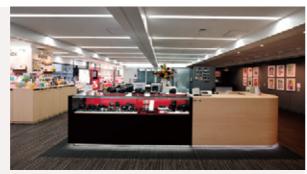


Products and Services Which Reflect Our Customers' Views



Moved and reopened New FUJIFILM Osaka Service Station in 2017

Basic **Approach** 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 our work processes.

Outline of Activities in FY2016

Efforts to Raise Customer Satisfaction (CS)

▶ Fujifilm

Fujifilm's businesses cover a wide range of fields, giving it a wide variety of customers; it responds to their voices in a way that takes into account the characteristics of each product. Each customer center reports customers' productrelated proposals and requests to the relevant department (sales, marketing, design, development, research, etc.) to help to improve our products and services and support the development of new products. Throughout the year, we conduct CS surveys targeting customers who submitted inquiries to the Customers Communication Center, Net Print

Service Support Center and FinePix Support Center. In FY2016, we received about 500 replies, which we utilized to improve and develop our products and services.

For example, the Web design and workflow of our Net Print Service System have been revised to prevent customer operating errors that



are frequently the cause of customer inquiries. In addition, customers can now track their product from ordering to production, shipment and transport to provide them with reassurance. In the face of the growing number of customers who make use of the system during late-night hours when our offices are closed, Q&As upgraded with AI features have been introduced to enable customers to resolve their queries at any time. These efforts have succeeded in roughly halving the number of gueries, which increase during the New Year card printing season every year. Fuiifilm will continue to listen in earnest to suggestions and requests from customers to improve customer satisfaction.

▶ Fuji Xerox

At Fuji Xerox, we believe that customer satisfaction (CS) is fundamental to all our corporate activities. It is important to know the demands and expectations of customers to enhance customer satisfaction. We put importance on interactive communication with the customer, and the basis of



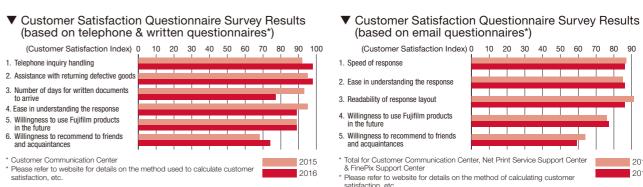
*J.D. Power Asia Pacific Japan Color Copier Customer Satisfaction Study^{SI}

raising customer satisfaction is accepting the opinions of our customers submitted through the following channels and making continual improvements: (1) the Integrated Customer Support Center (main contact point for customers): (2) the Voice 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.

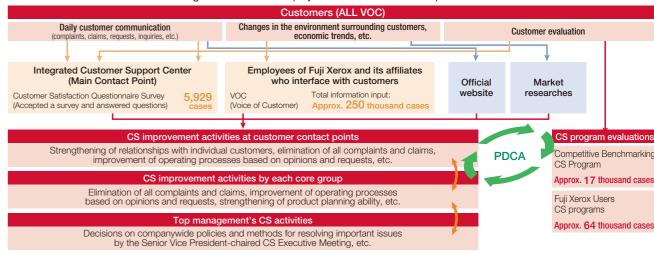
A communication website has been created to deal with the VOC data to support employees working in customer service. The bilateral communication between customer contact, including sales, maintenance, shipping and invoicing, and the areas of product development, marketing and quality control that the website allows is expected to foster greater customer understanding. In a customer satisfaction survey of customers who submitted gueries to the Integrated Customer Support Center, roughly 98% of respondents rated the service either "satisfactory" or "very satisfactory" in FY2016. The CS rating was also high in the CS surveys conducted by external organizations in FY2016.

