

The Fujifilm Group's Vision and Ideals

In April 2021, we formulated the new medium-term management plan VISION2023 covering fiscal 2021 to fiscal 2023. This action plan guides us toward achieving the goals set forth in Sustainable Value Plan 2030 (SVP2030), a long-term plan targeting fiscal 2030.

We will accelerate the growth of the Fujifilm Group and contribute to the realization of a sustainable society by promoting the priority measures set forth in VISION2023, and by providing valuable products and services based on our leading-edge, proprietary technologies.

Realization of a Sustainable Society through Value from Innovation

- Resolving global environmental and social issues with innovation
- Impacting society in a positive way through a wide range of business
- Adequately responding to the expectations of society through stakeholder engagement

SVP 2030

Targets Under SVP2030

Fiscal 2030

Revenue: JPY **3,500.0** billion or more

CO₂ emissions*: Down **45%** (vs. fiscal 2013)

VISION 2023

Targets Under VISION2023

Fiscal 2023

Revenue: JPY **2,700.0** billion

Operating income: JPY **260.0** billion

CO₂ emissions*: Down **38%** (vs. fiscal 2013)

VISION 2019

Achievements under VISION2019

Fiscal 2019












Revenue: JPY 2,315.1 billion

Operating income: JPY 186.6 billion

CO₂ emissions*: Down 30% (vs. fiscal 2013)

Fiscal 2017: Formulation of SVP2030

Targets are set in four priority areas and in the basis of our business activities via a two-pronged approach: considering society and the environment in our business processes and resolving social issues through our business activities.

Priority Areas	Business Segments	Goals in the SDGs
 Environ-ment	<ul style="list-style-type: none"> • Address climate change • Promote recycling of resources • Address energy issues • Ensure product and chemical safety 	Healthcare Materials Business Innovation Imaging 
 Health	<ul style="list-style-type: none"> • Reduce healthcare disparities and build a healthy society through the global provision of leading-edge products and services in all areas of prevention, diagnosis and treatment 	Healthcare 
 Daily Life	<ul style="list-style-type: none"> • Contribute to the creation of a safe and secure society in the age of advancing DX through the development and provision of leading-edge functional materials • Contribute to enriching and making people's lives peaceful through the development and provision of high-quality, high-performance products and services in the field of photography and videography 	Materials Imaging 
 Work Style	<ul style="list-style-type: none"> • Contribute to social change where every person is motivated in the workplace through global provision of products and solutions that increase productivity and creativity 	Business Innovation 
Basis of Business Activities		
 Supply Chain	<ul style="list-style-type: none"> • Strengthen CSR foundations across the entire supply chain including factors of the environment, ethics and human rights 	
 Governance	<ul style="list-style-type: none"> • Improve and maintain governance structures by further disseminating an open, fair and clear corporate culture 	

Process for Identifying Materiality

Step 1 Clarifying the Basic Policies

Have a long-term perspective to contribute to resolving social issues as a global company and show the future vision clearly

Step 2 Extracting Social Issues Based on Business Strategy

List issues from external perspectives (e.g., various guidelines such as ISO 26000, GRI and the SDGs) and in terms of potential of issue resolution by all our divisions

Step 3 Evaluation of Materiality

Evaluate materiality via a two-pronged approach:
(1) Considering society and the environment in our business processes
(2) Resolving social issues through our business activities

Step 4 Planning and Review

Promote measures as companywide policy after coordinating goals for identified materiality with the relevant business divisions and finalizing materiality in the deliberations at the ESG Committee

► For details of each step, please see the Sustainability Report 2021 Management Performance, pages 9–12.

* CO₂ emission reductions are based on the entire product life cycle.

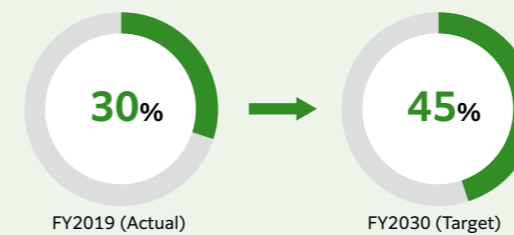
Opportunities, Risks, Targets and Initiatives in Priority Areas

By assessing opportunities and risks and setting targets for initiatives in each of our priority areas, and by developing these initiatives in our business segments, we aim to resolve social issues through our business activities.

Priority Areas	Opportunities	Risks	Main Business Segments
 Environment	<ul style="list-style-type: none"> Growing needs for efficiently storing enormous volumes of data with less energy and at low cost in the era of big data Increasing demand for systems, products and technologies for weather monitoring and prediction in response to abnormal weather events, and for diagnosing deterioration of infrastructure such as buildings and water sources 	<ul style="list-style-type: none"> Supply chain disruptions and factory stoppages due to abnormal weather events caused by temperature increases (e.g., heavy rain, floods, drought, forest thinning) Material shortages due to tree and forest withering (Paper: pulp, Film: cellulose) Material shortages due to fossil fuel depletion Increase in manufacturing costs due to carbon taxes on fossil fuel Securing water necessary for film production to mitigate natural disasters, etc. 	<ul style="list-style-type: none"> Healthcare Materials Business Innovation Imaging <p>Goals in the SDGs</p> 
 Health	<ul style="list-style-type: none"> Increasing needs for solutions that support medicine and improve work efficiency due to an aging population and shortages of medical practitioners Increasing unmet medical needs, mainly for cancer, rare diseases and gene therapies Expanding market for biopharmaceuticals, which are expected to deliver high efficacy with few side effects Enhanced industrialization of regenerative medicine Rising awareness of healthy life expectancy and lifestyle-related ailments 	<ul style="list-style-type: none"> Major, unpredictable changes in healthcare administration policies due to healthcare reforms Strengthened laws and regulations for medical equipment Increasing difficulty of new drug discovery Heightened competition in the market for contract process development and manufacturing of biopharmaceuticals due to technological innovations 	<ul style="list-style-type: none"> Healthcare <p>Goals in the SDGs</p> 
 Daily Life	<ul style="list-style-type: none"> Stronger demand for display-related materials with growth in the OLED market Expansion in the semiconductor market from spread of 5G and autonomous driving Expansion in the industrial printing markets for packaging and textiles, and growth in inkjet digital printing in these markets Growth in the number of images taken and printing needs due to smartphone proliferation Expansion of demand for instant photo systems in emerging countries Single-lens reflex camera and smartphone users switching over to or purchasing mirrorless digital cameras due to enhanced performance Growth in demand for lenses as IoT advances and security becomes more important Increase in demand for high-performance lenses from shifts to 4K and 8K imaging 	<ul style="list-style-type: none"> Tougher competition from alternative materials for TAC film Fierce competitive environment in the semiconductor materials market Weaker-than-expected demand in graphic arts film and printing plates Higher raw materials prices Escalation of competition in the mirrorless digital camera market Enhancement of smartphone camera performance (driving users away from cameras) Escalation of competition in the high-performance industrial lens market due to competitors' technological enhancements Procurement risk due to tight supply-demand balance in semiconductors 	<ul style="list-style-type: none"> Materials Imaging <p>Goals in the SDGs</p> 
 Work Style	<ul style="list-style-type: none"> Stronger demand for office equipment and related services in emerging markets such as China and Southeast Asia Increased demand for IT infrastructure development/management services related to security, network and so forth, in response to the changes in work environments such as telecommuting Growing market for business solutions and services that utilize AI and the cloud for DX and improving productivity in office work 	<ul style="list-style-type: none"> Decreased demand for printing with establishment of telecommuting and advancements in business process digitization Decline in profitability due to tougher competition in office equipment markets 	<ul style="list-style-type: none"> Business Innovation <p>Goals in the SDGs</p> 

