

# 1.2 CSR Management

## 1.2.1 Basic Approach

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

## 1.2.2 Philosophical Concepts and Related Policies of the Fujifilm Group

Fujifilm Group established the Fujifilm Group Corporate Philosophy and Vision following the shift to a holding company structure in 2006. 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. To ensure awareness and implementation by all employees, we established the Fujifilm Group’s Approach to CSR in 2006 and updated it in 2014 in step with social changes. Seven additional policies (environmental, social contribution, biodiversity, procurement, quality, occupational health and safety and global security trade and control) have been established to promote activities.

### 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.

Revised in February 2014

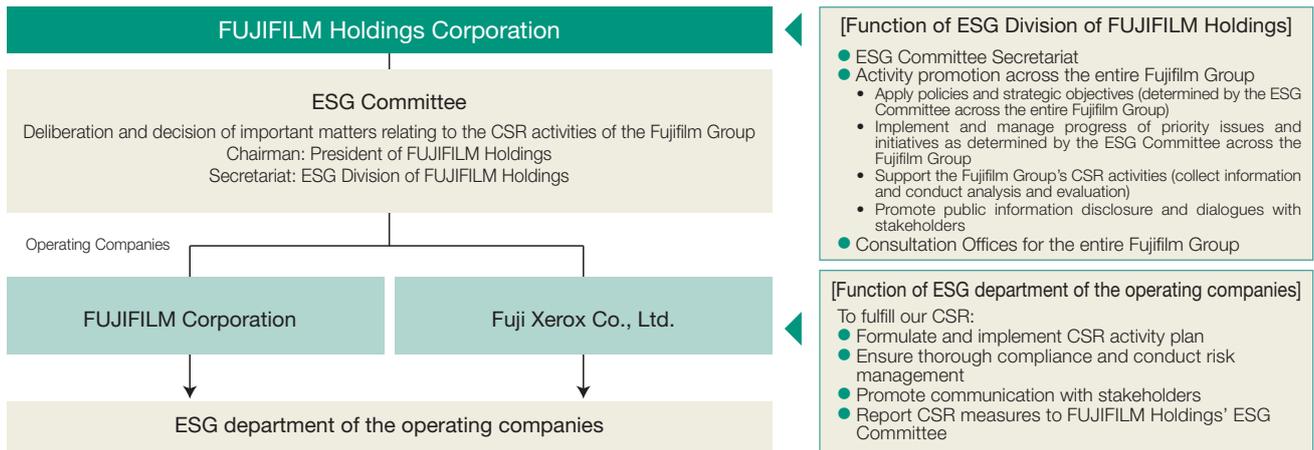
Fujifilm Group Corporate Philosophy/Vision (full text) [URL: https://www.fujifilmholdings.com/en/about/philosophy/index.html](https://www.fujifilmholdings.com/en/about/philosophy/index.html)  
 Fujifilm Group Charter for Corporate Behavior (full text) [URL: https://www.fujifilmholdings.com/en/about/philosophy/conduct/index.html](https://www.fujifilmholdings.com/en/about/philosophy/conduct/index.html)  
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### 1.2.3 CSR Management System

#### The Fujifilm Group's CSR Promotion System

The Fujifilm Group established the ESG Committee (reorganized from CSR committee in June 2019) chaired by the President of FUJIFILM Holdings. The Committee takes decisions on the important matters relating to the CSR activities of the entire Group. The ESG Division of FUJIFILM Holdings, which is the Secretariat of the ESG Committee, is responsible ensuring rigorous CSR management by the Fujifilm Group. The Division considers the priority issues for the entire Group, discloses information outside, communicates with stakeholders, supports the CSR activities of Group companies, audits the CSR activities of the entire Group, and operation of the whistle-blowing offices.



#### Effective Management System

We implement IMS\* across our seven business organizations to promote activities aimed at improving customer satisfaction. (For our environmental management system, please refer to 3.1. Environmental Policy and Management System.)

\* Integrated management system (IMS): Management system integrating an environmental management system (EMS), quality management system (QMS), occupational health and safety assessment system (OHSAS) and information security management system (ISMS).

