procurement activities including the aspect of employees’ human rights. We received recognition of the CSR activities focused on SDGs, and advice on identifying concrete human rights issues within the supply chain and related remedies for suppliers.

Fujifilm values these opinions and has already conducted a potential risk assessment within the supply chain (see page 47). We plan to incorporate such opinions into the human rights policies that we are currently developing.

Pipe line to the global community

Fujifilm recognizes that the success of its operations depends on a strong foundation of trust and respect from its stakeholders. In order to ensure this foundation, Fujifilm engages in regular communications with a wide range of stakeholders, including customers, employees, investors, local communities, and environmental groups. This allows the company to better understand the needs and expectations of its stakeholders, and to develop strategies that are aligned with their interests.

CSR Management

The Fujifilm Group’s Communications with Stakeholders

The Fujifilm Group conducts transactions worldwide with suppliers of raw materials and components, and retailers of our products, etc.

The lecture was attended by about 120 people of pollution control managers/supervisors from companies in Kanagawa Prefecture.

Fujifilm Group company members in Japan in April 2016. We hope that each employee will deepen their understanding of our Group

Management

CSR Management

The Fujifilm Group conducts transactions worldwide with suppliers of raw materials and components, and retailers of our products, etc.

The lecture was attended by about 120 people of pollution control managers/supervisors from companies in Kanagawa Prefecture.

Fujifilm Group company members in Japan in April 2016. We hope that each employee will deepen their understanding of our Group

Management
## Personnel and Labor (FUJIFILM Corporation)

### Employment

#### Composition of the Fujifilm workforce

<table>
<thead>
<tr>
<th>As of March 31, 2017</th>
<th>Total</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive officer*</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General employees</td>
<td>9,626</td>
<td>7,687</td>
<td>1,939</td>
</tr>
<tr>
<td>Management personnel</td>
<td>1,113</td>
<td>894</td>
<td>219</td>
</tr>
<tr>
<td>Senior executive</td>
<td>170</td>
<td>110</td>
<td>60</td>
</tr>
<tr>
<td>Temporary employees</td>
<td>104</td>
<td>86</td>
<td>18</td>
</tr>
<tr>
<td>Part-timers</td>
<td>16</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other (Contract employees, etc.)</td>
<td>51</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>11,005</td>
<td>8,890</td>
<td>2,115</td>
</tr>
</tbody>
</table>

#### Employment of persons with disabilities

<table>
<thead>
<tr>
<th>FY2012</th>
<th>FY2013</th>
<th>FY2014</th>
<th>FY2015</th>
<th>FY2016</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.01%</td>
<td>2.10%</td>
<td>2.10%</td>
<td>2.24%</td>
<td>2.30%</td>
<td></td>
</tr>
</tbody>
</table>

*2 FY2012 to April 30, 2017.

#### Re-employment

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>29</td>
<td>10</td>
<td>13</td>
<td>19</td>
<td>37</td>
</tr>
</tbody>
</table>

Employees re-employed after retirement during the relevant fiscal year (April 1 to March 31).

#### Number of employees taking a leave of absence

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>2</td>
<td>5</td>
<td>3</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>Female</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>2</td>
<td>5</td>
<td>3</td>
<td>2</td>
<td>4</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>5</td>
<td>1</td>
<td>1</td>
<td>5</td>
<td>0</td>
</tr>
<tr>
<td>Female</td>
<td>1</td>
<td>4</td>
<td>2</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>6</td>
<td>5</td>
<td>3</td>
<td>7</td>
<td>0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Female</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

#### Number of employees taking a care leave (number of days)

<table>
<thead>
<tr>
<th>Care leave</th>
<th>FY2012</th>
<th>FY2013</th>
<th>FY2014</th>
<th>FY2015</th>
<th>FY2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nursing care</td>
<td>13</td>
<td>18</td>
<td>13</td>
<td>15</td>
<td>28</td>
</tr>
<tr>
<td>Childcare leave</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>27</td>
<td>27</td>
</tr>
<tr>
<td>Child medical care</td>
<td>20</td>
<td>29</td>
<td>6</td>
<td>7</td>
<td>18</td>
</tr>
<tr>
<td>Total</td>
<td>65</td>
<td>56</td>
<td>26</td>
<td>37</td>
<td>73</td>
</tr>
</tbody>
</table>

#### Recruitment

<table>
<thead>
<tr>
<th>Category</th>
<th>Total</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>New graduate recruitment*</td>
<td>88</td>
<td>39</td>
<td>50</td>
</tr>
<tr>
<td>Administrative positions</td>
<td>31</td>
<td>11</td>
<td>20</td>
</tr>
<tr>
<td>Factory recruitment</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Mid-career recruitment**</td>
<td>31</td>
<td>29</td>
<td>2</td>
</tr>
</tbody>
</table>

*Number of new graduates recruited for the fiscal year is confirmed at the beginning of April (FY2017).
**Number of mid-career recruitment represents those from April 2016 to March 2017.

### System for a good work-life balance

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

### Labor

#### Work accident rate and work accident severity

<table>
<thead>
<tr>
<th>FY2014</th>
<th>FY2015</th>
<th>FY2016</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.06%</td>
<td>0.12%</td>
<td>0.20%</td>
<td>0.20%</td>
</tr>
<tr>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>0.20%</td>
<td>0.00%</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
</tbody>
</table>

#### Revisions to systems operating in accordance with agreements between the labor union and the company (in the last five years)

<table>
<thead>
<tr>
<th>Year</th>
<th>Revision of travel expenses</th>
<th>Revision of employees systems</th>
<th>Revision of overseas working conditions</th>
<th>Revision of re-employment after retirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>Revision of work regulations, wage rules and other labor-related regulations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>Revision of work regulations, wage rules, retirement allowance regulations and overseas travel regulations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>Revision of travel expenses and company house management regulations</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Revisions for domestic affiliates for secondment in Japan

<table>
<thead>
<tr>
<th>Year</th>
<th>Revision of work regulations, wage rules and other labor-related regulations</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td></td>
</tr>
</tbody>
</table>

#### Revisions of overseas working conditions

<table>
<thead>
<tr>
<th>Year</th>
<th>Revision of work regulations, wage rules and other labor-related regulations</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td></td>
</tr>
</tbody>
</table>

#### Revisions of work regulations, wage rules, retirement allowance regulations and overseas travel regulations

<table>
<thead>
<tr>
<th>Year</th>
<th>Revision of work regulations, wage rules, retirement allowance regulations and overseas travel regulations</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td></td>
</tr>
</tbody>
</table>

#### Revisions of overseas working conditions

<table>
<thead>
<tr>
<th>Year</th>
<th>Revision of work regulations, wage rules and other labor-related regulations</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td></td>
</tr>
</tbody>
</table>

### Occupational Health and Safety Committee

The Occupational Health and Safety Committee comprises, in some number of labor and management representatives, in compliance with laws and regulations.

### Composition of labor union membership

<table>
<thead>
<tr>
<th>Union members</th>
<th>Proportion of union membership</th>
<th>Average age of union members</th>
</tr>
</thead>
<tbody>
<tr>
<td>3,494</td>
<td>70.41%</td>
<td>39.9</td>
</tr>
</tbody>
</table>

*Rate against regular employees including managerial personnel and senior experts

### Capacity building

<table>
<thead>
<tr>
<th>Capacity building floor</th>
<th>Number of total cost per employee</th>
</tr>
</thead>
<tbody>
<tr>
<td>24,728 hours</td>
<td>11.3 hours</td>
</tr>
<tr>
<td>130.57 million yen</td>
<td>59,404 yen</td>
</tr>
</tbody>
</table>
### Employment

**Compliance of the Fuji Xerox workforce**

<table>
<thead>
<tr>
<th>As of March 31, 2017</th>
<th>Total</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2012</td>
<td>6,087</td>
<td>4,943</td>
<td>1,144</td>
</tr>
<tr>
<td>FY2013</td>
<td>5,943</td>
<td>4,801</td>
<td>1,142</td>
</tr>
<tr>
<td>FY2014</td>
<td>5,823</td>
<td>4,676</td>
<td>1,147</td>
</tr>
<tr>
<td>FY2015</td>
<td>5,679</td>
<td>4,524</td>
<td>1,155</td>
</tr>
<tr>
<td>FY2016</td>
<td>5,549</td>
<td>4,396</td>
<td>1,153</td>
</tr>
</tbody>
</table>