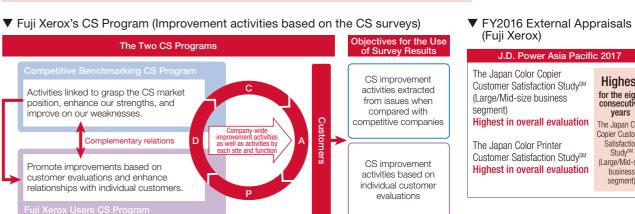
▼ System for Responding to Customers (FUJIFILM Corporation and its domestic affiliates)





▼ Mechanisms for Communicating with Customers (Fuji Xerox and its affiliates)





Highest for the eight consecutive vears The Japan Colo Copier Custome Satisfaction (Large/Mid-size business segment)

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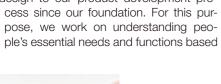


Outline of Activities in FY2016

Manufacturing That Responds to the Needs of a Wide Range of Customers

At Fujifilm, we are incorporating real users' opinions into our product and finding issues through a usability assessment conducted by our Design Center, so that we can provide products with better usability. In addition to our conventional product improvement methods, we have recently employed "ethnographic* analysis" as a means to implement the functions and designs that users are really seeking. In this new mode of research, designers observe users' activities in their working environment to identify unseen needs and issues that can lead to new product ideas and designs. This method is particularly effective for B-to-B products that cannot be tested by our employees, and is also utilized in usability assessments for our medical and printing equipment. In the printing area, we are collaborating with FUJIFILM Global Graphic Systems Co., Ltd., one of our Group companies, to utilize the ethnographic approach in a wider area, including making suggestions to customers, and we have assessed and confirmed the effectiveness of these suggestions.

At Fuji Xerox, we have been applying the principles of human-centered design to our product development pro-



This compact mobile digital radiography system with excellent operability in a limited space was developed from direct observations made in emergency rooms. The panel to be inserted between the patient and the bed has a curved profile for easy insertion.

around their characteristics and activities, and we reflect this understanding in an optimal design. To achieve this human-centered design, we have to discover the way that users act in using our products and the reasons behind those actions to uncover potential needs and challenges. From this perspective, we have incorporated an ethnographic approach into our design process, in which we are designing products that support customers' ideas



and opinions through actually observing them using products and interviewing them. These efforts have resulted in a new series of A4 color printers/multifunction devices, including the DocuPrint CP210 dw, which received the Good Design Award 2016. To create these devices, our designers undertook an onsite survey in a small office and studied how multiple users share use of a single device. They noticed that users tended to use the basic functions again and again. The awareness we gained here was that "the device must not impede the user's workflow." We then put this idea into designs that would create "devices that can be used intuitively" and embody "the more you use them, the easier they are to use." The award was in recognition of the refinements made to our

Utilizing a variety of methods, the Fujifilm Group will continue to develop products that help resolve the basic issues that our customers experience.

* Ethnographic: Relating to ethnography. Ethnography was developed as a qualitative research method used in the fields of cultural anthropology and sociology to understand how people actually live or work. Today, this method is applied to the areas of marketing and design research, where it is used to gain a deeper understanding of users and their behavior, and thus extract



Aiming at Innovative Creation through Collaboration with Outside Partners

Ideas that go beyond conventional frameworks and new value created through technological integration are essential in solving the various problems that our society encounters, such as global environmental issues and the aging society. Against this backdrop, "Open Innovation" activities are spreading across the world to create new value through collaboration between various organizations beyond the borderlines of industry, academia, and government and to contribute to building a sustainable society.

Ahead of many others, the Fujifilm Group realized the importance of having a "Future Center," a place where different parties can talk from a creative and future-oriented viewpoint,

in Japan. The Fuji Xerox Customer Co-Creation Laboratory and the FUJIFILM Open Innovation Hub are both facilities that seek to co-create new value with outside partners. Through face-toface communication and open dialogue with different industries, we create opportunities to gain both unexpected ideas and new business partners. Unlike conventional showrooms, these two facilities are characterized by their goal, which is to create innovative solutions that address essential issues with our customers. We are promoting these centers as network hubs to help resolve social issues and as places where innovative creation originates.



Open Innovation Hub

Established: January 2014 / Location: Within the FUJIFILM Tokyo Midtown Office (Minato-ku, Tokyo)

This is a facility to create new value through presenting materials, products, and services produced from the wide

ranging core and platform technologies possessed by the Fujifilm Group and linking them with the potential needs of industries and corporations that have never interacted before. After their establishment in Japan, equivalent facilities were built in the U.S. and in Europe, and more than 9.000 visitors from 1.800 companies had visited these three facilities by



Customer Co-Creation Laboratory

Established: May 2010 / Location: Within Fuji Xerox R&D Square (Yokohama, Kanagawa)

This facility seeks to create new value by collaborating closely with customers.