URL: <https://www.fujifilmholdings.com/ja/sustainability/vision/activity.html>

\* Acquisition of ISO & OHSAS

Fujifilm URL: <https://www.fujifilm.co.jp/corporate/environment/governance/isoohsas.html>

Fuji Xerox URL: <https://www.fujixerox.co.jp/company/eco/internal/iso14001/all.html>  
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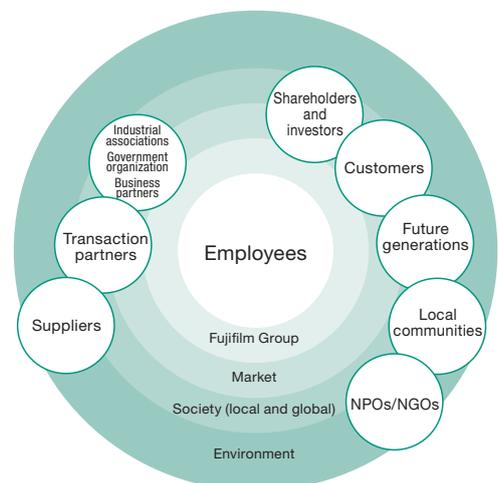
### 1.2.4 Relationship between CSR Planning and Management Planning

Under our corporate slogan “Value from Innovation,” our targets for contributing to building a sustainable society that complies with SDG's were announced in our Long-Term CSR Plan SVP2030 toward fiscal 2030 in July 2017. Our Medium-Term Management Plan VISION 2019 sets out the concrete business strategies to achieve these targets.

### 1.2.5 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 “Environment,” “Work Style,” etc., we conduct individual briefings on the content of the activities to external parties, to receive their advice and evaluation.\* Looking back over our activities and obtaining the views of external parties in this way provides a good opportunity to reexamine our activities.