Major Initiatives and Targets for Priority Areas per Business

Target 1 Reduce CO₂ emissions over product life cycles^{*1}



Investment with Consideration of Environmental Impact

- Incorporating contribution to decarbonization in investment decisions
→ Targeting implementation of renewable energy at the new bio CDMO factories

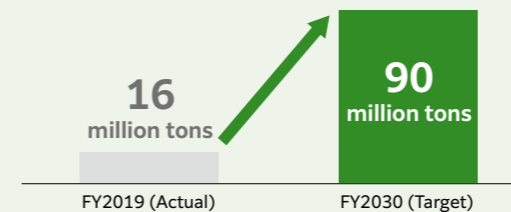
Energy Strategy

- Switching to high-efficiency facilities across the Group
- Promoting social infrastructure development through environmental initiatives

Creating and Promoting Environmentally Conscious Products

- Reducing society's power consumption through promoting use of large-capacity magnetic tape as an alternative to hard disk drives
- Reducing power load by introducing printing plate materials that do not need development processing
- Developing materials contributing to energy storage

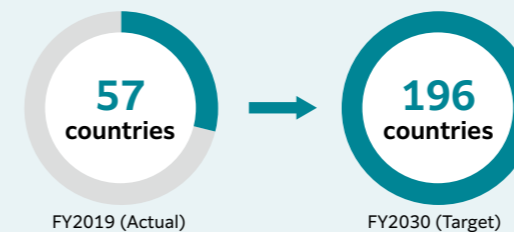
Target 2 Reduce CO₂ emissions through products and services^{*2}



^{*1} Reducing CO₂ in the entire product life cycle (Figures vs. fiscal 2013 levels)

^{*2} Target of CO₂ emissions reduction in society, which is to be achieved by replacing the conventional products with our environmentally conscious products and services (Cumulative reduction since fiscal 2017)

Target Implementing medical AI-based products and services in all countries and regions



- Implementing products and services based on medical AI technology in all countries and regions by fiscal 2030 to improve access to healthcare

Target 1 Contribute to creation of a safe and secure society in the age of advancing DX through the development and provision of leading-edge functional materials

Target 2 Contribute to enriching and making people's lives peaceful through the development and provision of high-quality, high-performance products and services in the field of photography and videography




Target Provide solutions and services bringing business innovation to 50 million people around the world



- Providing 50 million workers with work styles helping them be more productive and creative through solutions and services that bring innovation to their businesses

Targets for Achieving SVP2030 and Initiatives in Fiscal 2020

► For details, please see the Sustainability Report 2021 SVP Stories, pages 14–15.

Priority Area	Priority Issues	Major Targets for FY2030	Major Activities in FY2020
 Environment	1. Address climate change 2. Promote recycling of resources 3. Address energy issues toward a decarbonized society 4. Ensure product and chemical safety	<ul style="list-style-type: none"> Reduce the Fujifilm Group's CO₂ emissions by 45% by FY2030 (compared to the FY2013 level) Contribute to a reduction in the CO₂ emissions generated in society by 90 million tons by FY2030 Minimize adverse effect of chemical substances on human health and the environment 	<ul style="list-style-type: none"> Raising our FY2030 targets for reducing CO₂ emissions (Targets on the left are revised targets) Obtained SBTi certification with higher targets Newly certified 30 products under the Fujifilm Group Green Value Products certification system (total: 166 products) Named on the CDP A List for Water Security, earned the highest "Leadership" rank in the CDP Supplier Engagement Rating for three consecutive years
 Health	1. Fulfill unmet medical needs 2. Improve accessibility to medical services 3. Contribute to identifying diseases at an early stage 4. Contribute to health promotion and beauty 5. Promote management of a healthy workplace	<ul style="list-style-type: none"> Develop new treatment solutions / Improve accessibility to new treatment solutions Expand and scale up AI and IoT technologies to reduce burden on medical professionals Promote management of health and productivity to maintain employees' vitality 	<ul style="list-style-type: none"> First time selected for Health and Productivity Stock Program Opened a cancer-focused medical screening center in India Released PCR test kits, manufactured APIs for COVID-19 vaccine candidates and provided contract manufacturing for drug preparations Announced large-scale investments in Denmark and U.S. biopharmaceutical manufacturing facilities Launched SYNAPSE Radiotherapy, a radiotherapy planning support software that utilizes AI in Japan
 Daily Life	1. Contribute to creating a safe and secure society 2. Contribute to enriching humanity and relationships between people	<ul style="list-style-type: none"> Aim at 100% preservation of records archived on tapes. Offering opportunities to enjoy photos that give forms to memories 	<ul style="list-style-type: none"> Developed technology for magnetic tape storage media with high recording capacity of 580TB, which is 50x the conventional capacity Enhanced the AI functionality of "Hibimikke (Crack Finder)" a social infrastructure image diagnostic service
 Work Style	1. Create environments that lead to a motivated workplace 2. Develop and utilize diverse human resources	<ul style="list-style-type: none"> Support work-style reform for customers Improve the rate of women in managerial positions 	<ul style="list-style-type: none"> Received the Nikkei Superior Products and Services Award and the Nikkei Business Daily Award for the CocoDesk personal workspace, supporting telecommuting for businesspersons Launched provision of our IT Expert Service, an outsourcing service helping SMEs to leverage IT Improved the rate of women in managerial positions (14.5% in FY2019 to 15.4% in FY2020)
 Supply Chain	Strengthen CSR foundations across the entire supply chain including factors of the environment, ethics and human rights	<ul style="list-style-type: none"> Promote sustainable procurement 	<ul style="list-style-type: none"> Re-informed our suppliers across the world about the Request to Suppliers and collected receipts from 213 suppliers
 Governance	Improve and maintain governance structures by further disseminating an open, fair and clear corporate culture	<ul style="list-style-type: none"> Improve compliance awareness across the entire global Group and reinforce risk management 	<ul style="list-style-type: none"> Establishment of the Fujifilm Group AI Policy Revision of Corporate Governance Guidelines Establishment of the Fujifilm Group Global Healthcare Code of Conduct and providing education to employees engaged in related businesses Surveying all Group employees on understanding of Company policies and awareness of compliance

