

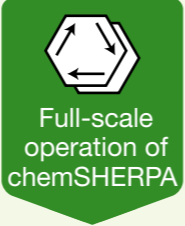
Priority Issue 3

Address Energy Issues toward a Non-Carbon Society

Target for 2030	Contribute to the creation and widespread use of renewable energies through highly functional materials.
	To build the carbon neutral society envisioned under the Paris Agreement, the Fujifilm Group will develop and make available energy-related technologies that use highly functional materials from three aspects: energy creation, energy storage and energy conservation. We continue contributing to renewable energy creation and dissemination through accelerating the introduction and widespread use of renewable energies in society by our technologies.
Outline of Activities in FY2017	<ul style="list-style-type: none"> R&D for solar cell materials, next-generation batteries (lithium-ion batteries, fuel cells and all solid-state batteries), and other developments are in progress.
Future Activities and Targets	<ul style="list-style-type: none"> Continue and strengthen R&D activities into the future.

Priority Issue 4

Ensure Product and Chemical Safety

Target for 2030	Minimize adverse effect on chemical substances on human health and the environment.
	Because the Fujifilm Group manufactures a wide range of products including chemical products, functional materials, optical devices, office equipment, and medical equipment, we have established management rules for the different assembly and manufacturing processes of our products from two perspectives: management of the handling of chemical substances and management of information on chemical substances in our products. We have implemented global operations management across the Group and we have established a system to acquire accurate information on the laws and regulations in each country and region around the world to start a prompt preparation in an early stage. This has allowed us to maintain comprehensive and efficient management of chemical substances.
Outline of Activities in FY2017	<ul style="list-style-type: none"> Completed the review of chemical substances in use, based on our voluntary management policy for specific chemical substances preceding regulation. Demonstrated the accuracy of evaluation system of alternative test method as a skin sensitization test, "ADRA." Started full-scale operation of chemSHERPA, a new system for sharing information on chemical substances in products, in Japan.  <p>Related Data and Information: Environmental information Page 63</p>
Future Activities and Targets	<ul style="list-style-type: none"> Make and execute a management plan for each managed chemical substance. Adopts "ADRA" test method in OECD (Organization for Economic Co-operation and Development) test guideline. Expand use of "chemSHERPA" to our production sites in Asia region.

● Management of Chemical Substances

In addition to the current regulations, Fujifilm Group manages chemical substances using self-regulatory S classification, which places prior restrictions on the use of chemical substances that may be restricted in the future and that pose a threat to health and the environment. If these substances are found to be in use, they must be changed to

safer alternatives as soon as possible and these substances are restricted their use in new products. This management system was introduced at the facilities in Japan in FY2016. In FY2017, all substances used in Europe, Americas and China have been inspected to conform with the S classification. We will formulate and execute a management plan for substances that come under S classification.

▼ New Classification Chart for Chemical Substance Management

Classification by regulation and management policy	
S0	Ban on use
S1	Replacement with alternatives
S2	Reduction in consumption/ emission volumes
S3	Create of alternative plans
S4	Study for replacement of substances
Not classified	

Management based on risk assessment (upward arrow)
Compliance with laws and industry standards (downward arrow)

● Safety Evaluation

Fujifilm evaluates the safety of developed chemical substances and chemical substances used at each stage from the development to commercialization of products. Also, from the viewpoint of animal welfare, we are actively working to develop alternative test methods and to participate in collaborative research on skin sensitization and corrosive tests. In FY2017, we conducted a validation study on Amino Acid Derivative Reactivity Assay (ADRA), developed by Fujifilm for skin sensitization test as an alternative to animal

testing method, and we confirmed that our method is more sensitive than conventional alternative test methods as a skin sensitization test for chemical substances. We will work to have our "ADRA" method adopted by the OECD test guidelines as a skin sensitivity test.

● Management of Chemical Substances in Products

Fujifilm has formulated the Fujifilm Green Procurement Standards for the chemical substances contained in its products. Founded on this standard, we manage the chemical substances in raw materials, parts and components of our products in cooperation with our suppliers, so as to deliver secure products to customers. In FY2017, we completed the introduction of our new "chemSHERPA" scheme to communicate information on chemical substance in our products among companies, and have started full-scale use. We will expand this scheme to our facilities in Asia.



Holding briefings for suppliers on the introduction of chemSHERPA

OPINION | Third-Party Opinion on "Environment"



Mr. Takejiro Sueyoshi

Special Advisor
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Profile

In addition to being involved in UNEP FI, Mr. Sueyoshi has served in various positions, such as committee member on various types of councils on the Central Environment Council, advisor to Kawasaki City and Kagoshima City, part-time lecturer at Waseda University and others. He also works as an external member of the board to companies and engages in efforts to raise awareness on environmental issues and the social responsibility of companies on TV, in newspapers, published works, and lectures.

terms of water, waste, and resources, in the category of resource recycling. It is also distinctive to the Fujifilm Group to have minimized environmental and human impacts from the chemical substances used in their business.

As human activities have exceeded safe margins in some areas of the Planetary Boundaries, the Earth's environment is now facing a dangerous stage. Against this backdrop, demands from international society are becoming even stricter—such as zero CO₂ and waste emissions—in order to seek visible results.

I hope that the Fujifilm Group adapts flexibly to such changes and continues to achieve even better environmental results.

Looking forward to achieving even better environmental results through SVP 2030 as the Earth's environment is at a dangerous stage

The Fujifilm Group's SVP 2030 covers a wide range of complex global issues. As their primary targets, the Group chose four pillars of climate change, resource recycling, energy, and chemical substances, which were well balanced and appropriate.

The concrete measures taken based on these pillars were also noteworthy. For example, the Fujifilm Group has established a goal of 30% CO₂ emissions reduction (compared to the FY2013 level) by 2030 in the category of climate change. Not only was this target very ambitious but the Group has already achieved a 15% reduction across the entire product lifecycle by 2017. The Group has also proactively worked on reducing environmental impact in

Response to the third-party opinion

We are grateful for the outstanding appraisal of our SVP 2030. This is our new long-term CSR plan with the reduction targets in our business processes and in society through our products and services, considering the Paris Agreement.

We have made a good start in our initial year of SVP 2030. We will continue our efforts in addressing each environmental issue including searching and taking the opportunity to use renewable energy, and developing products that contribute to solve climate change and energy issues through our recently established the environmentally conscious product certification program.

We plan to review progress toward our SVP 2030 targets every year, and aim to achieving higher targets with our utmost efforts, in coordination with our business plans toward realizing the carbon neutral society.

(CSR Group, Corporate Planning Division, FUJIFILM Holdings)