The Fujifilm Group's Communications with Stakeholders

Main stakeholders		Main issues and areas of responsibility	Methods of communication	Frequency
Customers	We have a diverse range of customers, from individuals, businesses, corporations to government offices, etc., since we have business deployed all over the world, and we offer such a wide lineup of products, ranging from digital cameras and cosmetics to office printers, medical systems, medicine, highly functional materials and equipment and materials for graphic arts.	<ul style="list-style-type: none"> <li>• Securing the safety and quality of products</li> <li>• Design for Environment</li> <li>• Provision of appropriate information on services &amp; products</li> <li>• Improvement of customer satisfaction levels</li> <li>• Customer response &amp; support</li> </ul>	• Customer Center (liaison office for responding to inquiries)	• Day-to-day
			• Usability evaluation meetings and monitor surveys	• As needed
			• Customer satisfaction surveys	• As needed
			• Questionnaires at product purchase	• Day-to-day
			• Showrooms, exhibitions	• As needed
			• Holding seminars	• As needed
			• Websites and social media	• As needed
Employees	Employees working for the Fujifilm Group total approx. 80,000 people in 279 companies. They are active all over the world and their composition by country is Japan 51%, the U.S. 9%, Europe 6% and Asia 34% (as of end-March 2019).	<ul style="list-style-type: none"> <li>• Ensuring occupational health and safety</li> <li>• Respect for human rights</li> <li>• Utilization and training of human resources</li> <li>• Respect for diversity</li> </ul>	• Providing opportunities for dialogue with top management	• As needed
			• Personnel management division liaison & interviews	• Day-to-day/As needed
			• Compliance & Sexual Harassment Helpline	• Day-to-day
			• Regular meetings between the company and labor unions/Health & Safety Committee	• As needed
			• Intranet; in-house magazines	• Day-to-day
Shareholders & investors	FUJIFILM Holdings has 97,838 shareholders, characterized by a high proportion of overseas and institutional investors. Japanese financial institutions account for 33.0% of our shareholders, while foreign companies constitute 29.5% (as of end-March 2019).	<ul style="list-style-type: none"> <li>• Maintenance and expansion of corporate value</li> <li>• Appropriate redistribution of profits</li> <li>• Timely &amp; appropriate information disclosure</li> <li>• Measures for Socially Responsible Investment (SRI)</li> </ul>	• General shareholders meetings/Business report briefings/Briefings for investors	• Once a year/4 times a year/As needed
			• IR conferences/Individual meetings	• As needed
			• Integrated reports/Shareholder communications	• As needed
			• IR information website	• Day-to-day
			• Liaison office for responding to inquiries	• Day-to-day
Transaction partners	The Fujifilm Group conducts transactions worldwide with suppliers of raw materials and components and retailers of our products, etc.	<ul style="list-style-type: none"> <li>• Thorough implementation of fairness &amp; transparency in transactions</li> <li>• Promotion of CSR issues in the supply chain, such as human rights and the environment</li> </ul>	• Briefings to suppliers (on CSR procurement including green supply, management of chemical substances contained, etc.)	• As needed
			• CSR Self-Check (self-audited) and Onsite "Visit and Check" by expert team	• As needed
			• Website for exclusive use of transaction partners	• Day-to-day
			• Regular discussions with partners	• As needed
			• Liaison office for responding to inquiries (in each procurement and sales division)	• Day-to-day
Future generations & local societies	The Fujifilm Group has bases in approx. 40 countries across the world and conducts its activities by treating the local culture and customs with respect, as well as putting efforts into educational support for future generations.	<ul style="list-style-type: none"> <li>• Contribution activities which make use of our main business strengths</li> <li>• Respecting local culture &amp; customs and environmental conservation</li> <li>• Prevention of fires and accidents in the workplace</li> <li>• Educational support for future generations</li> </ul>	• Environmental communication meetings/Factory tours	• As needed
			• Community volunteer activities	• As needed
			• Regular discussions with local governments (city hall, mayor, community association presidents, etc.)	• As needed
			• Liaison offices (at each factory & office)	• Day-to-day
			• Dispatch of lecturers to the academic organization & endowed chairs	• As needed
Government organizations & industrial associations	The Fujifilm Group has businesses in countries all over the world. Each of these businesses belongs to several industrial associations and has active relations with the respective government organizations, including participating in collaborations and information exchanges, etc.	<ul style="list-style-type: none"> <li>• Legal compliance</li> <li>• Joint research &amp; development and cooperation in public policy aimed at the resolution of social issues</li> </ul>	• Participation in various industrial committees	• As needed
			• Participation in the development of industry guidelines	• As needed
			• Announcement of public comments through industry associations	• As needed
			• Joint research & development of government or industry association	• As needed
			• Proposals aimed at the resolution of social issues	• As needed
NGOs & NPOs	We are conducting dialogues with NGOs & NPOs who are actively aiming for a sustainable society, for the resolution of social issues and environmental conservation.	<ul style="list-style-type: none"> <li>• Dialogue, collaboration and support aimed at the resolution of social and environmental issues</li> </ul>	• Obtain views on the Sustainability Report	• As needed
			• Participate in stakeholder dialogue	• As needed
			• Administration committee of Public Trust Fujifilm Green Fund	• As needed
			• Review meetings on various CSR issues	• As needed
			• Afflicted area support activities with NPO	• As needed

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

### Social Background and Basic Approach

In recent days, international long-term targets such as Sustainable Development Goals (SDGs\*<sup>1</sup>) and the Paris Agreement\*<sup>2</sup> have been announced in the drive to resolve social issues. In particular, expectations are growing for the role of companies as players in resolving social issues and building a sustainable society. In view of these developments, the SVP 2030 has set as its long-term goal for FY2030 to contribute to achieving the goals for resolving global social issues set by SDGs, the Paris Agreement, etc.