Reflecting on the VISION2019 Medium-Term Management Plan, and on Fiscal 2020

Enhancing our business portfolio and building the foundation for the next leap forward

In the VISION2019 medium-term management plan, we positioned our businesses in the following three stages: improving profitability, accelerating further growth and investing to create a future. Taking measures according to the stage of growth, we worked to improve the profitability of each business and set priority issues such as accelerating growth in the healthcare field and establishing a new growth strategy and further improving profitability of the document solutions business.

In healthcare, with the medical systems business and the bio CDMO business as growth drivers, we have been proactively making investments for sustainable growth, including the acquisition of Hitachi, Ltd.'s diagnostic imaging business, the acquisition of a facility in Denmark for the bio CDMO business and large-scale capital investment. In the document solutions business, we achieved an operating

margin of more than 10% in fiscal 2019, one year ahead of the initial plan, by improving profitability through promotion of operational reforms and shortening development lead times. In addition, by making Fuji Xerox a wholly owned subsidiary of the Company, we have established a foundation that will lead to faster decision-making and further synergy creation within the Fujifilm Group. (Billions of yen)

	VISION2019	FY2019 (Actual)	FY2020 (Actual)
Revenue	2,600.0 100%	2,315.1 100%	2,192.5 100%
Operating income	230.0 8.8%	186.6 8.1%	165.5 7.5%
Net income attributable to FUJIFILM Holdings	150.0 5.8%	125.0 5.4%	Record high 181.2 8.3%
ROE*	7.3%	6.3%	8.7%

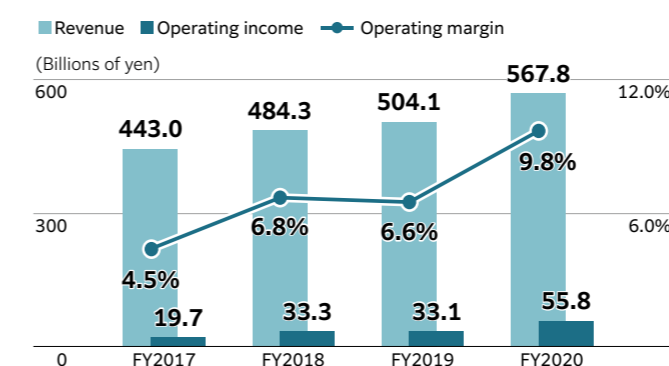
* Return on equity

Addressing Priority Issues and Performance Trends

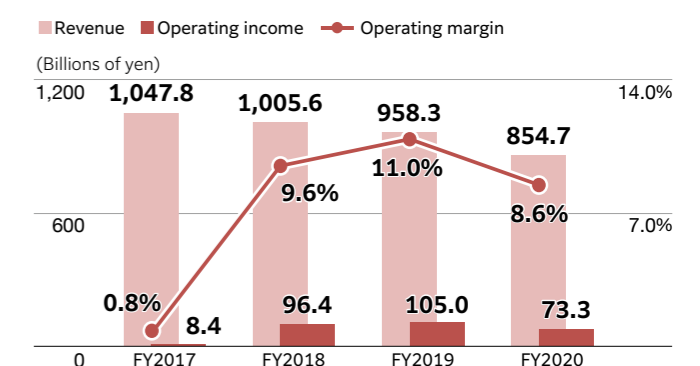
Priority issues	Measures FY2017	FY2018	FY2019	FY2020
Accelerating growth in the healthcare field	Acquisition of Wako Pure Chemical Industries, Ltd.	Acquisition of Irvine Scientific	Acquisition of Biogen (Denmark) Manufacturing Decision to acquire Hitachi, Ltd.'s diagnostic imaging business*	Bio CDMO business Decision to make large-scale capital investment Transfer of J-TEC shares
Establishing a new growth strategy and further improving profitability of the document solutions business	Announced structural reforms at Fuji Xerox		Converted Fuji Xerox to a wholly owned subsidiary Decided to terminate the technology agreement with U.S.-based Xerox Corporation	Established FUJIFILM RIPCORDER, a service company to drive DX alongside U.S.-based RIPCORDER

* Acquisition completed on March 31, 2021

Healthcare Field: Performance Trends



Document Solutions Business: Performance Trends



A business portfolio with steady profits, even amid the COVID-19 pandemic

In fiscal 2020, both sales and profits decreased year-over-year due to the impact of the spread of COVID-19, but the medical systems business, bio CDMO business and regenerative medicine business performed particularly well in contributing to pandemic control. Sales also increased in the highly functional materials field, which captured demand for working and learning at home. This was a year

in which we built a resilient business portfolio and generated solid profits even amid the COVID-19 pandemic. In addition, net income attributable to FUJIFILM Holdings reached a record high, thanks to gains on the sale and valuation of investment securities, which gained significant value from strategic investments in venture companies, mainly in the healthcare segment. Also contributing were improvements in losses attributable to noncontrolling interests as a result of converting Fuji Xerox into a wholly owned subsidiary.

Medium-Term Management Plan VISION2023

In April 2021, we announced our medium-term management plan VISION2023, effective through fiscal 2023. Through four priority measures, we will accelerate growth in healthcare and highly functional materials and build a more resilient business platform to facilitate sustainable growth.

