Value from Innovation

At Fujifilm, we are continuously innovating — creating new technologies, products and services that inspire and excite people everywhere. Our goal is to empower the potential and expand the horizons of tomorrow’s businesses and lifestyles.

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

The Fujifilm Group celebrated its 80th anniversary in January 2014. To be “a company trusted by society and which walks together with society,” since our foundation we have strived to create new values to help resolve social challenges.

The greater scale of the challenges surrounding today’s society is evident—including global warming—and this is surely the time for a company to demonstrate its raison d’être in society. Regarding the 80th anniversary as our new starting line, we continue to contribute to the sustainable development of society for the next generation through our business activities.

FUJIFILM Sustainable Value Plan 2016

Part 1: In Creating a New Medium-Term CSR Plan
Part 2: Creating the Triple Promotion Policy
Part 3: Contribute to Solving Social Issues through Our Business Activities [Environment]
Contribute to Solving Social Issues through Our Business Activities [Health]
Contribute to Solving Social Issues through Our Business Activities [Daily Life]
Contribute to Solving Social Issues through Our Business Activities [Working Style]
Never stopping the progress in business reform

Japan’s real economic growth in FY2013 stood at 2.3%, rising far above the 0.7% recorded in the previous fiscal year. I believe this is the result of the joint efforts between the government and industry in implementing the structural reform of Japan gradually being felt in various areas. The Japanese government is about to compile its growth strategy consisting of a “Big-Boned Policy,” “Japan Revitalization Strategy” and “Regulatory Reform Implementation Plan,” which the industrial sector must actively apply and work even harder to restore Japan to a course of growth.

At the same time, the growth and stability of Japan has become closely linked to growth and stability in other countries with advances in economic globalization. Japan can no longer focus its attention only on its own prosperity. Once there is stagnation in economic activity or strife in an emerging nation, it immediately impacts the economic and political situation in various industrialized nations. Natural disasters or environmental pollution in one country will impose political situation in various industrialized nations. Natural disasters and “Regulatory Reform Implementation Plan,” which the industrial sector must actively apply and work even harder to restore Japan to a course of growth.

Today, Fujifilm operates in many different parts of the world, and the ratio of our overseas business has reached 57.5% (for FY2013) of consolidated sales. In order to survive the intense global competition and to continue to maintain our status as an “excellent company,” we must pursue continual business reform and embrace change from new perspectives, unconfined by existing approaches and practices, and ultimately engender change itself.

Triggering innovation and creating value

Fujifilm celebrated its 80th anniversary in January 2014. From its birthplace in Minami-ashigara, Kanagawa Prefecture, the company aspired to manufacture photographic films domestically. Since then, it has been promoting business growth as a company trusted by and progressing with society. Founded on its strengths in technology, product development and marketing and on its trusted brand name cultivated through photo film development, Fujifilm is operating in the six business fields of “Healthcare” covering medical equipment, pharmaceuticals, cosmetic products, etc., “Graphic Systems” for printing equipment and materials; “Highly Functional Materials” that include optical film for LCD panels and touch panel parts and materials; “Optical Devices” including TV lenses and optical parts for satellites; “Digital Imaging” featuring digital cameras and photo books; “Document Solutions” representing Fuji Xerox multi-function devices and solution services. Fujifilm has become a corporate group reporting consolidated sales of ¥2.44 trillion, possessing a workforce of 79,000 and with 273 subsidiaries in 40 countries (as of the end of March 2014). We are indebted to the strong support and patronage of our many stakeholders.

In marking our 80th anniversary, we have engaged in exhaustive deliberations into the ideal image for the Fujifilm Group in order to achieve further growth and have decided to express our unified will in the new corporate slogan: “Value from Innovation.”

Supporting this corporate slogan is our brand statement which pledges our commitment to continuous innovation—creating new technologies, products and services that inspire and excite people everywhere. Our goal is to empower the potential and expand the horizons of tomorrow’s businesses and lifestyles. At the same time, it is a declaration that we ourselves will assemble knowledge and technology both within and outside our Group to create innovation.