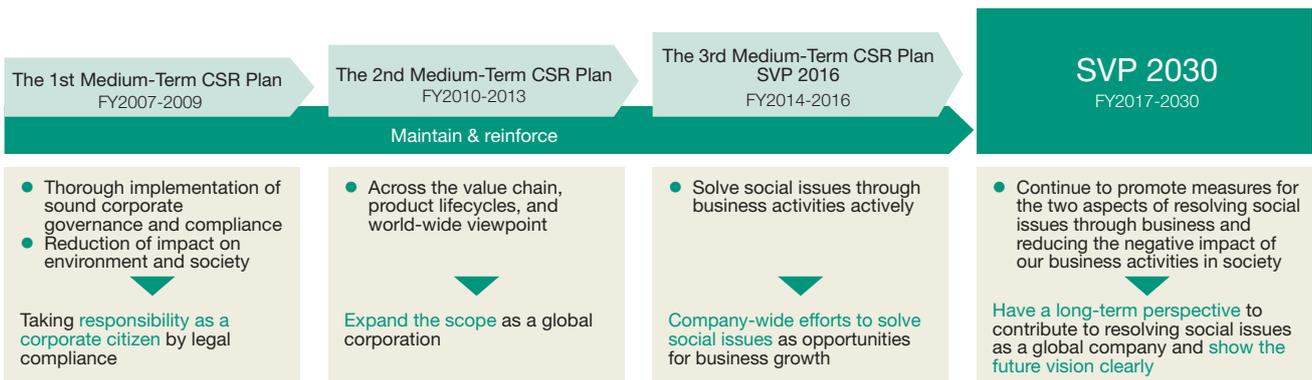
\*1 SDGs (Sustainable Development Goals): Goals in sustainable development adopted by the United Nations General Assembly in 2015, to be addressed as social issues by the international community until 2030. There are 17 goals and 169 targets established to address the issues of poverty, inequality and injustice, health, education, fulfillment in work, climate change and the environment, etc.

\*2 Paris Agreement: International, multilateral agreement on arresting climatic changes that was adopted by The 21st Session of the United Nations Framework Convention on Climate Change Conference of the Parties (COP 21) held in Paris in 2015. The Agreement calls for holding the global temperature rise to less than 2°C over the level before the Industrial Revolution.

### Process for Identifying Materiality (Priority Issues)

#### [STEP 1] Clarifying the Basic Policies

In addition to the review of CSR activities under SVP 2016, issues that should take priority in SVP 2030 were identified with attention given to global developments in response to climate change, etc. As a result of the review, the perspective adopted in SVP 2016 to make company-wide efforts to solve social issues as opportunities for business growth was upgraded to clearly specify a future vision from the long-term perspective on contributions to resolving social issues as a global company and was adopted as the basic policy.



#### [STEP 2] Extracting Social Issues Based on Business Strategy

In identifying social issues, roughly 130 items listed from various indexes such as ISO 26000 and GRI Guidelines/Standards were combined from the standpoint of social issues to be addressed from a long-term perspective, including the goals of the Paris Agreement and the 169 targets under the SDGs. Also, the possibility of contributing to resolving social issues was discussed with all business divisions to identify relevant products, technologies, and services in these divisions.

\* Study of priority issues based on the SDG Compass from viewpoints of both the negative impacts from business processes and the positive impacts from social contribution through business

Main CSR Issues (PDF) URL: [https://www.fujifilmholdings.com/en/sustainability/svp2017/process/pack/pdf/main\\_CSR\\_Issue\\_en.pdf](https://www.fujifilmholdings.com/en/sustainability/svp2017/process/pack/pdf/main_CSR_Issue_en.pdf)

### [STEP 3] Evaluation of Materiality

Evaluation adopted the approaches both of resolving social issues through business and reducing the social impact of business activities in society.