Accelerate business growth in healthcare and advanced materials and build a more resilient business platform to facilitate sustainable growth



- Continue active growth investments
- Concentrate management resources on “New/Future Potential” and “Growth Driver” businesses
- Accelerate and strengthen the cash generation and investment cycle

1 Reinforce business portfolio management

Implement appropriate strategies according to business phase
Optimal allocation of group-wide management resources

3 Enter into new markets for further growth

Continue to invest in fields and markets where our technological strengths^{*4} can be leveraged

2 Strengthen cash flow management

Thorough business approach that emphasizes capital efficiency
Improve ROE^{*1}, ROIC^{*2} and CCC^{*3}

4 Create stronger integrated business synergies through M&A

FUJIFILM Healthcare^{*5}
→ Combine AI technology with our extensive product lineup to create new value
FUJIFILM Business Innovation
→ • Accelerate global business deployment
• Strengthen solution and service businesses

VISION2023: Four priority measures

VISION2023 is based on the principles of accelerating growth in healthcare and highly functional materials and building a more resilient business platform to facilitate sustainable growth. Here, we will promote four priority measures to achieve these goals.

1 Reinforce business portfolio management

With our business segments reorganized into four areas—Healthcare, Materials, Business Innovation and Imaging—we will execute strategies befitting the phase of each business within these segments, with each business classified into one of four stages—New/Future Potential, Growth Driver, Earnings Base and Non-Core.

2 Strengthen cash flow management

In addition to growth in revenue and operating income and achieving ROE targets, we will adopt ROIC and CCC as new indicators and strengthen our ability to generate cash, through rigorous business management mindful of capital efficiency. In particular, we will focus on ROIC, an indicator of management efficiency in terms of effectively utilizing

invested capital, with a group-wide target of 6.1% in fiscal 2023. In addition, through the efficient use of assets and business portfolio management, we will generate a cumulative total of JPY 1 trillion in operating cash flow over three years, which we will prioritize use in growth investment.

3 Enter into new markets for further growth

We will invest in areas where we can leverage the Fujifilm Group's technological strengths, such as AI technology, biotechnology and photo regulation materials technology as we work to enter new markets.

4 Create stronger integrated business synergies through M&A

Fujifilm will create synergistic benefits with FUJIFILM Healthcare, which has taken over Hitachi, Ltd.'s diagnostic imaging business. Also, FUJIFILM Business Innovation will generate integration benefits in accelerating global operational presence and reinforcing the Solutions & Services Business.

^{*1} Return on equity

^{*2} Return on invested capital

^{*3} Cash conversion cycle. Number of days from when payment is made to purchase raw materials to when payment is collected for products or services

^{*4} AI/IT technologies, biotechnology, optical control material technology, etc.

^{*5} Successor company for diagnostic imaging business of Hitachi, Ltd. acquired on March 31, 2021

Performance Targets

(Billions of yen)

	FY2020 (Actual)	FY2021 VISION2023	FY2021 Latest Earnings Forecast ^{*6}	FY2023 VISION2023
Revenue	2,192.5 100%	2,440.0 100%	2,500.0 100%	2,700.0 100%
Operating income (Excluding one-time expenses)	189.5 8.6%	215.0 8.8%	235.0 9.4%	270.0 10.0%
One-time expenses	24.0	35.0	35.0	10.0
Operating income	165.5 7.5%	180.0 7.4%	200.0 8.0%	Record high 260.0 9.6%
Income before income taxes	235.9 10.8%	185.0 7.6%	220.0 8.8%	Record high 265.0 9.8%
Net income attributable to FUJIFILM Holdings	181.2 8.3%	130.0 5.3%	160.0 6.4%	Record high 200.0 7.4%
Earnings per share for net income attributable to FUJIFILM Holdings	¥453.28	¥325.18	¥400.18	¥500.27
ROE	8.7%	6.2%	7.1%	8.4%
ROIC	4.3%	4.6%	4.9%	6.1%
CCC	123 days	124 days	124 days	103 days

(Note 1) Fiscal 2020 exchange rates (actual): USD = JPY 106, EUR = JPY 124, silver price (per kg) = JPY 84,000
VISION2023 exchange rate assumptions: USD = JPY 104, EUR = JPY 124, silver price (per kg) = JPY 84,000
Latest exchange rate forecast for fiscal 2021: USD = JPY 109, EUR = JPY 132, silver price (per kg) = JPY 95,000
(Note 2) Operating income fluctuation per change in one foreign exchange unit: USD = JPY 0.3 billion, EUR = JPY 0.8 billion

Performance Targets in the VISION2023: Record profits

We are targeting revenue of JPY 2.7 trillion in fiscal 2023, with operating income to reach a record high in fiscal 2022 and further grow in fiscal 2023. Our goal for net income attributable to FUJIFILM Holdings is to reach a record high of JPY 200 billion in fiscal 2023. The plan does not incorporate one-time gains such as the gain on the sale and valuation of investment securities recorded in fiscal 2020, but it does include expected temporary profit declines in fiscal 2021. In addition, we will achieve ROE of 8.4% in fiscal 2023.

^{*6} As of the Q1 fiscal 2021 financial results announcement

^{*7} After segment eliminations

^{*8} Fiscal 2020 figures are forecasts as of the time when VISION2023 was announced

^{*9} Revenue in the fiscal 2020 earnings forecast reference data is based on the reclassification of revenue from “Production Services” under Business Innovation (Document Solutions) to the Materials area in the forecast announced on February 9, 2020 (reference data)

Performance Targets by Segment

(Billions of yen)

	FY2020 ^{*8}	FY2021 VISION2023	FY2021 Latest Earnings Forecast ^{*6}	FY2023 VISION2023
Revenue ^{*7}				
Healthcare	550.0	750.0	770.0	860.0
Materials ^{*9}	570.0	600.0	620.0	720.0
Business Innovation ^{*9}	780.0	800.0	800.0	820.0
Imaging	280.0	290.0	310.0	300.0
Total	2,180.0	2,440.0	2,500.0	2,700.0
Operating income [Operating margin]				
Healthcare	56.0 [10.2%]	70.0 [9.3%]	78.0 [10.1%]	103.0 [12.0%]
Materials	52.0 [9.1%]	56.0 [9.3%]	62.0 [10.0%]	95.0 [13.2%]
Business Innovation	71.0 [9.1%]	75.0 [9.4%]	75.0 [9.4%]	82.0 [10.0%]
Imaging	11.0 [3.9%]	16.0 [5.5%]	22.0 [7.1%]	25.0 [8.3%]
Corporate expenses / consolidated adjustment	-30.0	-37.0	-37.0	-45.0
Total	160.0 [7.3%]	180.0 [7.4%]	200.0 [8.0%]	260.0 [9.6%]