Promoting Corporate Social Responsibility (CSR) from a new perspective

In May 2014, Fujifilm compiled and published our medium-range CSR plan, the “Sustainable Value Plan 2016” (SVP 2016). Under this plan, we commit to implementing CSR activities from the new perspectives of creating value for society and contributing to resolving social issues through products, services and technology as expressed in the new corporate slogan, “Value from Innovation.”

In the areas of environment, health, everyday living and work style, we plan to place priority on 11 social issues, including measures against global warming, greater access to medical services, building a safe and secure society and promoting diversity. By examining our products, services and technologies and daily business operations from the standpoints of creating value for society and contributing to resolving social issues, we believe that we will be able to identify what we can and what we must to do to fulfill our mission in society.

Needless to say, we will continue to direct our energies into reducing our impact on the environment and society, and comprehensive implementation of compliance at the same time. Especially in reducing CO2 emissions, Fujifilm had announced in 2010 its long-term target to reduce CO2 emissions in the product scope by 30% of the 2005 level by the year 2020, and we are continuing to work in concert in our activities to reduce emissions. In FY2013, emissions were reduced by 171,000 tons (3.5%) over 2012, achieving a reduction of 310,000 tons (6.2%) vis-à-vis the 2005 level. This is the result of groupwide efforts to achieve a reduction in CO2 emissions and in costs through the development and promotion of products with a lower environmental impact, reductions in CO2 emissions in our factories and offices, recycling raw materials and products, greater distribution efficiency, and other measures. These activities will be promoted further to achieve our 2020 goal.

Contributing to building a sustainable society

According to a report recently published by the Intergovernmental Panel on Climate Change (IPPC), “there is no doubt that the climate system is warming.” We can no longer afford to wait to implement measures to resolve global warming. In order to achieve the sustainable development that is the desire of all mankind, people and organizations must make their own efforts from their respective standpoints.

As a manufacturing business, Fujifilm’s role is to address these issues with innovative products, services and technologies. SVP 2016 expresses our resolve to have all employees uphold the perspective of resolving social issues to create innovation.

The demands of society toward business enterprises change with time. We are now under scrutiny not only for our financial figures on sales, profits, etc., but also on how products and services that our business delivers are creating value to society and contributing to resolving social issues. We do not intend to be satisfied with the status quo but will pay careful attention to global conditions, the awareness and ways of thinking of people and the changes in global trends. We will create innovation continually in all our business processes, including R&D, manufacturing and sales and staff operations to create new value for our customers and society and contribute to building a sustainable society.
Fujifilm Group’s 80 Years
Challenge “Innovation”—Responding to Varying Social Needs

Technologies & Products

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>1934</td>
<td>Established Fuji Photo Film Co., Ltd.</td>
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<tr>
<td>1936</td>
<td>X-ray film</td>
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<tr>
<td>1938</td>
<td>Motion picture film &amp; plate-making film</td>
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<tr>
<td>1948</td>
<td>Color reversal film and still cameras</td>
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<tr>
<td>1950</td>
<td>Business expanded into medical printing (X-ray diagnosis), electronic photography, and magnetic materials by applying photographic film production technology</td>
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<tr>
<td>1980</td>
<td>Quickly adopted digital technology in photographic, medical, and printing businesses and successfully commercialized new products</td>
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CSR

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<tr>
<th>Year</th>
<th>Event</th>
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<tbody>
<tr>
<td>1980</td>
<td>Fujifilm Green Fund public trust established</td>
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<tr>
<td>1989</td>
<td>Started support to produce large-font textbooks</td>
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<tr>
<td>2004</td>
<td>Enacted the Fujifilm Group Charter for Corporate Behavior and official Code of Conduct</td>
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<tr>
<td>2006</td>
<td>Established FUJIFILM Holdings Corporation, a Fujifilm Group holding company</td>
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<td>2008</td>
<td>TOYAMA CHEMICAL Co., Ltd., concluded strategic capital and business alliance with Taiho Pharmaceutical Co., Ltd.</td>
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<tr>
<td>2010</td>
<td>Set the product life cycle CO2 reduction targets for 2020 (30% reduction compared to FY2005)</td>
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<tr>
<td>2011</td>
<td>Started the Photo Rescue Project</td>
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<tr>
<td>2012</td>
<td>Full operation of recycle systems in Korea, Australia, and New Zealand</td>
</tr>
<tr>
<td>2014</td>
<td>Enacted the Medium-Term CSR plan, Sustainable Development Plan 2016</td>
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We continue our challenge to create innovative technologies, products, and services