**Number of non-regular employees**

<table>
<thead>
<tr>
<th>As of March 31, 2017</th>
<th>Total</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2012</td>
<td>1,262</td>
<td>1,045</td>
<td>217</td>
</tr>
<tr>
<td>FY2013</td>
<td>1,259</td>
<td>1,045</td>
<td>214</td>
</tr>
<tr>
<td>FY2014</td>
<td>1,261</td>
<td>1,049</td>
<td>212</td>
</tr>
<tr>
<td>FY2015</td>
<td>1,259</td>
<td>1,051</td>
<td>208</td>
</tr>
<tr>
<td>FY2016</td>
<td>1,272</td>
<td>1,056</td>
<td>216</td>
</tr>
</tbody>
</table>

**Employees re-employed after retirement**

<table>
<thead>
<tr>
<th>As of March 31, 2017</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2012</td>
<td>104</td>
</tr>
<tr>
<td>FY2013</td>
<td>146</td>
</tr>
<tr>
<td>FY2014</td>
<td>130</td>
</tr>
<tr>
<td>FY2015</td>
<td>102</td>
</tr>
<tr>
<td>FY2016</td>
<td>114</td>
</tr>
</tbody>
</table>

**Number of employees as of the end of FY2016**

<table>
<thead>
<tr>
<th>As of March 31, 2017</th>
<th>Total</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2012</td>
<td>7,359</td>
<td>5,943</td>
<td>1,416</td>
</tr>
<tr>
<td>FY2013</td>
<td>7,212</td>
<td>5,796</td>
<td>1,416</td>
</tr>
<tr>
<td>FY2014</td>
<td>7,080</td>
<td>5,724</td>
<td>1,356</td>
</tr>
<tr>
<td>FY2015</td>
<td>6,933</td>
<td>5,577</td>
<td>1,356</td>
</tr>
<tr>
<td>FY2016</td>
<td>6,789</td>
<td>5,433</td>
<td>1,356</td>
</tr>
</tbody>
</table>

**Number of mid-career recruitment**

<table>
<thead>
<tr>
<th>As of March 31, 2017</th>
<th>Total</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2012</td>
<td>554</td>
<td>462</td>
<td>92</td>
</tr>
<tr>
<td>FY2013</td>
<td>779</td>
<td>691</td>
<td>88</td>
</tr>
<tr>
<td>FY2014</td>
<td>1,143</td>
<td>995</td>
<td>148</td>
</tr>
<tr>
<td>FY2015</td>
<td>1,457</td>
<td>1,272</td>
<td>185</td>
</tr>
<tr>
<td>FY2016</td>
<td>1,739</td>
<td>1,520</td>
<td>219</td>
</tr>
</tbody>
</table>

**Number of regular employees**

<table>
<thead>
<tr>
<th>As of March 31, 2017</th>
<th>Total</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2012</td>
<td>6,087</td>
<td>4,943</td>
<td>1,144</td>
</tr>
<tr>
<td>FY2013</td>
<td>5,943</td>
<td>4,801</td>
<td>1,142</td>
</tr>
<tr>
<td>FY2014</td>
<td>5,823</td>
<td>4,676</td>
<td>1,147</td>
</tr>
<tr>
<td>FY2015</td>
<td>5,679</td>
<td>4,524</td>
<td>1,155</td>
</tr>
<tr>
<td>FY2016</td>
<td>5,549</td>
<td>4,396</td>
<td>1,153</td>
</tr>
</tbody>
</table>

**Revisions to systems operating in accordance with agreements**

<table>
<thead>
<tr>
<th>Year</th>
<th>Item</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>Introduction of irregular working hours support system for developers and SEs</td>
</tr>
<tr>
<td>2013</td>
<td>Revision of the employment and evaluation criteria for post-retirement re-employees</td>
</tr>
<tr>
<td>2014</td>
<td>Introduction of on-site irregular working hours support system for SEs</td>
</tr>
<tr>
<td>2015</td>
<td>Revision of working conditions, support and employee welfare with consideration of various programs at Group companies</td>
</tr>
<tr>
<td>2016</td>
<td>Agreement between labor and management regarding the terms and conditions for applying a program to transfer and a leave of absence due to accompanying a spouse’s transfer</td>
</tr>
<tr>
<td>2016</td>
<td>Revision of systems for childcare and nursing care due to the change of the related laws</td>
</tr>
<tr>
<td>2016</td>
<td>Change of starting point for redeeming on yearly paid vacation according to the systems at the Group companies in Japan</td>
</tr>
</tbody>
</table>

### Personnel and Labor (Fuji Xerox)

**System for a good work-life balance**

- **Maternity leave** (paid)
  - Leave of absence for childcare program (from pregnancy to third grade of elementary school) • Shortened working hours for childcare (at least sixth grade of elementary school)
  - Special leave for supporting the self's child's birth or death (2 days, second child's birth or death) • Leave of absence for support (one year leave system for family treatment)

- **Leaves of absence for workers**
  - Leave of absence for nursing care • Leave of absence for childcare and nursing care • Leave of absence due to accompanying a spouse's transfer

- **Leave of absence for employees**
  - Leave of absence for retirement • Leave of absence for medical care

- **Volunteer work**
  - Voluntary work

**OCCUPATIONAL HEALTH AND SAFETY COMMITTEE**

- **System for a good work-life balance**
  - Maternity leave (paid)
  - Leave of absence for childcare program (from pregnancy to third grade of elementary school)
  - Shortened working hours for childcare (at least sixth grade of elementary school)
  - Special leave for supporting the self’s child’s birth or death (2 days, second child’s birth or death) • Leave of absence for support (one year leave system for family treatment)

- **Leaves of absence for workers**
  - Leave of absence for nursing care • Leave of absence for childcare and nursing care • Leave of absence due to accompanying a spouse’s transfer

- **Leave of absence for employees**
  - Leave of absence for retirement • Leave of absence for medical care

- **Volunteer work**
  - Voluntary work

**OCCUPATIONAL HEALTH AND SAFETY COMMITTEE**

The Occupational Health and Safety Committee convenes with various number of labor and management representatives, in compliance with laws and regulations.

### Revisions to systems operating in accordance with agreements between the labor union and the company (in the last five years)

- **Introduction of irregular working hours support system for developers and SEs**
- **Revision of the employment and evaluation criteria for post-retirement re-employees**
- **Introduction of on-site irregular working hours support system for SEs**
- **Revision of working conditions, support and employee welfare with consideration of various programs at Group companies**
- **Agreement between labor and management regarding the terms and conditions for applying a program to transfer and a leave of absence due to accompanying a spouse’s transfer**
- **Revision of systems for childcare and nursing care due to the change of the related laws**
- **Change of starting point for redeeming on yearly paid vacation according to the systems at the Group companies in Japan**

### System for a good work-life balance

#### Giving birth and childcare

<table>
<thead>
<tr>
<th>FY2012</th>
<th>FY2013</th>
<th>FY2014</th>
<th>FY2015</th>
<th>FY2016</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
</tbody>
</table>

#### Nursing care

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
</tbody>
</table>

#### Work accident rate and work accident severity

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
</tbody>
</table>

#### Work accident rate**1**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
</tbody>
</table>

#### Work accident severity**2**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
</tbody>
</table>

#### Number of mid-career recruitment**3**

<table>
<thead>
<tr>
<th>As of March 31, 2017</th>
<th>Total</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2012</td>
<td>554</td>
<td>462</td>
<td>92</td>
</tr>
<tr>
<td>FY2013</td>
<td>779</td>
<td>691</td>
<td>88</td>
</tr>
<tr>
<td>FY2014</td>
<td>1,143</td>
<td>995</td>
<td>148</td>
</tr>
<tr>
<td>FY2015</td>
<td>1,457</td>
<td>1,272</td>
<td>185</td>
</tr>
<tr>
<td>FY2016</td>
<td>1,739</td>
<td>1,520</td>
<td>219</td>
</tr>
</tbody>
</table>

#### Number of employees taking occupational health and safety training

<table>
<thead>
<tr>
<th>Capacity building<strong>1</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2012</td>
</tr>
<tr>
<td>FY2013</td>
</tr>
</tbody>
</table>

#### Number of employees taking occupational health and safety training (in thousand)

* As of March 31, 2017

1. *As the number of new graduates recruited for the fiscal year is confirmed at the year end.
2. *As the number of new graduates recruited for the fiscal year is confirmed at the year end.
3. *As the number of new graduates recruited for the fiscal year is confirmed at the year end.
**Compliance and Risk Management**

### Compliance

**Compliance education (FujiFilm in Japan)**

- **Intended audience**: FujiFilm and its affiliates
- **Details**: Completed overall training by CP & RM.
  - All employees (FujiFilm and its affiliates, including agency contracted employees)
    - Discussions on general legal knowledge (Web-based training for fraud/harassment as well as basic legal knowledge)
    - All employees (including contract/temporary employees)
    - Risk Management Training (Web-based training on risk management including information security)
    - New executive officers (Group training on general management for executives including director's management duties and responsibilities)
    - New managerial staff (Group training such as lectures about disciplinary actions and group discussions using examples to obtain general compliance knowledge that managerial staff should know)
    - New employees
      - Basic knowledge of compliance, employee code of conduct, corporate rules, consulting facility, etc.