Medium-Term Management Plan VISION2023

Message from CFO

Strengthening our business portfolio management and building a more resilient business foundation facilitating sustainable growth

Masayuki Higuchi

Director and Corporate Vice President
CFO and General Manager of
Corporate Planning Division
FUJIFILM Holdings Corporation



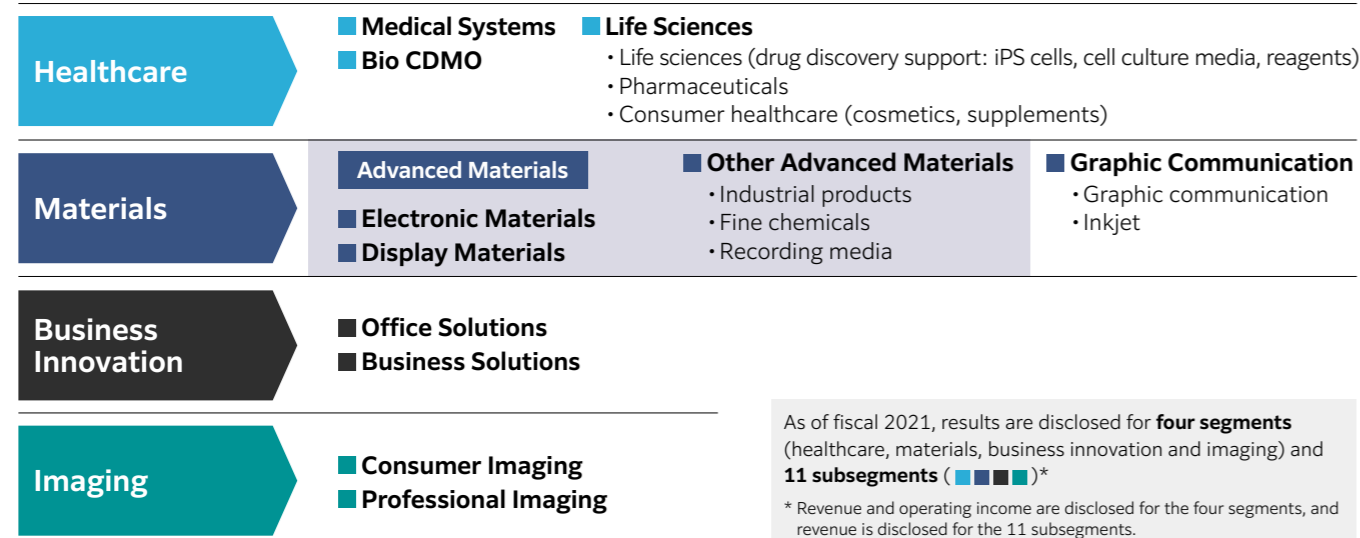
Reinforcing Business Portfolio Management—Strategic execution fitting business phases

Along with the formulation of our medium-term management plan VISION2023, we have reorganized our businesses into four segments: Healthcare, Materials, Business Innovation and Imaging. Starting in fiscal 2021, we are disclosing financial information such as revenue and operating income for Healthcare as an independent segment to illustrate progress in this management plan.

In addition, each of our businesses will be categorized as one of New/Future Potential, Growth Driver, Earnings Base and Non-Core. For each of these, we will implement appropriate strategies and reallocate management resources across the Group in accordance with their

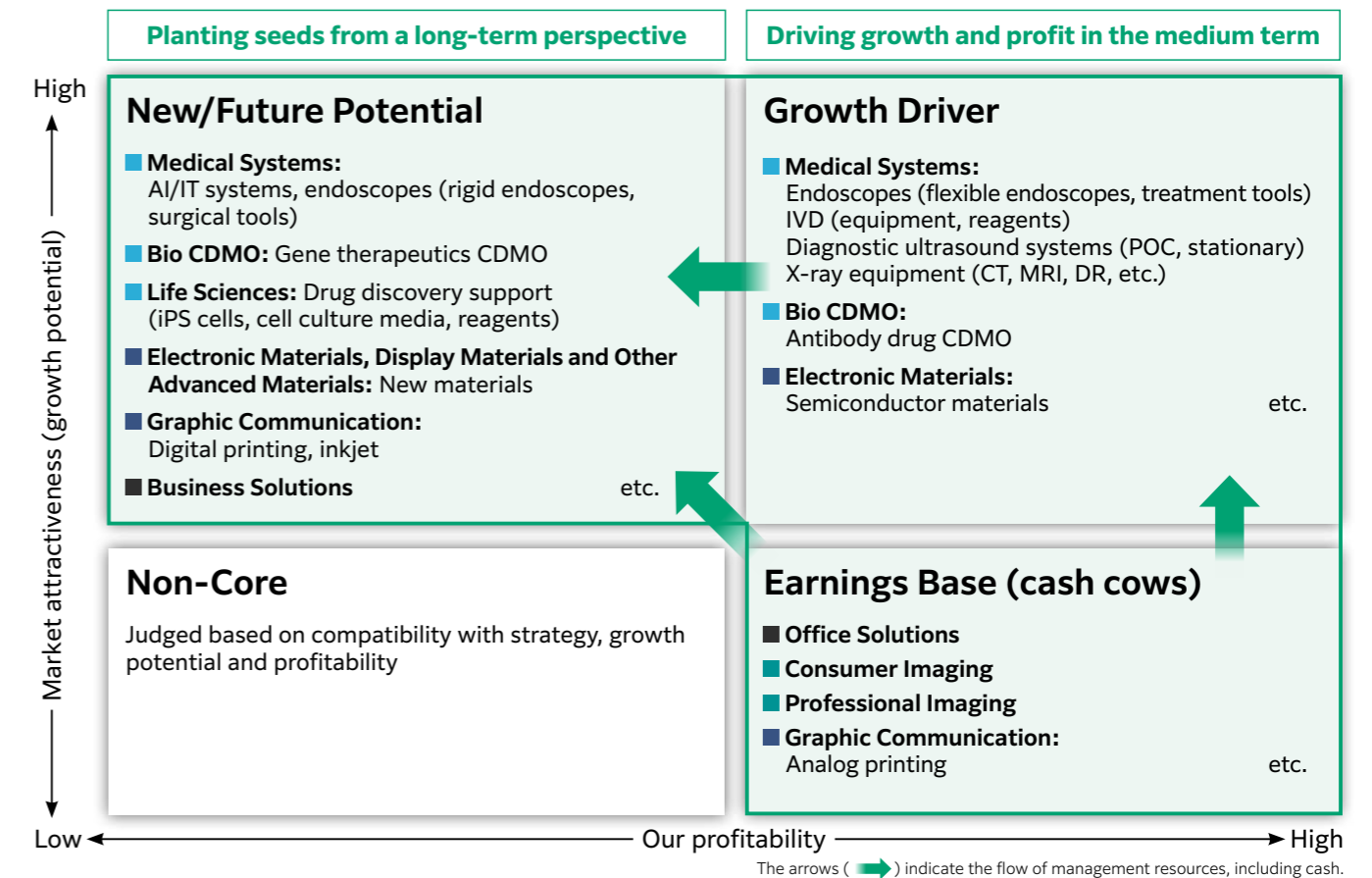
respective growth phases. In order to classify the businesses, we examined each business from various perspectives, including its positioning, potential and stage. Our basis for this examination is the approach of concentrating investment in areas where we can leverage the Company's strengths and where we can generate higher returns over the medium to long term. We will concentrate investing our management resources into New/Future Potential and Priority businesses for growth, as these will drive our future generations. Meanwhile, we will pursue management efficiency and control investments in Earnings Base businesses, maximizing cash flow.

