

Never Stop—Leading Changes through Unrelenting Challenges to Build a Sustainable Society

Uniting to take on the challenge of resolving social issues

Again this year, major natural disasters have struck Japan and other parts of the world. We would like to take this opportunity to express our condolences to the disaster victims and our prayers for their recovery at the earliest possible time.

Since ancient times, we have regarded natural disasters as “scourges from heaven,” accepting them as a bane that transcends human wisdom. In recent years, however, we are becoming aware that rapid growth in populations and economic activities is triggering climate change and amplifying the damage caused by these “scourges from heaven.” How are we to curb climate change and build greater resilience and adaptability to natural disasters? These matters are one of the Sustainable Development Goals (SDGs) that we aspire to achieve and are a challenge that requires human knowledge and wisdom to come together. At the same time, there are many issues that need to be resolved from the global political and economic standpoint. Once again, human knowledge and wisdom must come together to achieve compromises. As a global company with business operations around the world, the Fujifilm Group is working to achieve the targets set out in the SDGs. To raise our achievements to a higher level, it is most important that our global workforce of more than 70,000 unite in their understanding and awareness of the roles that we must fulfill and of our vision for the future.

In April this year, we revised the Fujifilm Group Charter for Corporate Behavior and Code of Conduct for the first time in 12 years in response to the changes in the global and social environments. The Charter for Corporate Behavior and the Code of Conduct are to be shared by all employees and to serve as guidelines for their everyday activities. In the revisions, we have explicitly stated that we will proactively work on resolving social issues through innovation. Furthermore, we have declared once again that we will conduct our business activities with an open, fair and clear corporate culture. The revised Fujifilm Group Charter for Corporate Behavior and Code of Conduct has been published in 24 languages so that our employees around the world can understand it in their own native languages. We will continue to work on resolving social issues as a global company under the new Group Charter for Corporate Behavior and Code of Conduct.

Commitment to achieving Vision 2019 and setting a milestone for the next leap forward

In 2017, we announced Vision 2019, our medium-term management plan, and have been promoting activities

to achieve its objectives. Vision 2019 is in fact a present action plan that forms part of our efforts to achieve our business vision for the year 2030, as set out in Sustainable Value Plan 2030 (SVP 2030), the CSR Plan we announced simultaneously with Vision 2019.

In FY2018, the second year of Vision 2019, the Group's total sales reached ¥2.4315 trillion, chiefly through growth in our healthcare business, and in particular our medical systems and bio CDMO businesses. With improvements in earnings and the effect of restructuring in the document solutions business, operating profits reached an all-time high of ¥209.8 billion, up by 70% over the previous fiscal year. Net profit attributable to Fujifilm shareholders was ¥138.1 billion.

There has been steady progress in strategies based on Vision 2019 in all business operations, which I feel shows the effort of each and every person in their individual workplaces. FY2019 is the final year of Vision 2019 and at the same time the year when we must plan for the next medium-term management plan. In the face of growing severity in our areas of business, including trade friction and foreign-exchange fluctuations, we are committed to accomplishing the objectives of Vision 2019, developing strategies and setting milestones for our next leap forward. Our entire workforce in business management, R&D, manufacturing, sales and administration that support our business activities will devote all their energies to addressing these issues.

Promoting SVP 2030 for longer-range growth

SVP 2030 is our CSR plan that defined the areas to be prioritized and set out our goals for our business vision for 2030. Priority is put on the six areas of the environment, health, daily life, work style, supply chain and governance.

In the area of the environment, in addressing climate change, one of the most pressing priority issues shared by the entire international community, we have set as our goal the reduction of CO₂ emissions over the entire lifecycle of our products by 30% by FY2030 (compared to the FY2013 level). In FY2018, we were able to make steady progress in reducing emissions, with reductions of 8% over the previous fiscal year and 22% over FY2013. Additionally, we announced our support for TCFD* in December 2018 in response to international demand. In January 2019, the Group declared its goal of converting 100% of purchased electric power to renewable energy-derived power aiming at zero CO₂ emissions from our energy usage by FY2050, and joined RE100, the international initiative promoting 100% renewable electricity in business.

In the area of healthcare, we are working to mitigate the medical divide through dissemination of our X-ray diagnostic imaging systems, with a built-in power generator that can



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Shigetaka Komori
Chairman and CEO

be used in areas where power supplies are unstable, and our portable ultrasonic diagnostic systems that are both compact and durable. We are also working to develop medical IT systems that can connect medical centers with remote areas. At the Seventh Tokyo International Conference on African Development (TICAD7) held last August, we presented these new systems and they attracted great interest from visitors. We plan to take greater initiatives in their dissemination.

In addition to contributions to society, we place a premium on the health of our employees, and announced the Fujifilm Group Employee Wellness Declaration in September. The good health and energy of all employees as they work at their workplaces are the source of the company's energy. We plan to implement employee wellness for all employees worldwide, setting goals for each nation and region.

These issues that are to be addressed under SVP 2030 are essential for medium- to long-term business growth. Last June, we reorganized and expanded the CSR Group that had been part of our Corporate Planning Division, renamed it the ESG Division and positioned it under the direct supervision of the President. This new organization is committed to addressing the issues set out under SVP 2030 to achieve medium- and long-term growth.

*Task Force on Climate-related Financial Disclosures: Recommendation urging information disclosure of both risks and opportunities regarding climate change

Exercising initiatives to bring about changes in society through a strong resolve and daring and ambitious actions

I have always said that a business corporation must pursue profits through fair competition and at the same time bring benefits to society. In business management, maximizing profits in business operations is an important management goal. At the same time, business management must contribute to resolving social issues such as climate change, poverty and population divides that are defined in the SDGs. It is through accomplishments in all these areas that the going concerns of a business corporation are covered and we are able to satisfy all stakeholders. We were able to deal with the risk of the drastic reduction in the demand for photographic film through the united efforts of both management and employees in applying the wide range of technologies that we have developed in the photographic film development and manufacturing processes. Not one of the social issues we face can be resolved easily. Notwithstanding this, I believe that we will be able to contribute to resolving these various issues so long as all employees adopt a new approach, one that is not trapped by convention and that demonstrates a strong resolve to accomplish our goals, and act assertively and daringly.

Never Stop—we will continue to take on challenges and will be relentless, together with all our employees, in our desire to build a sustainable society.