**All managerial staff**

- Importance of Labor Management for business management (Web-based training to disseminate the importance of Labor Management that is the foundation of business management)
  - Once (95% target) by April 2018; 27,146 Participants who complete the program. 25,224

**All executive officers and employees**

- Training on general legal knowledge (Web-based training for fraud/harassment as well as basic legal knowledge)
  - Once, 22,521 participants

**New executive officers**

- New executive officer training (Group training on general management for executives including director's management duties and responsibilities)
  - Once, 20,468 participants

**New managerial staff**

- New managerial staff training (Group training such as lectures about disciplinary actions and group discussions using examples to obtain general compliance knowledge that managerial staff should know)
  - 5 times, 304 participants

**New employees**

- New employee training (Group training for legal compliance that maintain the basic Corporate Quality by understanding the basic CSR policies and activities)
  - Once, 372 participants

### Risk Management

**Acquisition of P-Mark and ISMS**

- **As of July 2017**
- **As of May 2017**

**P-Mark**

- FujiFilm Global Graphic Systems Co., Ltd.
- FujiFilm Systems Corporation
- FujiFilm Chemicals Corporation
- FujiFilm Imaging Systems Co., Ltd.
- FujiFilm Medical Co., Ltd.
- FujiFilm Medical Systems Corporation
- FujiFilm Medical Systems (China) Ltd.
- FujiFilm Medical Systems Co., Ltd.

**ISMS**

- FujiFilm Global Graphic Systems Co., Ltd.
- FujiFilm Systems Corporation
- FujiFilm Manufacturing Co., Ltd.
- FujiFilm Medical Co., Ltd.
- FujiFilm Medical Systems Corporation
- FujiFilm Medical Systems (China) Ltd.
- FujiFilm Medical Systems Co., Ltd.
- FujiFilm Medical Systems Corporation
- FujiFilm Medical Systems (China) Ltd.

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

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

### Environmental Aspects

**Priority Targets**

**FujiFilm FY2017 Priority Issues**

<table>
<thead>
<tr>
<th>Priority Issues</th>
<th>Strategies</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Contributing to resolving environmental issues through products and services</td>
<td>1) Develop and disseminate products and services that contribute to resolving environmental issues. (CO2 emission reduction, water issues, energy issues)</td>
</tr>
<tr>
<td>2. Quantifying FujiFilm's contribution to CO2 emissions reduction based on the Environmental Contribution Effectiveness</td>
<td>2) Quantifying FujiFilm's contribution to CO2 emissions reduction based on the Environmental Contribution Effectiveness to convey our efforts to customers.</td>
</tr>
<tr>
<td>3. Improving the efficiency of environmental management</td>
<td>3) Improving the efficiency of environmental management.</td>
</tr>
<tr>
<td>4. Promoting the effective use of resources</td>
<td>4) Promote efficient use of resources.</td>
</tr>
<tr>
<td>5. Enhance the CSR framework supporting the corporate activities across the value chain</td>
<td>5) Continue dissemination of approaches and systems to the supply chain concerning management of chemicals in products.</td>
</tr>
<tr>
<td>6. Environment and safety risk management</td>
<td>6) Maintain systems that enable Lawrence and regulations and adherence to voluntary management targets.</td>
</tr>
<tr>
<td>7. Information disclosure and communication of relevant information</td>
<td>7) Continue to control the level of VOC emissions generated from the production process.</td>
</tr>
<tr>
<td>8. Employee education</td>
<td>8) Employees education.</td>
</tr>
</tbody>
</table>

**Fujixerox FY2017 Priority Issues**

<table>
<thead>
<tr>
<th>Priority Issues</th>
<th>Strategies</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Contributing to resolving environmental issues through products and services</td>
<td>1) Develop and disseminate products and services that contribute to resolving environmental issues (CO2 emission reduction, water issues, energy issues)</td>
</tr>
<tr>
<td>2. Quantifying Fujixerox's contribution to CO2 emissions reduction based on the Environmental Contribution Effectiveness</td>
<td>2) Quantifying Fujixerox's contribution to CO2 emissions reduction based on the Environmental Contribution Effectiveness to convey our efforts to customers.</td>
</tr>
<tr>
<td>3. Improving the efficiency of environmental management</td>
<td>3) Improving the efficiency of environmental management.</td>
</tr>
<tr>
<td>4. Promoting the effective use of resources</td>
<td>4) Promote efficient use of resources.</td>
</tr>
<tr>
<td>5. Enhance the CSR framework supporting the corporate activities across the value chain</td>
<td>5) Continue dissemination of approaches and systems to the supply chain concerning management of chemicals in products.</td>
</tr>
<tr>
<td>6. Environment and safety risk management</td>
<td>6) Maintain systems that enable Lawrence and regulations and adherence to voluntary management targets.</td>
</tr>
<tr>
<td>7. Information disclosure and communication of relevant information</td>
<td>7) Continue to control the level of VOC emissions generated from the production process.</td>
</tr>
<tr>
<td>8. Employee education</td>
<td>8) Employees education.</td>
</tr>
</tbody>
</table>
Environmental Aspects

Anti-GLOBAL Warming Measures

CO2 emissions*

<table>
<thead>
<tr>
<th>Year</th>
<th>Japan/ Manufacturing</th>
<th>Overseas</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>1,084,493</td>
<td>386,625</td>
</tr>
<tr>
<td>2013</td>
<td>980,859</td>
<td>363,803</td>
</tr>
<tr>
<td>2014</td>
<td>929,727</td>
<td>354,174</td>
</tr>
<tr>
<td>2015</td>
<td>864,846</td>
<td>347,313</td>
</tr>
<tr>
<td>2016</td>
<td>798,798</td>
<td>331,286</td>
</tr>
</tbody>
</table>

- *CO2 emissions are calculated as the amount of CO2 emitted by FUJIFILM Logistics Co. Ltd. in its logistics activities for the Fujifilm Group companies. Since FY2009, we shifted our CO2 calculation methodology to the revised Energy Conservation Law (travel distance of empty cars not included in calculations, etc.).

- In the FY2016, we enforced our activities for CO2 reductions in collaboration with a specified consignee. Major reduction initiatives, which proved effective, include starting modal shifts with reporting under the Revised Act on the Rational Use of Energy. Moreover, figures for the Group total may not reflect the sum of each subtotal. In addition, some environmental data have been revised after publishing past data to take account of the change in the database in FY2016.

Environmental Conscious in Logistics

- Annual changes in total CO2 emissions in domestic logistics

- Annual changes in amount of CO2 reductions and reduction rates through transportation efficiency improvements

- Annual changes in CO2 emissions by region (manufacturing)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan/ Manufacturing</td>
<td>1,084</td>
<td>980</td>
<td>929</td>
<td>864</td>
<td>798</td>
</tr>
<tr>
<td>Overseas</td>
<td>386</td>
<td>363</td>
<td>354</td>
<td>347</td>
<td>331</td>
</tr>
</tbody>
</table>

- Data and Information

Environmental Aspects

- Sustainable Value Plan 2016

- 2016 CO2 emissions by region (manufacturing)

<table>
<thead>
<tr>
<th>Region</th>
<th>FY2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan/ Manufacturing</td>
<td>829</td>
</tr>
<tr>
<td>Overseas</td>
<td>1,170</td>
</tr>
</tbody>
</table>

- Environment Conscious in Logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics

- Environmentally conscious in logistics
Environmental Aspects

Reducing Chemical Substances Emissions
- Response to the PRTR Law (Fujifilm and its domestic affiliates)
  In addition to those substances that must be reported under the PRTR Law (Pollutant Release and Transfer Register Law), Fujifilm controls another 10 items on a voluntary basis, primarily substances specified by the Japan Chemistry Industry Association as requiring autonomous monitoring, and has been endeavoring to reduce those emission on consolidated basis.
  Data (useage volume, atmospheric emissions volume, emission into public water, volume going into sewage water, volume moved outside of facilities, and volume recycled) on substances used in amounts of one ton or more per year by Fujifilm and its domestic affiliates may be found on the following Fujifilm websites.
  