Reorganizing into Four Business Segments



As of fiscal 2021, results are disclosed for **four segments** (healthcare, materials, business innovation and imaging) and **11 subsegments** (■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■)*

* Revenue and operating income are disclosed for the four segments, and revenue is disclosed for the 11 subsegments.

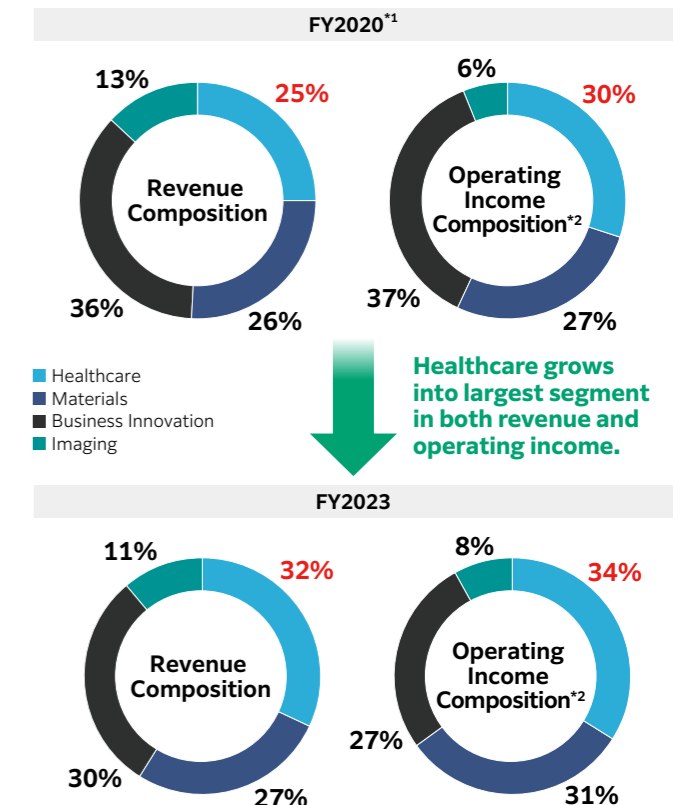


Specifically, over the three years of the VISION2023 plan, we will invest a total of more than 1.2 trillion yen in R&D, capital expenditures and other growth investments, of which 1 trillion yen will be concentrated in New/Future Potential and Priority businesses. By newly disclosing the revenue results of the medical systems business, bio CDMO business and electronic materials business, each are either New/Future Potential or Growth Driver, we will visualize the progress of growth in each of these businesses.

In the Earnings Base businesses, we will focus on profitability and efficiency to maximize cash generation and generate resources for investment in growth. Businesses that we have positioned as Non-Core in terms of strategic fit, growth potential and/or profitability will be examined with a view to either transforming them into Earnings Base businesses through thorough reform, or potentially disposing of them through sale or withdrawal.

Through these measures, we aim to grow Healthcare to become the Group's largest segment, with revenue accounting for 32% across the Group in fiscal 2023 (vs. 25% in fiscal 2020) and operating income of 34% in fiscal 2023 (vs. 30% in fiscal 2020).

Revenue and Operating Income Composition



*1 Figures for fiscal 2020 are forecasts as of the time when the medium-term management plan was announced.

*2 Operating income composition data is group-wide and before consolidation adjustments.

Medium-Term Management Plan VISION2023

Strengthening Cash Flow Management—Rigorous business management mindful of capital efficiency

In VISION2023, our key measures include working to strengthen our business portfolio management and cash flow management. While we increase profitability of each business, we must also shorten their CCC, an indicator of operational efficiency, and increase their in/out efficiency for individual investment projects to select projects with higher returns and increase ROIC. We will conduct rigorous business management mindful of capital efficiency, and in order to understand the efficiency of each business activity, we will set ROIC and CCC key performance indicator (KPI) targets for each business and work to improve these indicators. We aim to shorten the CCC through the number of inventory days by product, on-time delivery ratio, production lead times, overdue receivables ratio, etc., by bringing these down to field-level activity targets for each business. This indicator is more easily incorporated by individuals in the field as it is exactly the kind of activity that contributes to the Company's cash generation. In addition, we do not set uniform ROIC targets, but rather in a way that comprehensively takes into account the direction, phase, time frame and growth scenario for the business, and we strive to improve this figure for each business. In other words, we believe it is important to use ROIC as a compass helping us overlook the Group's business portfolio.

By strengthening our business portfolio and more efficiently utilizing assets, we will generate 1 trillion yen in operating cash flow over the next three years, allocate this cash to growth areas on a priority basis and build a resilient business foundation that will enable us to achieve sustainable growth and further enhance our corporate value.

Tables below are based on data at the time of the VISION2023 announcement.

