

Governance: Improve and maintain governance structures by further disseminating an open, fair and clear corporate culture.

[Priority Issue] Improve and maintain governance structures.

Relation to business	Target for 2030
Business infrastructure	Aim for zero cases of misconduct and major legal violations by disseminating an open, fair and clear corporate culture.
Progress (FY2018)	
<p>[Target] Develop a governance organization for the entire Fujifilm Group and reinforce the business management process.</p> <ul style="list-style-type: none"> Increased the number of independent outside directors to four to augment deliberations by the Board of Directors and improve transparency of management decision-making by using an independent outside director. Established the Nomination and Remuneration Advisory Committee chaired by an independent outside director as an arbitrary advisory body to the Board of Directors. 	
<p>[Target] Improve compliance awareness across the entire global Group and reinforce risk management.</p> <ul style="list-style-type: none"> Revised the Fujifilm Group Charter for Corporate Behavior and Code of Conduct. (see Page 43) Follow-up investigation on the FY2017 compliance awareness survey ⇒ No major issues. Implemented training programs for risk managers at several overseas regional headquarters. Introduced the information security reporting system globally. Implemented disaster prevention education and training to prepare for a wide-area disaster. (see Page 43) 	
<p>[Target] Maintain a fair and independent audit and improve the audit quality level.</p> <ul style="list-style-type: none"> Established methods for analysis of financial data and work record etc. as well as an e-mail forensics mechanism; all of which have already been deployed in domestic audits and have led to improving audit completeness and objectivity. 	
Future Activities and Targets	
<ul style="list-style-type: none"> Strengthen consolidated management of compliance activities by operating companies FF & FX under an FH initiative and by execution of measures aimed at further improving compliance awareness among all employees. Enhance deliberations by the Board of Directors and improve transparency of management decision-making. 	

FH: FUJIFILM Holdings FF: Fujifilm FX: Fuji Xerox

Themes That Are Significantly Related with our Business in the Priority Issues of SVP2030

Item	CSR Priority Issue 1	CSR Priority Issue 2	CSR Priority Issue 3
Material Issues	Contribute to resolving social issues related to health, daily life, environment and work style through products and services (Issues related to social impact in the four areas "Environment", "Health", "Daily Life", and "Work Style" of SVP2030)	Business processes that respond to environmental issues. (Issue related to the company's operation in the "Environment" of SVP2030)	Develop and make use of diverse human resources. (Priority Issue 2 in the "Work Style" of SVP2030)
Business Case	In the above four areas "Environment", "Health", "Daily Life", and "Work Style" of SVP2030, contributing to resolving social issues including improving access to medical services, identifying disease at an early stage, fulfilling unmet medical needs and promoting health are priority areas in our Medium-Term Management Plan VISION 2019 and lead to business growth.	Business operations that respond to environmental issues (energy conservation) not only contribute to reduced costs and improved earnings for a company in the chemical, electrical and machinery industries but are also essential in ensuring stability and continuity of business, as well as in maintaining our social reputation.	The people working at the various workites form the foundation of our global business operations in diverse fields. Improving working conditions and assuring employee diversity in the company and in the supply chain at large is the key to reducing job turnover, increasing motivation and ultimately leading to business growth. In addition, the expertise gained in the course of these activities has led to us offering work style reform services to other companies.
Business Impact	Revenue & profit	Costs & risks	Risks, sales & revenue
Business strategies	<ul style="list-style-type: none"> Grow sales in the growth areas of medical IT, endoscopes and ultrasonic diagnosis systems in markets including emerging countries and expand our lineup of products with functional claims using our exclusive technologies. 	<ul style="list-style-type: none"> Launch of innovative new products founded on value co-creation and incorporating our high levels of fundamental and core technologies that contribute to solving environmental issues in partnership with external parties. Maximizing profits through energy conservation and implementing a cost-cutting business structure. 	<ul style="list-style-type: none"> Creating a corporate environment in which diverse employees are able to demonstrate their individual strengths through the introduction of Work Style Innovation. Promoting CSR procurement (survey) and reinforcing CSR systems at suppliers, including better working conditions for employees aimed at building a stable and sustainable procurement system.
Long-Term Target/Metric	<p>[Health] Increase healthcare business sales by 30% in FY2016 in line with the Medium-Term Management Plan VISION 2019.</p> <p>[Environment] Medium-Term CSR Plan</p> <ul style="list-style-type: none"> Reduce CO₂ emissions by 20 million tons by FY2020. Long-Term CSR plan Reduce CO₂ emissions by 50 million tons by FY2030. 	<p>Increase sales of highly functional materials by 20% in FY2016 in line with the Medium-Term Management Plan VISION 2019.</p> <p>Medium-Term CSR Plan</p> <ul style="list-style-type: none"> 30% reduction in CO₂ emissions over FY2005 levels over the product lifecycle by FY2020 10% reduction in basic resource input units over FY2012 levels by the year FY2020 Long-Term CSR Plan 30% reduction in CO₂ emissions over the product lifecycle over FY2013 levels by the year FY2030 30% reduction in water consumption of the entire Group over FY2013 levels by FY2030 	<ul style="list-style-type: none"> Increase number of female managers by 6% (Fujifilm) and by 14% or more (Fuji Xerox) by FY2020.
Target Year	FY2030	FY2030	FY2020
Executive Compensation	Applied when determining compensation of the company president serving as COO and executive officers supervising relevant divisions	Applied when determining compensation of the company president serving as COO and executive officers supervising relevant divisions, as well as executive officers in charge of CSR	Applied to personnel administration and when determining compensation of executive officers in charge of CSR