  http://www.fujifilm.co.jp/corporate/environment/preservation/site/atmosphere/prtr.html

- Annual changes in atmospheric emissions of VOCs (netural tons)
  
<table>
<thead>
<tr>
<th>Year</th>
<th>Japan</th>
<th>Overseas</th>
<th>Group total</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2012</td>
<td>4.12</td>
<td>0.18</td>
<td>4.30</td>
</tr>
<tr>
<td>FY2013</td>
<td>4.35</td>
<td>0.20</td>
<td>4.55</td>
</tr>
<tr>
<td>FY2014</td>
<td>4.56</td>
<td>0.25</td>
<td>4.81</td>
</tr>
<tr>
<td>FY2015</td>
<td>4.82</td>
<td>0.30</td>
<td>5.12</td>
</tr>
</tbody>
</table>

- Annual changes in water contaminant burden & emissions*
  
<table>
<thead>
<tr>
<th>Substance</th>
<th>FY2012</th>
<th>FY2013</th>
<th>FY2014</th>
<th>FY2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Methane</td>
<td>10.4</td>
<td>11.5</td>
<td>12.3</td>
<td>12.9</td>
</tr>
<tr>
<td>Ethane</td>
<td>35.0</td>
<td>37.1</td>
<td>39.0</td>
<td>40.5</td>
</tr>
<tr>
<td>Acetone</td>
<td>15.1</td>
<td>17.3</td>
<td>18.5</td>
<td>19.7</td>
</tr>
</tbody>
</table>

Pollution Prevention Measures
- Annual changes in volume of atmospheric emissions
  
<table>
<thead>
<tr>
<th>Substance</th>
<th>FY2012</th>
<th>FY2013</th>
<th>FY2014</th>
<th>FY2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>SOx emissions</td>
<td>107</td>
<td>103</td>
<td>94</td>
<td>87</td>
</tr>
<tr>
<td>NOx emissions</td>
<td>23</td>
<td>29</td>
<td>25</td>
<td>19</td>
</tr>
</tbody>
</table>

- Storage and management of devices/equipment containing PCBs (FY2016)
  
<table>
<thead>
<tr>
<th>Number of items</th>
<th>Quantity</th>
<th>Weight (tons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FUJIFILM Corporation</td>
<td>25</td>
<td>0.1</td>
</tr>
<tr>
<td>Fujifilm Healthcare Asia Pte. Ltd.</td>
<td>10</td>
<td>0.1</td>
</tr>
<tr>
<td>Fujifilm Healthcare Co., Ltd.</td>
<td>5</td>
<td>0.1</td>
</tr>
<tr>
<td>Fujifilm Healthcare K.K.</td>
<td>15</td>
<td>0.2</td>
</tr>
<tr>
<td>Fujifilm Healthcare Ltd.</td>
<td>10</td>
<td>0.2</td>
</tr>
</tbody>
</table>

- Surveying and remediating soil and underground water pollution
  
  - FY2016 surveying and remediating soil and underground water pollution
  - FY2016 surveying and remediating soil and underground water pollution

- Appraisals and awards in FY2016
  
<table>
<thead>
<tr>
<th>Recipient</th>
<th>Name and description of the award</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fuji Xerox Co., Ltd.</td>
<td>Certified Health and Productivity Management Organization Recognition (Large Enterprise Category)</td>
</tr>
<tr>
<td>Fuji Xerox Co., Ltd.</td>
<td>Top Hundred Telework Pioneers, 2016</td>
</tr>
<tr>
<td>Fujifilm Healthcare Asia Pte. Ltd.</td>
<td>Channel News Asia Green Luminary Awards (Recognizing the contributions to 3R promotion)</td>
</tr>
<tr>
<td>Fujifilm Healthcare Asia Pte. Ltd.</td>
<td>Channel News Asia Green Luminary Awards (Recognizing the contributions to 3R promotion)</td>
</tr>
<tr>
<td>Fujifilm Healthcare Asia Pte. Ltd.</td>
<td>Chairman’s Award</td>
</tr>
<tr>
<td>Fujifilm Healthcare Asia Pte. Ltd.</td>
<td>Grad Prix winner of the Kumamoto Ground Water Conservation Awards</td>
</tr>
<tr>
<td>Fujifilm Healthcare Asia Pte. Ltd.</td>
<td>Grad Prix winner of the Kumamoto Ground Water Conservation Awards</td>
</tr>
</tbody>
</table>

Domestic and International Appraisals

- Ranking and status of SRI audit
  
  - FTSE4Good Global Index
  - FTSE4Good Global Index
  - FTSE4Good Global Index

- Appraisals and awards in FY2016
  
<table>
<thead>
<tr>
<th>Recipient</th>
<th>Name and description of the award</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fuji Xerox Co., Ltd.</td>
<td>Certified Health and Productivity Management Organization Recognition (Large Enterprise Category)</td>
</tr>
<tr>
<td>Fuji Xerox Co., Ltd.</td>
<td>Top Hundred Telework Pioneers, 2016</td>
</tr>
<tr>
<td>Fujifilm Healthcare Asia Pte. Ltd.</td>
<td>Channel News Asia Green Luminary Awards (Recognizing the contributions to 3R promotion)</td>
</tr>
<tr>
<td>Fujifilm Healthcare Asia Pte. Ltd.</td>
<td>Channel News Asia Green Luminary Awards (Recognizing the contributions to 3R promotion)</td>
</tr>
<tr>
<td>Fujifilm Healthcare Asia Pte. Ltd.</td>
<td>Chairman’s Award</td>
</tr>
<tr>
<td>Fujifilm Healthcare Asia Pte. Ltd.</td>
<td>Grad Prix winner of the Kumamoto Ground Water Conservation Awards</td>
</tr>
<tr>
<td>Fujifilm Healthcare Asia Pte. Ltd.</td>
<td>Grad Prix winner of the Kumamoto Ground Water Conservation Awards</td>
</tr>
</tbody>
</table>

Legal Compliance Measures

- Legal compliance and reports on complaints in FY2016
  
  In 2016, there were one violation of environment-related laws (none in overseas) and one customer complaint (none in overseas), and these incidents (of which one was overseas) were reported.
  
  Legal violation was related to disposal of equipment containing COPC. Action has been taken to prevent a recurrence.

<table>
<thead>
<tr>
<th>Number of legal violations (number of cases solved)</th>
<th>Number of complaints (number of cases solved)</th>
<th>Number of incidents (number of cases solved)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>(1)</td>
<td>(2)</td>
</tr>
</tbody>
</table>

- Responses to environment-related complaints and legal violations in FY2016*
  
  *Relatively minor violations have been excluded.

<table>
<thead>
<tr>
<th>Company/ branch</th>
<th>Description</th>
<th>Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fujifilm Healthcare Asia Pte. Ltd.</td>
<td>Inappropriate disposal of discarded medical equipment</td>
<td>Shown following items containing COPC were disposed of in proper manner.</td>
</tr>
<tr>
<td>Fujifilm Healthcare Asia Pte. Ltd.</td>
<td>Inappropriate disposal of discarded medical equipment</td>
<td>Shown following items containing COPC were disposed of in proper manner.</td>
</tr>
<tr>
<td>Fujifilm Healthcare Asia Pte. Ltd.</td>
<td>Leakage from cooling system of discarded medical equipment</td>
<td>Sealed following to be used under the welded joint of cooling system.</td>
</tr>
<tr>
<td>Fujifilm Healthcare Asia Pte. Ltd.</td>
<td>Leakage from cooling system of discarded medical equipment</td>
<td>Sealed following to be used under the welded joint of cooling system.</td>
</tr>
<tr>
<td>Fujifilm Healthcare Asia Pte. Ltd.</td>
<td>Leakage from cooling system of discarded medical equipment</td>
<td>Sealed following to be used under the welded joint of cooling system.</td>
</tr>
</tbody>
</table>
Overview of FY2016

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

Period of coverage: FY2016

Scope:
- 69 domestic companies in the FujiFilm Group (FUJIFILM Holdings, FujiFilm, and 19 FujiFilm affiliates, FujiXerox, and 46 FujiXerox affiliates, and TOYAMA CHEMICAL)

Basic items:
- Objectives of environment and social benefit accounting
- Accounting method

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

Environmental Accounting

Overview of FY2016

- Environmental conservation costs
  - Increased by approx. 0.2% in total. The breakdown is roughly the same as last years, with approx. 7% into factory investment and roughly 93% into expenditure.
  - Increased by approx. 40% year-on-year. This is due to investments on boiler fuel shift from heavy oil to city gas at plants and on production facilities for instant films.
- Expenditure:
  - Reduced by 600 million yen (approx. 2%) year-on-year. This is due to drop in R&D costs.
- Environmental conservation benefits
  - This resulted in year-on-year reduced by 5.9 billion yen (4%), when internal and external economic effects are combined.
  - Reduced benefits for customers by 4% on year-on-year.
- Internal economic effect:
  - Reduced roughly by 6% year-on-year.
- External economic effect:
  - Reduced benefits for customers by 4% on year-on-year.