ROIC*1 and CCC Targets

	FY2020*2	FY2021 VISION2023	FY2023 VISION2023
ROIC	4.2%	4.6%	6.1%
Healthcare	3.5%	4.3%	5.3%
Materials	8.1%	8.2%	12.9%
Business Innovation	8.8%	9.1%	10.6%
Imaging	6.1%	7.0%	12.1%
CCC	125 days	124 days	103 days

*1 Calculation method:
Group-wide ROIC = NOPAT ÷ (Interest-bearing debt + Shareholders' equity)
ROIC per segment = NOPAT ÷ (Working capital + fixed assets)

*2 Figures for fiscal 2020 are forecasts at the time of the VISION2023 announcement

Capital Expenditures and R&D Expenses Targets (Cumulative Total, FY2021–2023)

(Billions of yen)

	Capital ex- penditures	R&D expenses	Total
Healthcare	450	144	594
Materials	110	125	235
Business Innovation	120	114	234
Imaging	40	27	67
Corporate expenses / consolidated adjustments	30	80	110
Total	750	490	1,240

Depreciation Targets

(Billions of yen)

	FY2020	FY2021 VISION2023	FY2023 VISION2023
Healthcare	44	54	57
Materials	28	28	35
Business Innovation	40	39	38
Imaging	15	15	15
Corporate expenses / consolidated adjustments	3	4	5
Group-wide	130	140	150



Initiatives for “Health” through Business Activities

Goals for resolving social issues

We aim to improve accessibility to medical care through the introduction of products and services utilizing medical AI technology in all countries and regions by fiscal 2030.

Number of countries in which products and services have been/are planned to be introduced



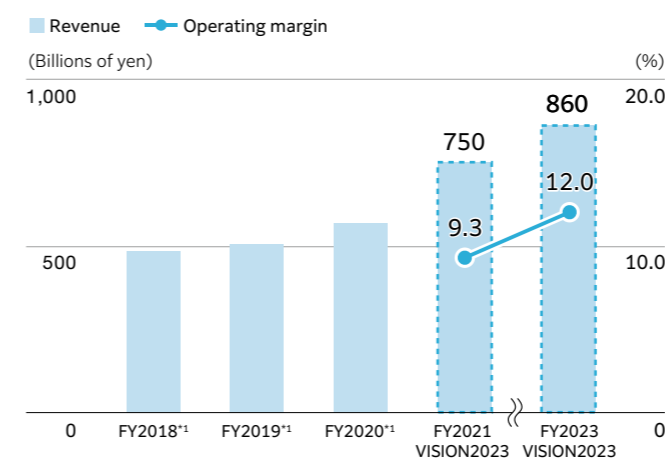
Healthcare

Create a healthy society through providing advanced products and services globally in all areas of prevention, diagnosis and treatment to reduce healthcare disparities.

Competitive advantages

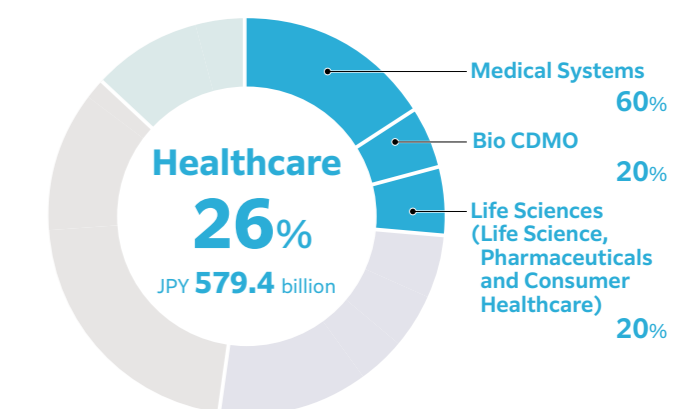
- AI technologies and image processing technologies for providing images suitable for diagnosis
- Advanced chemical compounds, design capabilities and nanotechnologies that enable development of pharmaceuticals that respond to unmet medical needs
- High levels of technological capabilities to manufacture under constant conditions and superior quality control, utilized in process development and manufacturing of biopharmaceuticals
- World-leading iPS cell initialization and differentiation induction technology and culture media development capabilities enabling high-quality regenerative medicine

Healthcare Segment Business Results



*1 Figures for fiscal 2018–2020 are actual value for the healthcare field in Healthcare & Material Solutions prior to segment disclosure changes.

Sales Ratio by Segment (FY2020*2)



*2 Fiscal 2020 revenue in the new segments

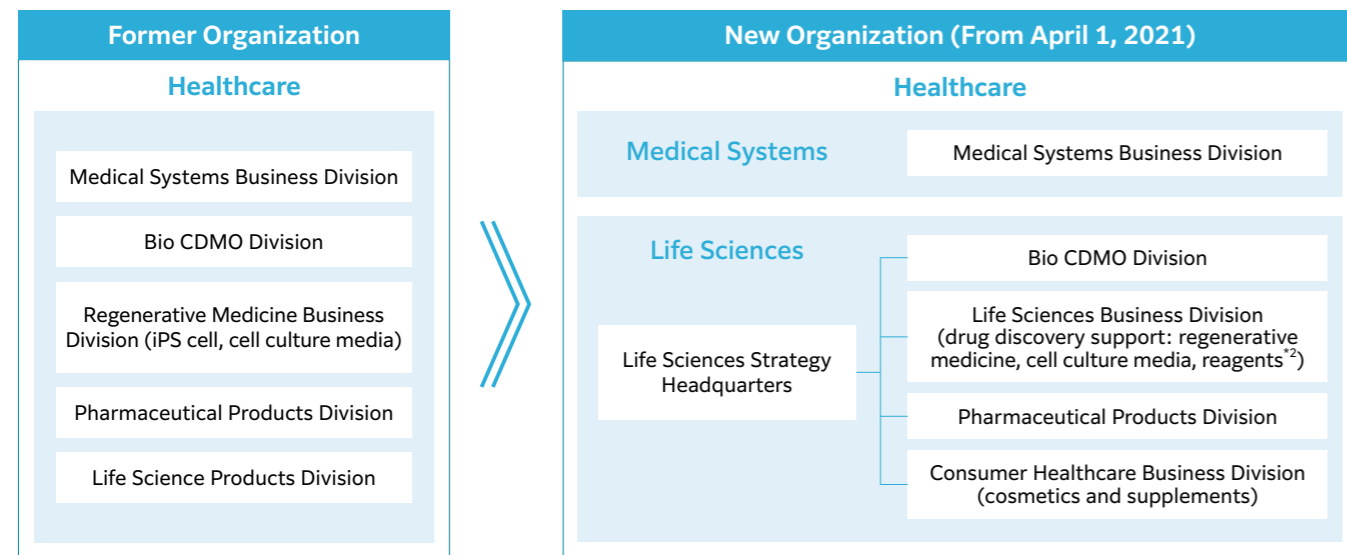
Initiatives for “Health” through Business Activities

Redefine priority areas and restructure the organization

Categorize Healthcare into Medical Systems and Life Sciences covering bio CDMO^{*1}, drug discovery support and such, with the Life Sciences Strategy Headquarters established to oversee life sciences field. In Life Sciences, we have positioned bio CDMO and drug discovery support

as priority areas.