Based on practical case studies of business solutions that were achieved within Fuji Xerox itself, we identify the real issues that customers face, and then assess the applicability of the solution, effects of the solution, and marketability. We also tackle the resolution toward social issues with local citizens. Since its opening, by June 2017 we had more than 10,000 visitors



Social Contribution Activities



Photography workshops are being held for children around the

Basic Approach The Fujifilm Group is committed sincerely to contributing to the sustainable development of society in aspects of working together with local communities as a good corporate citizen and responding sincerely to the demands and expectations of those communities. In 2008 we formulated the Fujifilm Group Social Contribution Policy, based on which we are conducting activities focusing on the fields of research and education, culture, arts and sports, health and environmental conservation through cooperation and collaboration with NGOs/ NPOs, local communities and others and in active support of volunteer activities conducted by employees.

Fujifilm Group Social Contribution Policy http://www.fujifilmholdings.com/en/sustainability/vision/society.html

Outline of Activities in FY2016

The Fujifilm Group contributes to society through its business operations while interacting proactively 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 emerging nations, education aid in emerging nations, and production support in publishing of large-font textbooks for children with weak sight, we continuously implemented various activities in environmental and other education assistance and in promoting coexistence 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



*Cost for future generations, and NPOs and NGOs

Education for future generations Harmony with the local community 221 Promote culture and the arts in society (in Japan) Consideration for the international community and international cultures 134 Cooperation with NGOs and NPOs 62 1.482 been highly appreciated. One such example was that a copy of the Hedaurani-okeru Rokoku Gunkan Kenzo Zukan, owned by Toyo Bunko 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 Kumamoto Earthquake (see page 63).

Overseas, Fuji Xerox started offering learning materials to children who have limited access

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 aid in 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 IS" 50,000—Person Photo Exhibition (Fujifilm) Album Café (Fujifilm) Reproducing historical documents (Fuji Xerox) Pink Ribbon Campaign (Fujifilm) Photo class 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) Kikigaki-Koshien (Fujifilm) • Kankyo-Nikki, "Midori-no-Komichi" (Fujifilm) "Kids' ISO 14000" program (Fuji Xerox) Charitable Trust Fujifilm Green Fund (Fujifilm) "Watashi-no-Shizenkansatsuro Competition" (Fujifilm Green Fund, etc.) Ground water conservation activities in Minami-Aso village (Fujifilm) Volunteer tree planting activity in China (Fujifilm's labor union)

Training sessions for nature guides (Fuji Xerox)

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Support for Ride 4 Women

Tour, a women's cancer

Vietnam

have an opportunity to study.

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 Gynecological Oncology;

FUJIFILM Dis Ticaret A.S. (FFTR) is proactively

supporting the Ride 4 Women Tour, a European

tour by professional cyclists to raise aware-

ness of women's cancer. FFTR 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

Fuii Xerox Hai Phong Co., Ltd. started donating

books to elementary schools nearby in 2016

to support deprived children. The donations

started with an idea from our staff members to

offer an opportunity for children to gain a wide

ranging knowledge of the world through books,

enabling them to see their dreams. In 2017, we

donated 514 books to Thuy Trieu elementary

school along with notebooks and pencils for

children in deprived areas so that they too can

The Philippines

cultivates children's dreams



Supporting a photographic project for children facing bereavement

Through collaborating with a royal photographer, FUJIFILM UK Ltd. has donated instant cameras to Child Bereavement UK, a charity that supports families who have lost or are losing 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 over the self-portrait taken with our instax cameras.





Contributing to improving healthcare in Zambia by X-ray diagnostic imaging systems

Through Grant Assistance for Grassroots Human Security Projects (GGP), one of the development aid projects provided by the Japanese government, FUJIFILM South Africa (Pty) Ltd. has donated X-ray diagnostic imaging systems and other devices to Monze Mission Hospital in the Republic of Zambia in southern Africa. We also dispatched engineers to install the equipment and offered operational training to local radiographers at no charge. Compared to their conventional

manual method, the system significantly improved diagnosis accuracy by its stability of the imaging quality, and reduced the time required for each diagnosis.