Customer benefits

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

Total customer benefits for FY2016 reduced by 4.4 billion yen (approx. 4%) over the previous fiscal year. The decline in effect on customers is due to decline in effect in the area of PS plates not using plate-making films.

Environmental accounting

Environmental accounting
- The total number of employees were 119,867.
- The total number of employees were 112,033.
- The total number of employees were 107,591.
- The total number of employees were 78,797.

Environmental accounting
- The total number of employees were 119,867.
- The total number of employees were 112,033.
- The total number of employees were 107,591.
- The total number of employees were 78,797.

Labour Environment and Social Benefit Accounting

- Stakeholder:
  - Employees
  - Customers
  - Future generations
  - Communities (Social, society, and government)
  - International community
- Volunteer activities during the hours
- Total hours spent on volunteer activities
  - 1,435
  - 1,059
  - 1,117
- Volunteering cost
  - 4 million yen
  - 6 million yen
- Volunteer activities
  - Calculated based on the hours spent on volunteer activities, such as area clean up, working hours, the salary equivalent to that of those hours, and cost of the activities.

Labour Environment and Social Benefit Accounting

- Breach of labor environment and social benefit accounting
  - Paid to the employees
  - Paid to the customers
  - Paid to future generations
- Volunteering cost
  - 4 million yen
  - 6 million yen
- Volunteer activities
  - Calculated based on the hours spent on volunteer activities, such as area clean up, working hours, the salary equivalent to that of those hours, and cost of the activities.
The media report on the inappropriate accounting practices at Fuji Xerox’s overseas subsidiaries in April 2017 mentioned in the early part of the report came to me as a tremendous shock because I realized my shortcomings in discerning what constitutes an outstanding company despite the fact that I had worked for so many years on corporate assessment from the standpoint of social responsibility.

Sustainability is not a term that denotes the pursuit of permanent continuity for a company. It denotes long-standing continuity for our planet and society, founded on “satisfying the needs of the current generations without spoiling the power to satisfy the needs of the generations of the future.” When a company commits to sustainability, it is a declaration that it will take responsibility for the impact its business decisions and activities will have on society and the environment through transparent and ethical business conduct. The word “impact” used here includes both the positive and the negative meanings. At the same time, it is an announcement of determination to control the pursuit of “maximizing current profits” in some situations for the generations of the future. Tolerating the excessive growth of “shareholder value” in some situations for the “generations of the future” amounts to the generation of a “stainability.”

In my impression I received on reading through the report, the content of the table was somewhat difficult to understand. I would have liked to know more about the company’s stance on the ethical issues involved in regenerative medicines and other cutting-edge technologies, all the more because the Fujifilm Group aspires to be a total healthcare company. I was also concerned that environmental pollutant emissions are not necessarily on the decline and progress in reducing chemical substance emissions has not been reported in detail. Furthermore, reporting on the consolidated group companies as a whole, the reports centered chiefly on the case involving Fujifilm and Fuji Xerox. Although overseas employees form the major part of the consolidated employee ratio, the report focused mainly on the case involving Fujifilm and Fuji Xerox.

Looking back at its history, the Fujifilm Group is a corporate group that survived obstacles by applying its technologies in creating innovations. From this corporate group that survived obstacles by applying its technologies in creating innovations, the company is a corporate group that survived obstacles by applying its technologies in creating innovations. From this corporate group that survived obstacles by applying its technologies in creating innovations, it is a declaration that it will take responsibility for the impact its business decisions and activities will have on society and the environment through transparent and ethical business conduct.
Fujifilm Group Organization and Business Overview

**Holding Company:** FUJIFILM Holdings Corporation

Company Name: FUJIFILM Holdings Corporation
Representative: Shigetaka Komori
Head Office: Tokyo Midtown, 9-7-3 Akasaka, Minato-ku, Tokyo 107-0052, Japan
Established: January 20, 1934
Capital: 40,063 million (as of March 31, 2017)
Employees: 78,501 (as of March 31, 2017)
Consolidated Subsidiaries: 277 (as of March 31, 2017)

**FUJIFILM Corporation**

- **Consolidated revenue (FY2016)**: 2,492.6 billion yen
- **Consolidated operating income**: 180.6 billion yen
- **Net profit**: 39.0 billion yen

**FUJIFILM Holdings Corporation Sustainability Report 2017**

- **Scope of Independent Assurance**
  - Greenhouse gases emissions
  - Water intake and discharge
  - Volume of waste generated
  - Volume of VOC emissions
  - Data on Personnel and Labor (for Fuji Xerox and Fujifilm)
  - Management systems supporting the reporting process

**Process of creating the report**

- **Stakeholders**
  - Publishing the 2016 report
  - Formulating the annual report
  - Publishing the 2017 report

- **Communication**
  - Using communication tools
  - Incorporating opinions

- **Groups**
  - Daily business operation (CSR activities)

**Report on economic aspects**

- **IR Site (website)**

**Social and environmental aspects**

- **CSR Site (website)**

- **Disclosed on the website (HTML)**

- **Disclosed in the Sustainability Report (PDF)**

- **Website**

**Important information to the Fujifilm Group**

- **Supplemental information regarding reported matters**
  - For the terms “employees” and “auto employees”, the term “employees” refers to all employees, including managers, general employees, and regular employees. The term “auto employees” refers to full-time staff. For further information on the report, see the “General information” section. For example, it is possible that employees who work for the subsidiary have been treated as auto employees.

- **Date of publication**
  - December 2017 (next report: August 2018, previous report: August 2016)

**Referred guidelines**

- JIS Q 26000: Social Responsibility
- The framework for the GRI is used as a supplementary guideline for social and environmental information.

- **Referenced guidelines**
  - GRI: The G4 Sustainability Reporting Guidelines

**Disclamer**

- Electronic resources, including Fujifilm and Fuji Xerox, have their own CSR website for active disclosure of information on their CSR activities. For more details of the Fujifilm Group’s CSR activities, please refer to each company’s official website.

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

- Greenhouse gases emissions (Scope 1, 2 & 3 & Category 1)
- Water intake and discharge
- Volume of waste generated
- Volume of VOC emissions
- Data on Personnel and Labor (for Fujifilm and Fuji Xerox)
- Management systems supporting the reporting process.
About the art works on the front cover

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

Musashino (Painting by Taikan Yokoyama)
Collection of the Nara National Museum.
Photographic image courtesy of the Nara National Museum (Photo by Kyosuke Sasaki)

Nara National Museum
50 Noborijichō, Nara, Nara Prefecture 630-8213, Japan Phone: 074-554-4800
http://www.narahakug.go.jp/english/index_e.html

The establishment of Nara National Museum was first planned in May 1889 by the government of the day as one of three imperial museums, the others being in Tokyo and Kyoto. It actually opened in April 1895. Nara National Museum marked the 120th anniversary of its foundation in 2015.
Guideline Comparison Tables
ISO26000 / GRI Guideline
FUJIFILM Holdings has created a comparison table to verify if the information is disclosed in accordance with the seven core subjects of “ISO26000 Guidance on Social Responsibility” published in November 2010.

