

Fujifilm's Concepts Concerning Three AA1000APS (2008) Principles

1. What are the three AA1000APS (2008) principles?

Foundation principle of inclusivity: Does the organization include stakeholders in developing and achieving of an accountable and strategic response to sustainability?

Principle of materiality: Does the organization identify material issues?

Principle of responsiveness: Does the organization respond to stakeholders' expectations?

2. How does FUJIFILM Holdings apply these principles in activities?

Foundation principle of inclusivity: The Fujifilm Group recognizes who our stakeholders are and has communication tools*¹ suitable for respective stakeholders. The Group fully understands stakeholders' needs by utilizing these tools and takes appropriate actions based on the Fujifilm Group's Approach to CSR.

*1: Communication tools for respective stakeholders are listed in:

<http://www.fujifilmholdings.com/ja/sustainability/communication/relationship/index.html>.

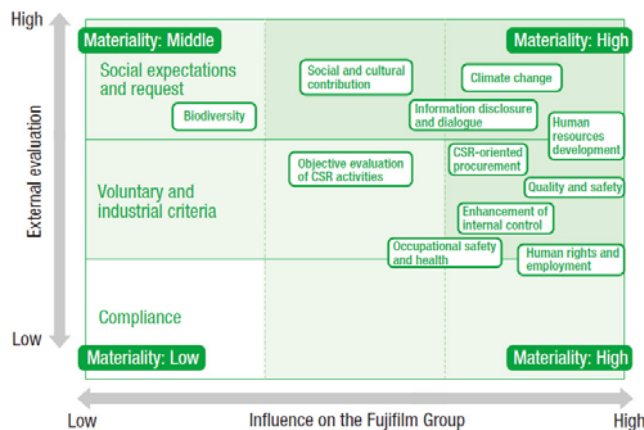
Principle of materiality: In regular-basis reviewing of significant issues*² for the Group and stakeholders based on the Fujifilm Group's Approach to CSR, Fujifilm Group has identified the priority targets in the new medium-term CSR plan V80-CSR Strategy.

*2: The Fujifilm Group considers a significant issue is our responsibility to contribute to sustainable development of the society.

Principle of responsiveness: The Fujifilm Group responds to stakeholders' demands and expectations based on the Fujifilm Group's Approach to CSR. The results of such activities are disclosed to stakeholders through media such as the sustainability report and our website.

The Fujifilm Group's stakeholders are as indicated in the figure at the right.

The Group determines the materiality of its priority targets as in the graph below, based on two criteria: 1) influence on the Fujifilm Group and 2) external evaluation of the Group's measures for compliance and society's expectations and demands.



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3. Does FUJIFILM Holdings satisfy the criteria of AA1000APS (2008)?

The Fujifilm Group has satisfied most of the AA1000APS (2008) criteria. However, there are targets to be tackled regarding progress management of CSR activities and stakeholder dialogues as described below. In carrying out the new medium-term CSR plan V80-CSR Strategy, we will address these areas.

(1) Targets regarding progress management of CSR activities

After the transition to a holding company structure in October 2006, FUJIFILM Holdings spent three years in organizing the CSR promotion system and formulating related policies, while considering compliance and demands of the society (stakeholders' needs). Meanwhile, through the CSR Committee, FUJIFILM Holdings' ties with three operating companies (FUJIFILM Corporation, Fuji Xerox Co., Ltd. and Toyama Chemical Co., Ltd.) have become closer. For overseas group companies, the functions of the regional headquarters in Europe and North America have been strengthened to conduct and promote thorough environmental conservation activities (chemical content management and global warming prevention) in accordance with regional characteristics.

From the fiscal 2010 onward, FUJIFILM Holdings plans, in fully recognizing the status of group companies' CSR activities*³, to establish quantitative indicators*⁴ for priority targets of V80-CSR Strategy implemented in April 2010, and manage the progress of these activities.

*3: In addition to recognizing the status of group companies' CSR activities in everyday operations, in 2005, the Fujifilm Group conducted a questionnaire survey involving 37 major Japanese and overseas group companies covering eight fields: governance and compliance; personnel, employment and nurturing of the next generation; occupational health and safety and disaster prevention; risk management; resource procurement; response to customers; environmental preservation; and social contribution. In 2008, a questionnaire survey involving six Chinese subsidiaries was conducted which covered basic company information as well as six other fields: environmental management, occupational health and safety, employment and human rights, procurement, personnel training and social contribution. We analyzed the results of the questionnaire survey and reflected them in the Medium-term CSR Plan (from fiscal 2007 to 2009) in order to improve CSR activities of the entire Group.

*4: For environmental information, by specifying the evaluation indicator and collecting quantitative information on a regular basis for 10 years, we have already controlled the progress of the activities. For social concerns (personnel training and human rights), targets common throughout the Group have been identified. However, as our business structure is undergoing great changes and our business area is wide-ranging and global, the specific quantitative indicators (KPI) for achieving such targets have not been specified. Just as for environmental information, we are endeavoring to better understanding the group companies' CSR activities regarding social concern activities, and then, establish indicators common in the Group to continuously control the progress of such activities.

(2) Targets regarding stakeholder dialogues

Since 2004, we have been holding stakeholder dialogues to discuss specific themes so that gaps in recognition concerning CSR activities among people can be reduced. The dialogues on environmental preservation activities were used as a platform not only for organizing concepts, identifying and sharing issues, exploring issues and finding solutions but also for objectively verifying solutions. Among those

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dialogues, especially the dialogues on “measures to prevent climate change” with experts gave the employees involved in related activities an opportunity to consider effective information disclosure in addition to improvement of activities and implementation of such activities throughout the Group, helping them to formulate the Group's long-term goals. Also, the dialogues on biodiversity conservation not only with experts but also with the future generation consisting of junior high and high school students allowed us to clarify the activities we should address for contributing to this problem. Though only gradually, we are addressing these activities through our business pursuits.

FUJIFILM Holdings has identified “communication with stakeholders” as a priority target of V80-CSR Strategy. From fiscal 2010 onward, in stronger collaboration with operating companies promoting CSR activities, we will specify themes of stakeholder dialogues in a well-planned manner and hold interactive communication with stakeholders more actively to make the dialogues a beneficial platform for Fujifilm Group. In doing so, we will review the Stakeholder Dialogues Guidelines used by FUJIFILM Holdings so that operating companies as well as Japanese and overseas group companies, factories and other subsidiaries use these guidelines at dialogue meetings with their community members. We will also strive to incorporate stakeholders' opinions in our plans and activities.

(3) Priority targets regarding AA1000APS (2008) principles

Taking the above (1) and (2) into consideration, FUJIFILM Holdings has identified the following issues as the priority targets regarding AA1000APS (2008) principles:

Targets regarding inclusivity:

- FUJIFILM Holdings recognizes that Corporate Philosophy and Fujifilm Group's Approach to CSR should be spread more widely throughout overseas group companies not only those in Japan.

Targets regarding materiality:

- FUJIFILM Holdings, in regular-basis reviews of priority targets, considers that more specific indicators for personnel training and human rights should be created.

Targets regarding responsiveness:

- FUJIFILM Holdings recognizes that overseas group companies need to further understand and respond to stakeholders' needs based on Fujifilm Group's Approach to CSR, except issues regarding finances, compliance, environment and employment.