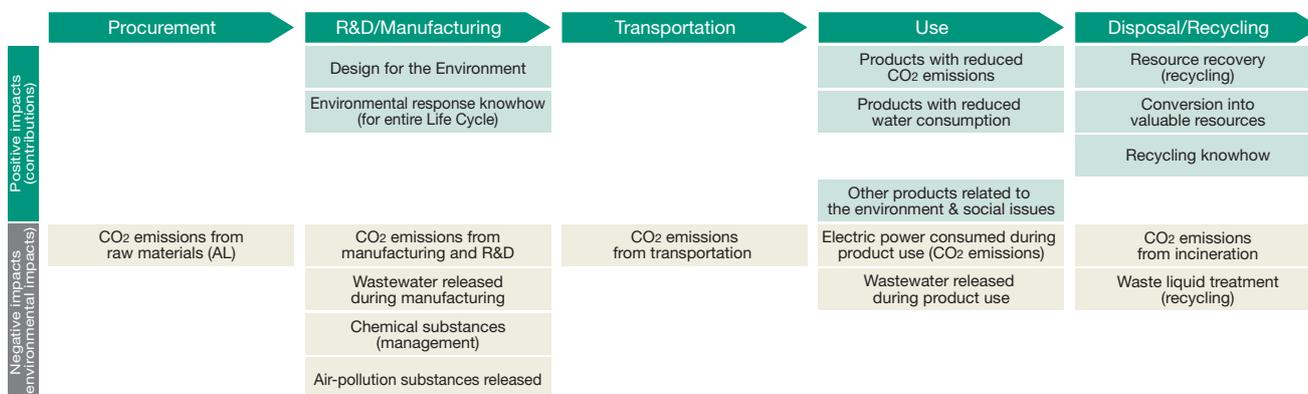
#### 1. Resolving social issues through business

Fujifilm's products, technologies and services that show the potential of resolving social issues and the social issues were organized in a matrix diagram. Based on the diagram, the possibility of contributing to solving social issues and the scale of the impact on society were evaluated, and the social issues that must be prioritized by our company were identified.

#### 2. Reduction of the impact of our business activities

With the participation of the CSR specialist E Square, the social issues identified were evaluated from a social perspective (how important society perceives the issue and what it demands of the Fujifilm Group) and our company perspective (impact on business strategy, brand and reputation) and were mapped on five levels. Issues that were rated four or higher on both sides were organized and reexamined in expressions suitable for the Group's measures on the issues and were defined as priority issues.

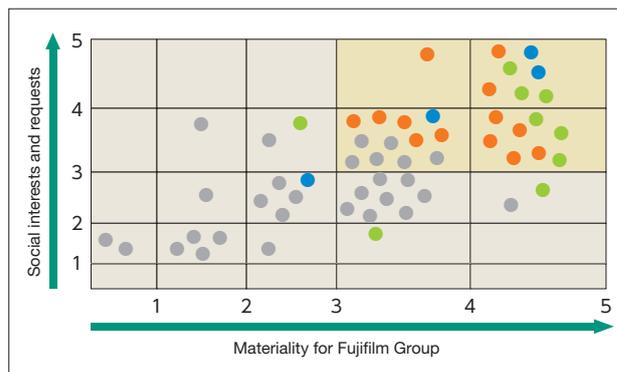
#### Impact on Business Processes across the Value Chain (Ex. Environment)



\* Study of priority issues based on the SDG Compass from viewpoints of both the negative impacts from business processes and the positive impacts from social contribution through business

#### Matrix on Social Issues and Fujifilm Group's Products, Services, and Technologies/Materiality Mapping for Extracting Priority Issues

Business fields	Social issues	Medical	Pharmaceuticals	Highly functional materials	Document solutions	...
Environment	Reduce CO2 emissions	●●		●●●●●	●●●●●	
	Energy issues	●		●●●	●●●	
	Exhaustion of resources			●	●●	
	...			●	●●	
Health	Improve accessibility to medical services	●●●●●			●●	
	Identify diseases at an early stage	●●●●●		●●●		
	Reduce doctor's burden	●●			●	
	...	●	●		●	
Daily Life	Enrich humanity and relationships				●●	●●●●
	Create a safe and secure society			●●●	●	●
	...			●		●
	...					●
Work Style	Promote communications				●●●	
	Promote diversity				●●	●
	...				●	



### [STEP 4] Planning and Review

For each priority issue defined, relevant business divisions at operating companies that had introduced measures on the issue took the initiative in studying the indicators for promoting progress toward the long-term goal, and for environmental issues on a global scale, definitions of the numerical targets for the year 2030. Priority issues of SVP 2030 were finalized in the deliberations by the CSR Committee (present ESG Committee), headed by the President of FUJIFILM Holdings. For achievement of SVP 2030, we will re-examine our group-wide activities through PDCA every three years by planning for medium-term management reform.