<table>
<thead>
<tr>
<th>ISO26000 Core Subjects</th>
<th>Issues</th>
<th>References on the website/in this Report</th>
<th>Pages in this Report</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2. Human rights risk situations</td>
<td></td>
<td>P. 52-54</td>
</tr>
<tr>
<td></td>
<td>3. Avoidance of complicity</td>
<td></td>
<td>P. 55-57</td>
</tr>
<tr>
<td></td>
<td>4. Resolving grievances</td>
<td></td>
<td>P. 61-63</td>
</tr>
<tr>
<td></td>
<td>5. Discrimination and vulnerable groups</td>
<td></td>
<td>P. 67</td>
</tr>
<tr>
<td></td>
<td>6. Civil and political rights</td>
<td></td>
<td>P. 68-69</td>
</tr>
<tr>
<td></td>
<td>7. Economic, social and cultural rights</td>
<td></td>
<td>P. 70-71</td>
</tr>
<tr>
<td></td>
<td>8. Fundamental principles and rights at work</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2. Conditions of work and social protection</td>
<td></td>
<td>P. 55-57</td>
</tr>
<tr>
<td></td>
<td>3. Social dialogue</td>
<td></td>
<td>P. 66-69</td>
</tr>
<tr>
<td></td>
<td>4. Health and safety at work</td>
<td></td>
<td>P. 70-71</td>
</tr>
<tr>
<td></td>
<td>5. Human development and training in the workplace</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2. Sustainable resource use</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3. Climate change mitigation and adaptation</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4. Protection of the environment, biodiversity and restoration</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2. Responsible political involvement</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3. Fair competition</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4. Promoting social responsibility in the value chain</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>5. Respect for property rights</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2. Protecting consumers’ health and safety</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3. Sustainable consumption</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4. Consumer service, support, and complaint and dispute resolution</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>5. Consumer data protection and privacy</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>6. Access to essential services</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>7. Education and awareness</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2. Education and culture</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3. Employment creation and skills development</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4. Technology development and access</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>5. Wealth and income creation</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>6. Health</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>7. Social investment</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### GENERAL STANDARD DISCLOSURES

<table>
<thead>
<tr>
<th>G4-1</th>
<th>Statement from the most senior decision-maker of the organization</th>
<th>Top Commitment</th>
<th>P. 04-05</th>
</tr>
</thead>
</table>
| G4-2 | Description of key impacts, risks, and opportunities | Fujifilm Group’s Corporate Social Responsibility (CSR)  
FUJIFILM Sustainable Value Plan 2016 Creating the Triple Promotion Policy  
Activities Summary of the FUJIFILM Sustainable Value Plan 2016  
FUJIFILM Sustainable Value Plan 2016  
The New CSR Plan of the Fujifilm Group Sustainable Value Plan (SVP) 2030  
(Promotion Policy 3) [Priority Issue 1] Raise Compliance Awareness and Ensure Risk Management  
(Promotion Policy 3) [Priority Issue 1] Topics  
Website Medium-term Management Plan  
Website Compliance & Risk Management  
| G4-3 | Name of the organization | Fujifilm Group Organization and Business Overview | P. 82 |
| G4-4 | Primary brands, products and/or services | The Fujifilm Group’s Technologies and Innovation  
FUJIFILM Organization and Business Overview  
Website Business Field  
| G4-5 | Location of the organization’s headquarters | Fujifilm Group Organization and Business Overview | P. 82 |
| G4-6 | Number and names of countries where the organization operates | Fujifilm Group Organization and Business Overview  
Website Group Companies  
Website Annual Securities Report Yuka Shoken Houkokusho (Japanese only) |  
| G4-7 | Nature of ownership and legal form | Fujifilm Group Organization and Business Overview  
Website Group Companies  
| G4-8 | Markets served | The Fujifilm Group’s Technologies and Innovation  
FUJIFILM Organization and Business Overview  
Website Business Field  
P. 82 |
| G4-9 | Scale of the reporting organization | Personnel and Labor (FUJIFILM Corporation)  
Personnel and Labor (FUJI Xerox)  
FUJIFILM Organization and Business Overview  
Website Fact Sheet  
Website Annual Securities Report Yuka Shoken Houkokusho (Japanese only) | P. 68-69  
P. 70-71  
P. 82 |
| G4-10 | Details of workforce | Personnel and Labor (FUJIFILM Corporation)  
Personnel and Labor (FUJI Xerox)  
FUJIFILM Organization and Business Overview  
Website Annual Securities Report Yuka Shoken Houkokusho (Japanese only) | P. 68-69  
P. 70-71  
P. 82 |
| G4-11 | Percentage of total employees covered by collective bargaining agreements | Personnel and Labor (FUJIFILM Corporation)  
Personnel and Labor (FUJI Xerox) | P. 68-69  
P. 70-71 |
| G4-12 | Organization’s supply chain | FUJIFILM Sustainable Value Plan 2016  
(Promotion Policy 2)  
(Promotion Policy 3)  
(Promotion Policy 2) [Priority Issue 3] Ensure Product and Chemical Safety  
(Promotion Policy 3) [Priority Issue 3] Enhance Value Chain Management from the Viewpoint of CSR  
(Promotion Policy 3) Topics | P. 22-23  
P. 40  
P. 40  
P. 52-54  
P. 55-57 |
<p>| G4-13 | Significant changes during the reporting period | No significant changes | P. 06-09 |</p>
<table>
<thead>
<tr>
<th>Organizational Profile</th>
<th>G4-14</th>
<th>Whether and how the precautionary approach or principle is addressed by the organization</th>
<th>CSR Management (Promotion Policy 2) [Priority Issue 2] Promote Resource Recycling (Promotion Policy 2) [Priority Issue 3] Ensure Product and Chemical Safety (Promotion Policy 3) [Priority Issue 1] Raise Compliance Awareness and Ensure Risk Management</th>
<th>P. 65 P. 38-39 P. 40 P. 43-47</th>
</tr>
</thead>
<tbody>
<tr>
<td>G4-15</td>
<td>Externally developed charters, principles, or other initiatives to which the organization subscribes or endorses</td>
<td>(Promotion Policy 2) [Priority Issue 3] Ensure Product and Chemical Safety (Joint Article Management Promotion-consortium (JAMP)) (Promotion Policy 3) [Priority Issue 1] Raise Compliance Awareness and Ensure Risk Management (Nippon CSR Consortium) (Promotion Policy 3) [Priority Issue 3] Enhance Value Chain Management from the Viewpoint of CSR (Japan Electronics and Information Technology Industries Association (JEITA), Japan Business Initiative for Biodiversity (JBIB), United Nations Global Compact (UNGC)) [Website] Domestic and International Appraisals</td>
<td>P. 40 P. 43-47 P. 52-54</td>
<td></td>
</tr>
</tbody>
</table>
| G4-16 | Memberships of associations and national or international advocacy organizations | Ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto ditto did
G4-32 Report the ‘in accordance’ option chosen, content index, and external assurance report
Independent Assurance Report
GRI Guideline Comparison Table
P. 80
P. 83

G4-33 Organization’s policy and current practice with external assurance of the report
Editorial Policy
P. 83

G4-34 Governance structure of the organization
Corporate Governance
P. 64

G4-35 Process for delegating authority for sustainability topics from the board to senior executives and other employees
Corporate Governance
P. 64

G4-37 Processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics
Corporate Governance
CSR Management
P. 64
P. 65

G4-38 Composition of the board and its committees
Corporate Governance
P. 64
—

G4-39 Whether the chair of the board is also an executive officer
Corporate Governance
—

G4-40 Nomination and selection processes for the board and its committees
Corporate Governance
[Website] Integrated Report: Corporate Governance
[Website] Annual Securities Report Yuka Shoken Houkokusho (Japanese only)
P. 64
—

G4-42 Board’s and senior executives’ roles in the development, approval, and updating of the organization’s purpose, value or mission statements, strategies, policies, and goals related to sustainability impacts
Corporate Governance
CSR Management
[Website] Integrated Report: Corporate Governance
P. 43-47
P. 65

G4-43 Measures taken to develop and enhance the highest governance body’s collective knowledge of economic, environmental and social topics
Corporate Governance
P. 64

G4-44 Processes for evaluation of the highest governance body’s performance with respect to governance of economic, environmental and social topics
CSR Management
P. 65

G4-45 Board’s role in the identification and management of sustainability impacts, risks, and opportunities, and in the implementation of due diligence processes
CSR Management
P. 65

G4-46 Highest governance body’s role in reviewing the effectiveness of the organization’s risk management processes for economic, environmental and social topics
(Promotion Policy 3) [Priority Issue 1] Raise Compliance Awareness and Ensure Risk Management
CSR Management
P. 43-47
P. 65
—

G4-47 Frequency of the highest governance body’s review of economic, environmental and social impacts, risks, and opportunities
Corporate Governance
P. 64

G4-48 Highest committee or position that formally reviews and approves the organization’s sustainability report and ensures that all material Aspects are covered
CSR Management
FUJIFILM Sustainable Value Plan 2016
P. 65
P. 14-23
Governance

G4-49 Process for communicating critical concerns to the highest governance body
(Promotion Policy 3) [Priority Issue 1] Raise Compliance Awareness and Ensure Risk Management
Corporate Governance
[Website] Corporate Governance Guidelines
P. 43-47
P. 64

G4-50 Nature and total number of critical concerns that were communicated to the highest governance body and the mechanism(s) used to address and resolve them
N/A
N/A