Sponsoring a mailbox renewal project in Myanmar for better postal services

Myanmar

Fuji Xerox Asia Pacific Pte. Ltd. (Myanmar Branch) commenced its sponsorship of the Mailbox Renewal Project, managed by Advertising Nagata Co., Ltd. and became the first advertiser in this project. This is a part of an international cooperation project to improve postal services in Myanmar by Japan's Ministry of Internal Affairs and Communications Japanése-style mailboxes have been installed in



250 locations inside the country with some of the costs covered by renting advertising space on the mailbox. In the areas where the new mailboxes have been installed along with the improved postal service a letter is now delivered in one day, whereas it used to take three days.



The Philippines, Myanmar, Thailand, Vietnam, and Indonesia



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 Pan 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





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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 aircraft. FUJIFILM Philippines Inc. participated in the event 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 had dreamed of. These photographs were later exhibited in a shopping mall in the Philippines in July. The photos are from Photography with a Difference led by John Chua and Harvey Chua together with the Core group members: Pet Salvador, Sarita Zafra and Agne





China

Tree planting activities in the Chinese desert enhanced and continued over the years

It was 1998 when the Fujifilm Labor Union started greening activities in the Horqin Desert of the Inner Mongolia Autonomous Region of China. In 2006, Fujifilm (China) Investment Co., Ltd. (FFCN) along with its affiliated companies and sales agencies in China joined the activities, and the Tree Planting Activities by the Industrial Collaboration of Green Printing was started by FFCN and the Printing Technology Association of China in 2015. In 2016, the FUJIFILM Collaboration Anniversary Greenery monument that commemorates the FFCN's 10-year contribution was built, along with another to celebrate the green printing activities that demonstrate the determination of the Chinese printing industry.







Japan

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 Hamakko 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.





Helping early detection of breast cancer in collaboration with hospitals and an NPO

Fujifilm teamed up with National Breast Cancer Foundation (NBCF)-one of the most recognized and respected breast cancer charitiesto donate a new digital mammography system, the Aspire Cristalle, to Adventist Health White Memorial Medical Center. Through the donation of the Aspire Cristalle mammography system, the hospital will provide life-saving mammograms to women throughout Los Angeles, California (U.S.A). The latest technology will assist radiologists in screening and diagnosis of breast cancer.



Marché for Disaster Recovery

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 Fuji Xerox Kumamoto started the Kumamoto Recovery Marché that sells local produce from Kumamoto Prefecture to Fujifilm Group staff members across Japan in support of the neighboring communities. Fuji Xerox Kumamoto takes care of the entire sales procedure including receiving orders. packaging, and dispatching the goods in order to help other companies in their prefecture. Fuji Xerox Kumamoto also helps selling Kumamoto produce in the Marché for Disaster Recovery jointly held by FUJIFILM Holdings, Fujifilm, and Fuji Xerox in their head office in Tokyo Midtown each March as a joint market to help both East Japan and Kumamoto







Japan

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. Some 20

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 science, each

day we discussed the experiment to be pre-

sented at the Convention. We eventually de-

cided 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.

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

Since starting in 2006 as PHOTO IS Exhibition by 10,000 People, the exhibition will be expanded in scale from 2017 as Heart to Heart Communication-PHOTO IS 50 000—Person Photo Exhibition Through the display of works by all participants, along with their thoughts reflected in their works, the exhibition drew a total of 284,705 entries for the first 12 exhibitions, with visitor numbers reaching roughly six million. A Kizuna Post is set up at the exhibition venue to enable visitors to send handwritten messages to participants on what they felt after seeing their works.



Volunteering to rebuild a coastal windbreak

Since 2012, Fujifilm has been volunteering for an activity to recover the coastal windbreak in Iwaki City, Fukushima Prefecture, an area heavily af-fected by the Great East Japan Earthquake. The activity is organized by the Fujifilm Labor Union, and Fujifilm staff and their family members help plant trees and remove weeds in the windbreak zone. A total of 67 people, including Group company staff members, participated in the session held on October 15, 2016. They removed weeds in the area and planted 200 Japanese black pine saplinas.

Support for recovery from the Great East Japan Earthquake and

the Great Kumamoto Earthquake



The Marché for Disaster Recovery is a sales



