



## Independent Assurance Report

To the President and Chief Executive Officer of FUJIFILM Holdings Corporation

### Purpose and Scope

We were engaged by FUJIFILM Holdings Corporation (the "Company") to provide limited assurance on its Sustainability Report 2010 (the "Report") for the fiscal year ended March 31, 2010. The purpose of our assurance engagement was to express our conclusion, based on our assurance procedures, on whether:

- 1) the environmental and social performance indicators and environmental accounting indicators (the "Indicators") for the period from April 1, 2009 to March 31, 2010 included in the Report are prepared, in all material respects, in accordance with the Company's reporting criteria; and
- 2) the Company has applied the 'AA1000 Accountability Principles Standard (APS) (2008)' as described on page 4 and its website.

The content of the Report is the responsibility of the Company's management. Our responsibility is to carry out a limited assurance engagement and to express our conclusion based on the work performed.

### Criteria

The Company applies its own reporting criteria as described in the Report. These are derived, among others, from the Sustainability Reporting Guidelines 2006 of the Global Reporting Initiative and Environmental Reporting Guidelines of Japan's Ministry of the Environment. We used these criteria to evaluate the Indicators. For the Company's alignment with AA1000APS (2008) principles, the criteria were those set out in AA1000APS (2008) for each of the principles.

### Procedures Performed

We conducted our engagement in accordance with 'International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information' issued by the International Auditing and Assurance Standards Board, 'AA1000 Assurance Standard (AS) (2008)' by AccountAbility (Type 2 assurance engagement), and the 'Practical Guidelines of Sustainability Information Assurance' of the Japanese Association of Assurance Organizations for Sustainability Information ("J-SUS"). Limited assurance in ISAE 3000 is consistent with a moderate level of assurance as defined by AA1000AS (2008).

The limited assurance engagement on the Report consisted of making inquiries, primarily of persons responsible for the preparation of information presented in the Report, and applying analytical and other procedures. The level of assurance provided is thus not as high as that provided by a reasonable assurance engagement. Our assurance procedures included:

- An evaluation of the results of the Company's stakeholder engagement processes. This included review of the Company's engagement strategies, and determination process of stakeholder identification and prioritization.
- An evaluation of the results of the Company's methodology for determining the material issues for key stakeholder groups. This included, as well as benchmarking, inputs from legal requirements etc., an observation of the Company's stakeholder dialogue, and an evaluation of the completeness and accuracy as to whether the significant issues identified from these inputs are duly considered and reflected in strategies, plans, actions and outcomes.
- A media analysis for references to the Company during the reporting period.
- Interviews with the Company's management and relevant staff at corporate level, concerning CSR strategy and policies, and a review of the Company's internal documentation to obtain an understanding of the control environment and evaluate the implementation of the AA1000APS (2008) principles.
- Interviews with the Company's responsible personnel to obtain an understanding of its policy for the preparation of the Report and reviews of the Company's reporting criteria.
- Obtaining an understanding of the systems used to generate, aggregate and report the Indicators, and of the internal controls at corporate and site level.
- Analytical reviews of the Indicators aggregated at corporate level.
- Examining, on a test basis, evidence supporting the generation, aggregation and reporting of the Indicators in conformity with the Company's reporting criteria, and also a recalculation of the Indicators.
- Visits to Ashigara site, Kanagawa factory of FUJIFILM Corporation and Takematsu Center of Fuji Xerox Co., Ltd.

- Reviews of drafts of the Report and relevant websites to evaluate whether the information presented corresponds with our overall knowledge and experience of sustainability management at the client.

### Conclusion

1) On the Indicators:

Based on the procedures performed, as described above, nothing has come to our attention that causes us to believe that the Indicators in the Report are not prepared, in all material respects, in accordance with the Company's reporting criteria as described in the Report.

2) In relation to the AA1000APS principles of inclusiveness, materiality and responsiveness:

Based on our procedures, nothing has come to our attention that causes us to believe that the Company has not applied the AA1000APS (2008) principles as set out on page 4 of the Report and its website. As the Company has disclosed, the following aspects require further attention:

- In relation to the principle of 'Inclusiveness':

The Company's corporate philosophy and approach to CSR should be spread more widely throughout overseas group companies not only those in Japan.

- In relation to the principle of 'Materiality':

More specific performance indicators should be set for some material issues such as human resources development and human rights.

- In relation to the principle of 'Responsiveness':

The Company's overseas group companies should further understand and respond to their stakeholders' needs based on the Company's approach to CSR, apart from issues regarding finances, compliance, environment and employment.

### Independence and competence

We have no conflict of interest relationships with the Company that are specified in the Code of Ethics of the Japanese Association of Assurance Organizations for Sustainability Information. We conducted our engagement with a multidisciplinary team including specialists in AA1000APS/AS, environmental, social and financial aspects, and stakeholder engagement.

### Comments

In addition to the points mentioned under 2) above, our assessment resulted in a number of findings and recommendations. Without prejudice to our conclusions presented above, we would like to draw attention to the following:

- Environmental performance data covers, in principle, entities that are shown in the Company's consolidated financial statements and are significant in terms of environmental impacts. Some sales and manufacturing subsidiaries in China and elsewhere are excluded, however. Boundary should be extended to include these entities.
- Calculation methods have not been fully integrated across different sites for some environmental performance indicators such as water consumption and water discharge. Calculation methods should be integrated for all environmental performance indicators.

*KPMG AZSA Sustainability Co., Ltd.*

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Tokyo, Japan

September 7, 2010



**AA1000**  
Licensed Assurance Provider  
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