G4-51 The remuneration policies for the board and senior executives, and the linkage between performance criteria and the organization’s sustainability objectives
[Website] Annual Securities Report Yuki Shoken Houkokusho (Japanese only)
—

G4-52 Process for determining remuneration
[Website] Annual Securities Report Yuki Shiken Houkokusho (Japanese only)
—

G4-53 How stakeholders’ views are sought and taken into account regarding remuneration
[Website] Integrated Report: Corporate Governance
[Website] Annual Securities Report Yuki Shiken Houkokusho (Japanese only)
—
—

G4-54 Ratio of the annual total compensation for the organization’s highest-paid individual in each country of significant operations to the median annual total compensation for all employees in the same country
Personnel and Labor (FUJIFILM Corporation)
Personnel and Labor (FUJI Xerox)
[Website] Annual Securities Report Yuki Shiken Houkokusho (Japanese only)
P. 68-69
P. 70-71
—

Ethics and Integrity

G4-56 Organization’s values, principles, standards and norms of behavior
Top Commitment
The Fujifilm Group’s Technologies and Innovation
Fujifilm Group’s Corporate Social Responsibility (CSR)
FUJIFILM Sustainable Value Plan 2016
CSR Management
P. 04-05
P. 10-11
P. 12-13
P. 14-23
P. 65

G4-58 Internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity
(Promotion Policy 3) [Priority Issue 1] Raise Compliance Awareness and Ensure Risk Management
P. 43-47

SPECIFIC STANDARD DISCLOSURES

<table>
<thead>
<tr>
<th>DMA</th>
<th>Indicators</th>
<th>References on the website/in this Report</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Top Commitment</td>
</tr>
<tr>
<td></td>
<td></td>
<td>The Fujifilm Group’s Technologies and Innovation</td>
</tr>
<tr>
<td></td>
<td></td>
<td>FUJIFILM Sustainable Value Plan 2016</td>
</tr>
<tr>
<td></td>
<td></td>
<td>The New CSR Plan of the Fujifilm Group Sustainable Value Plan (SVP) 2030</td>
</tr>
<tr>
<td></td>
<td></td>
<td>CSR Management</td>
</tr>
<tr>
<td></td>
<td></td>
<td>[Website] Application of Management System</td>
</tr>
<tr>
<td></td>
<td>Economic Performance</td>
<td>Sustainability Accounting (Labor Environment and Social Benefit Accounting, Environmental Accounting)</td>
</tr>
<tr>
<td></td>
<td>Economic Performance</td>
<td>Fujifilm Group Organization and Business Overview</td>
</tr>
</tbody>
</table>
| G4-EC1 | Direct economic value generated and distributed | P. 78-79
|        |                                                   | P. 82 |
| G4-EC2 | Financial implications and other risks and opportunities for the organization’s activities due to climate change | FUJIFILM Sustainable Value Plan 2016 (Promotion Policy 1) [Environment] |
|        |                                                   | (Promotion Policy 2) [Priority Issue 1] Promote Global Warming Countermeasures |
|        |                                                   | Sustainability Accounting (Labor Environment and Social Benefit Accounting, Environmental Accounting) |
| G4-EC7 | Development and impact of infrastructure investments and services supported | The Fujifilm Group’s Technologies and Innovation |
|        |                                                   | Social Contribution Activities |
|        |                                                   | P. 10-11
|        |                                                   | P. 61-63 |

Environmental DMA

<table>
<thead>
<tr>
<th>DMA</th>
<th>Indicators</th>
<th>References on the website/in this Report</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Top Commitment</td>
</tr>
<tr>
<td></td>
<td></td>
<td>The Fujifilm Group’s Technologies and Innovation</td>
</tr>
<tr>
<td></td>
<td></td>
<td>FUJIFILM Sustainable Value Plan 2016</td>
</tr>
<tr>
<td></td>
<td></td>
<td>The New CSR Plan of the Fujifilm Group Sustainable Value Plan (SVP) 2030</td>
</tr>
<tr>
<td></td>
<td></td>
<td>CSR Management</td>
</tr>
<tr>
<td></td>
<td></td>
<td>[Website] Application of Management System</td>
</tr>
<tr>
<td></td>
<td>Environmental Impacts</td>
<td>Social Accounting (Labor Environment and Social Benefit Accounting, Environmental Accounting)</td>
</tr>
<tr>
<td>G4-EC7</td>
<td>Development and impact of infrastructure investments and services supported</td>
<td>The Fujifilm Group’s Technologies and Innovation</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Social Contribution Activities</td>
</tr>
</tbody>
</table>
|        |                                                   | P. 04-05
|        |                                                   | P. 10-11
|        |                                                   | P. 14-23
|        |                                                   | P. 24-25
<p>|        |                                                   | P. 65 |
|        |                                                   | — |</p>
<table>
<thead>
<tr>
<th>Materials</th>
<th>G4-EN1</th>
<th>Materials used by weight or volume</th>
<th>FUJIFILM Sustainable Value Plan 2016 (Promotion Policy 2) (Promotion Policy 2) [Priority Issue 1] Promote Global Warming Countermeasures Environmental Aspects</th>
<th>P. 22 P. 35-37 P. 73-76</th>
</tr>
</thead>
<tbody>
<tr>
<td>G4-EN2</td>
<td>Percentage of materials used that are recycled input materials</td>
<td>FUJIFILM Sustainable Value Plan 2016 (Promotion Policy 2) (Promotion Policy 2) Topics Environmental Aspects</td>
<td>P. 22 P. 41 P. 73-76</td>
<td></td>
</tr>
<tr>
<td>Energy</td>
<td>G4-EN3</td>
<td>Energy consumption within the organization</td>
<td>FUJIFILM Sustainable Value Plan 2016 (Promotion Policy 2) (Promotion Policy 2) Environmental Aspects</td>
<td>P. 22 P. 73-76</td>
</tr>
<tr>
<td>G4-EN5</td>
<td>Energy intensity</td>
<td>FUJIFILM Sustainable Value Plan 2016 (Promotion Policy 2) (Promotion Policy 2) Environmental Aspects</td>
<td>P. 22 P. 73-76</td>
<td></td>
</tr>
<tr>
<td>G4-EN6</td>
<td>Reduction of energy consumption</td>
<td>FUJIFILM Sustainable Value Plan 2016 (Promotion Policy 2) (Promotion Policy 2) [Priority Issue 1] Promote Global Warming Countermeasures Environmental Aspects</td>
<td>P. 22 P. 35-37 P. 73-76</td>
<td></td>
</tr>
<tr>
<td>Water</td>
<td>G4-EN8</td>
<td>Total water withdrawal by source</td>
<td>(Promotion Policy 2) [Priority Issue 2] Promote Resource Recycling Environmental Aspects</td>
<td>P. 38-39 P. 73-76</td>
</tr>
<tr>
<td>G4-EN9</td>
<td>Water sources significantly affected by withdrawal of water</td>
<td>(Promotion Policy 2) [Priority Issue 2] Promote Resource Recycling Environmental Aspects</td>
<td>P. 38-39 P. 73-76</td>
<td></td>
</tr>
<tr>
<td>Environmental Aspects</td>
<td>G4-EN15</td>
<td>Direct greenhouse gas (GHG) emissions (Scope 1)</td>
<td>FUJIFILM Sustainable Value Plan 2016 (Promotion Policy 2) Environmental Aspects</td>
<td>P. 22 P. 73-76</td>
</tr>
<tr>
<td>G4-EN16</td>
<td>Energy indirect greenhouse gas (GHG) emissions (Scope 2)</td>
<td>FUJIFILM Sustainable Value Plan 2016 (Promotion Policy 2) (Promotion Policy 2) Environmental Aspects</td>
<td>P. 22 P. 73-76</td>
<td></td>
</tr>
<tr>
<td>G4-EN17</td>
<td>Other indirect greenhouse gas (GHG) emissions (Scope 3)</td>
<td>FUJIFILM Sustainable Value Plan 2016 (Promotion Policy 2) (Promotion Policy 2) Environmental Aspects</td>
<td>P. 22 P. 73-76</td>
<td></td>
</tr>
<tr>
<td>G4-EN18</td>
<td>Greenhouse gas (GHG) emissions intensity</td>
<td>FUJIFILM Sustainable Value Plan 2016 (Promotion Policy 2) (Promotion Policy 2) [Priority Issue 1] Promote Global Warming Countermeasures Environmental Aspects</td>
<td>P. 22 P. 35-37 P. 73-76</td>
<td></td>
</tr>
<tr>
<td>G4-EN19</td>
<td>Reduction of greenhouse gas (GHG) emissions</td>
<td>FUJIFILM Sustainable Value Plan 2016 (Promotion Policy 2) (Promotion Policy 2) [Priority Issue 1] Promote Global Warming Countermeasures Environmental Aspects</td>
<td>P. 22 P. 35-37 P. 73-76</td>
<td></td>
</tr>
<tr>
<td>Effluents and Waste</td>
<td>G4-EN21</td>
<td>NOx, SOx, and other significant air emissions</td>
<td>FUJIFILM Sustainable Value Plan 2016 (Promotion Policy 2) Environmental Aspects</td>
<td>P. 22 P. 73-76</td>
</tr>
<tr>
<td>Products and Services</td>
<td>G4-EN27</td>
<td>Extent of impact mitigation of environmental impacts of products and services</td>
<td>FUJIFILM Sustainable Value Plan 2016 (Promotion Policy 1) [Environment] Sustainability Accounting (Labor Environment and Social Benefit Accounting, Environmental Accounting)</td>
<td>P. 14-23 P. 32 P. 78-79</td>
</tr>
<tr>
<td>Compliance</td>
<td>G4-EN29</td>
<td>Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations</td>
<td>Environmental Aspects</td>
<td>P. 73-76</td>
</tr>
<tr>
<td>Transport</td>
<td>G4-EN30</td>
<td>Significant environmental impacts of transporting products and other goods, and materials used for the organization’s operations, and transporting members of the workforce</td>
<td>FUJIFILM Sustainable Value Plan 2016 (Promotion Policy 2) (Promotion Policy 2) [Priority Issue 2] Promote Resource Recycling Environmental Aspects</td>
<td>P. 22</td>
</tr>
<tr>
<td>Overall</td>
<td>G4-EN31</td>
<td>Total environmental protection expenditures and investments by type</td>
<td>Sustainability Accounting (Labor Environment and Social Benefit Accounting, Environmental Accounting)</td>
<td>P. 78-79</td>
</tr>
<tr>
<td>Supplier Environmental Assessment</td>
<td>G4-EN33</td>
<td>Significant actual and potential negative environmental impacts in the supply chain and actions taken</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Environmental Grievance Mechanisms</td>
<td>G4-EN34</td>
<td>Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms</td>
<td>Environmental Aspects</td>
<td>P. 73-76</td>
</tr>
<tr>
<td>-----</td>
<td>------------</td>
<td>-----------------------------</td>
<td>----------------------</td>
<td>----------------------</td>
</tr>
<tr>
<td></td>
<td>G4-LA1 Total number and rates of new employee hires and employee turnover by age group, gender and region</td>
<td>Personnel and Labor (FUJIFILM Corporation), Personnel and Labor (FUJI Xerox)</td>
<td>P. 68-69, P. 70-71</td>
<td>G4-LA6 Type and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender</td>
</tr>
<tr>
<td></td>
<td>G4-LA2 Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation</td>
<td>Personnel and Labor (FUJIFILM Corporation), Personnel and Labor (FUJI Xerox)</td>
<td>P. 68-69, P. 70-71</td>
<td>G4-LA7 Workers with high incidence or high risk of diseases related to their occupation</td>
</tr>
<tr>
<td></td>
<td>G4-LA3 Return to work and retention rates after parental leave, by gender</td>
<td>Personnel and Labor (FUJIFILM Corporation), Personnel and Labor (FUJI Xerox)</td>
<td>P. 68-69, P. 70-71</td>
<td>G4-LA8 Health and safety topics covered in formal agreements with trade unions</td>
</tr>
<tr>
<td></td>
<td>G4-LA9 Average hours of training per year per employee by gender, and by employee category</td>
<td>Personnel and Labor (FUJIFILM Corporation), Personnel and Labor (FUJI Xerox) Sustainability Accounting (Labor Environment and Social Benefit Accounting, Environmental Accounting)</td>
<td>P. 68-69, P. 78-79</td>
<td>G4-LA9 Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings</td>
</tr>
<tr>
<td></td>
<td>G4-LA10 Composition of governance bodies and breakdown of employees by employee category according to gender, age group, minority group membership, and other indicators of diversity</td>
<td>Personnel and Labor (FUJI Xerox)</td>
<td>P. 68-69, P. 70-71</td>
<td>G4-LA12 Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation</td>
</tr>
<tr>
<td></td>
<td>G4-LA13 Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms</td>
<td>N/A</td>
<td>N/A</td>
<td></td>
</tr>
</tbody>
</table>