FUJIFILM FC1, the new generation portable diagnostic ultrasound system
Open Innovation Hub to create new value with various business partners
FUJIFILM Photo Rescue Project
FUJIFILM direct marketer, offers new photo entertainment
The Fujifilm Group’s Business

The Fujifilm Group regards the following six businesses as its priority business fields: digital imaging, healthcare, highly functional materials, graphic systems, optical devices, and document solutions. These are fields in which we can demonstrate our strengths in terms of technology and market position. These fields are also in high social demand, and, therefore, we can expect high growth.

Health, energy, and information are the key social elements today to support a sustainable society, and there are many related issues to be addressed. Our healthcare, highly functional materials, and document solutions businesses are closely linked to these elements—which is why we have positioned these three businesses as core businesses to drive our overall enterprise.

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

Corporate Philosophy
We will use leading-edge, proprietary technologies to provide high-quality products and services that contribute to the advancement of culture, science, technology, and industry, as well as improved health and environmental protection in society. Our overarching aim is to help enhance the quality of life of people worldwide.

We will create new values by integrating our distinctive and leading-edge technologies, as well as developing proprietary technologies to continue providing high-quality products and services that contribute to the advancement of culture, science, technology, and industry, as well as improved health and environmental protection in society.

Our new corporate philosophy is based on the recognition that our mission, through our sustained corporate activities, is to significantly contribute to the betterment of society by promoting the potential and the development of new products and services that are aimed at contributing to the advancement of culture, science, technology, and industry across society, as well as contribute to the fulfillment of social responsibility (CSR) activities and continue to be passed down within our group, as the Fujifilm Group’s “DNA.”

Following the shift to a holding company structure in 2006, we established a brand new Corporate Philosophy and Vision. Based on these concepts, we also enacted the Charter for Corporate Behavior and an official Code of Conduct that cover every one of our group companies. All of these philosophies and rules are now thoroughly implemented across 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 following the law and acting correctly in the light of common sense and ethics,” and declare that all Group employees, including senior executives, will conduct themselves in line with these action guidelines.

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

In 2013, we revised the Approach to CSR in order to identify the social challenges and more actively seek solutions under the new corporate slogan, “Value from Innovation,” established to coincide with our 80th anniversary. We will follow this new approach and slogan in further promoting our CSR activities.

Vision
Anchored by an open, fair, and clear corporate culture that allows us to make objective decisions in a sincere and straightforward manner, make rational decisions, and continuously take on challenges with courage, we are working hard to realize a corporate culture that is open, fair, and clear.

Through this corporate culture, we will further hone our leading-edge, proprietary technologies and develop innovative products and services that can create customer trust and provide satisfaction to remain a vigorous company, continuing our development of new value and exercising pioneering leadership.

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

We will not only fulfill our economic and legal responsibilities, but also:
1. endeavor to understand global as well as local environmental and social issues and create value to address these issues through our business activities.
2. continue to evaluate the environmental and social impact of our business activities and strive to improve the performance while increasing our positive impact on society.
3. constantly reassess whether our activities are responding adequately to the demands and expectations of society through proactive stakeholder engagement with our stakeholders.
4. enhance corporate transparency by actively disclosing information.

Charter for Corporate Behavior

1. A Trusted Company
We develop and provide socially beneficial products and services of the highest quality using advanced and original technologies in a safe and responsible manner. Based on an open, fair and clear corporate climate, we create new values by working together in a spirit of appropriate competition and fair dealing, continuously striving to earn the trust and satisfaction of customers and other stakeholders.

2. Social Responsibility
We communicate with customers, local communities, shareholders, and all other members of society, while adhering to the principles of ethical conduct on the basis of the rules for Corporate Behavior and our Code of Conduct, and continually striving to earn the trust and satisfaction of customers and other stakeholders.

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

4. Global Environmental Conservation
Recognizing that positive involvement in the resolution of environmental issues is an essential part of a corporation’s social role and activities, we set out clearly and proactively to help preserve the global environment.

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

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