### Human Rights

<table>
<thead>
<tr>
<th>DMA</th>
<th>Investment</th>
<th>Non-discrimination</th>
<th>Freedom of Association and Collective Bargaining</th>
<th>Child Labor</th>
<th>Forced or Compulsory Labor</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>G4-HR1 Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening</td>
<td>N/A</td>
<td>N/A</td>
<td>Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor</td>
<td>Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor</td>
</tr>
<tr>
<td></td>
<td>G4-HR2 Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained</td>
<td>Sustainability Accounting (Labor Environment and Social Benefit Accounting, Environmental Accounting)</td>
<td>P. 78-79</td>
<td>(Promotion Policy) [Priority Issue 3] Enhance Value Chain Management from the Viewpoint of CSR (Promotion Policy) Topics</td>
<td>(Promotion Policy) [Priority Issue 3] Enhance Value Chain Management from the Viewpoint of CSR (Promotion Policy) Topics</td>
</tr>
<tr>
<td></td>
<td>G4-HR3 Total number of incidents of discrimination and corrective actions taken</td>
<td>N/A</td>
<td>N/A</td>
<td>(Promotion Policy) [Priority Issue 3] Enhance Value Chain Management from the Viewpoint of CSR (Promotion Policy) Topics</td>
<td>(Promotion Policy) [Priority Issue 3] Enhance Value Chain Management from the Viewpoint of CSR (Promotion Policy) Topics</td>
</tr>
</tbody>
</table>

---

* DMA: Domains and Mechanisms Assessment
* G4-LA: Group 4 Labour
* G4-HR: Group 4 Human Rights
<table>
<thead>
<tr>
<th>Human Rights</th>
<th>Supplier Human Rights Assessment</th>
</tr>
</thead>
<tbody>
<tr>
<td>G4-HR7</td>
<td>Percentage of security personnel trained in the organization’s human rights policies or procedures that are relevant to operations</td>
</tr>
<tr>
<td>G4-HR8</td>
<td>Total number of incidents of violations involving rights of Indigenous Peoples and actions taken</td>
</tr>
<tr>
<td>G4-HR11</td>
<td>Significant actual and potential negative human rights impacts in the supply chain and actions taken</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>DMA</th>
<th>Local Communities</th>
<th>Society</th>
</tr>
</thead>
<tbody>
<tr>
<td>G4-SO1</td>
<td>Percentage of operations with implemented local community engagement, impact assessments, and development programs</td>
<td>Social Contribution Activities</td>
</tr>
<tr>
<td>G4-SO2</td>
<td>Operations with significant actual and potential negative impacts on local communities</td>
<td>N/A</td>
</tr>
<tr>
<td>G4-SO4</td>
<td>Communication and training on anti-corruption policies and procedures</td>
<td>Report on inappropriate accounting at overseas subsidiaries of Fuji Xerox Co., Ltd. (Promotion Policy 3) [Priority Issue 1] Raise Compliance Awareness and Ensure Risk Management</td>
</tr>
<tr>
<td>G4-SO5</td>
<td>Confirmed incidents of corruption and actions taken</td>
<td>Report on inappropriate accounting at overseas subsidiaries of Fuji Xerox Co., Ltd. (Promotion Policy 3) [Priority Issue 1] Raise Compliance Awareness and Ensure Risk Management Compliance and Risk Management</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Anti-competitive Behavior</th>
<th>Compliance</th>
</tr>
</thead>
<tbody>
<tr>
<td>G4-SO7</td>
<td>Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes</td>
</tr>
<tr>
<td>G4-SO8</td>
<td>Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>DMA</th>
<th>Customer Health and Safety</th>
<th>Product and Service Labeling</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>G4-PR1 Percentage of significant product and service categories for which health and safety impacts are assessed for improvement</td>
<td>(Promotion Policy 1) [Health] Products and Services Which Reflect Our Customers’ Views</td>
</tr>
<tr>
<td></td>
<td>G4-PR5 Results of surveys measuring customer satisfaction</td>
<td>Products and Services Which Reflect Our Customers’ Views</td>
</tr>
</tbody>
</table>

Regarding “Pages in this Report”: N/A: When those indicators have little relation with the Fujifilm Group’s business or there is no need of management.