^{*1} Contract Development and Manufacturing Organization. Such organizations provide a wide range of services to pharmaceutical companies and others, from development of cell lines for the early stages of drug development to production process development, stability testing, development and manufacturing of investigational new drugs, and manufacturing of over-the-counter drugs.



^{*2} Integrating the life science reagents business within the fine chemicals business

Growth strategies for the Healthcare Segment

We plan to secure an increase in sales and profits through sales growth mainly in the medical systems and the bio CDMO businesses. In addition, on April 1, 2021, we drafted and promoted a comprehensive strategy across businesses including business portfolio, M&A and alliances, technology and R&D, to generate further synergies and new businesses within the field of life sciences and newly established the Life Sciences Strategy Headquarters which leads related businesses. We also established the Life Sciences Business Division that integrates regenerative medicine businesses such as iPS cell and cell culture media and reagent businesses

within the fine chemicals business, in order to strengthen businesses related to drug discovery support. We aim to further expand our business by reorganizing and enhancing our businesses in the domain of life sciences from the customers' perspective, by focusing on commercialization of the CDMO market for biopharmaceuticals and drug discovery support businesses which are expected to experience high growth in the medium to long term, and by offering the value of one-stop solution as a company that supports the creation of cutting-edge medicine.

Medical Systems business

Create new value and help resolve social issues by combining our industry-leading AI/IT technology with a broad product lineup.

Business strategies

- Increase earnings with AI/IT solutions business, accelerating development of various medical devices centered on our AI platform “REiLi.”
- Create synergies for FUJIFILM Healthcare that succeeds the diagnostic imaging business of Hitachi, Ltd. (including CT, MRI, ultrasound diagnostic equipment and electronic medical records).
- Strengthen the in-vitro diagnostic (IVD) business overseas marketing, expand sales.
- Capture leading endoscopy hospitals in North America and gain market share by expanding operating room business armed with surgical devices.
- Step up social contribution to prevent the spread of COVID-19 (including ultrasound diagnostic equipment, X-ray imaging devices for doctor's rounds, antigen test kits, Hydro AG+ alcohol spray for maintaining disinfection, etc.).

► For our latest initiatives, please see “Feature 1: Initiatives in Healthcare” on pages 49–53.

Bio CDMO business

Help improve medical accessibility and fulfill unmet medical needs through stable supply of high-quality biopharmaceuticals and process development and contract manufacture of gene therapeutics, an advanced medical field.

Business strategies

- Respond to rapidly expanding biopharmaceutical demand with industry-leading production technology and large-scale capital investment primarily in antibody drugs.
- Strengthen production capacity of cutting-edge gene therapeutics and genetically modified cell therapeutics by establishing a new manufacturing base located in the Greater Boston area of the United States.
- Promote contract development and manufacturing of COVID-19 vaccines and therapeutics.

FOCUS Establishing a new large-scale manufacturing site for biopharmaceuticals in the United States

Biopharmaceuticals are expected to demonstrate significant market growth as they have few side effects and can be expected to have high efficacy. Since manufacturing them requires advanced manufacturing/quality control technologies, equipment and accumulated know-how, pharmaceutical companies and bio-ventures are increasingly outsourcing process development and manufacturing to CDMOs that possess excellent technologies and equipment. In addition, customers have expressed their desire “to further shorten lead time from order to delivery” and “to outsource not only the production of APIs but also the formulations and packaging,” and their needs are diversifying.

In these circumstances, Fujifilm has actively and consistently invested in five sites of FUJIFILM Diosynth Biotechnologies (hereinafter, FDB), a core company of biopharmaceuticals CDMOs, and in June 2020 decided to invest approximately JPY 100.0 billion in the Denmark site to respond to demand for contract manufacturing in the European market. Currently, along with significantly increasing the production capacity of APIs, we are working on building a system of mass production through an “end-to-end” system capable of systematically performing bulk drug manufacturing, formulation and packaging, within the site. We plan to start operations in stages from 2022 to 2023.

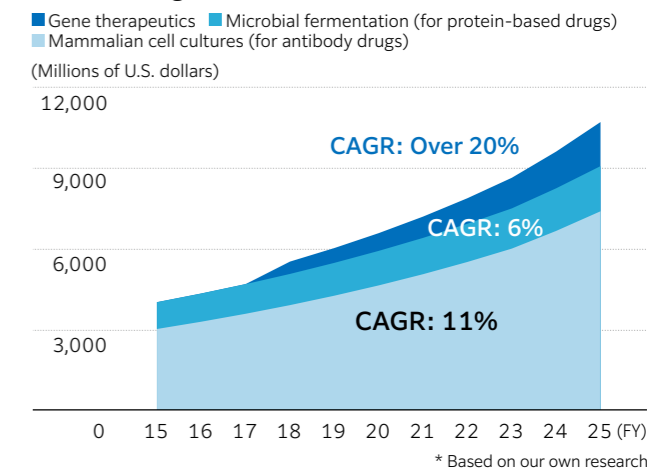
Further, in January 2021 we announced plans for a large-scale investment of more than JPY 200.0 billion in the United States, the world's largest biopharmaceutical market, and to build a new large-scale manufacturing base with an end-to-end system.

The new site, scheduled to begin operations in the spring of 2025, will be equipped with 8 x 20,000L mammalian cell

culture tank bioreactors, the largest at FDB's U.S. bases, to handle bulk drug production consignments. Furthermore, in the future we plan to establish a system with the potential to expand to up to 32 x 20,000L culture tank bioreactors, aiming to respond flexibly to increase in orders.

Fujifilm aims to steadily advance the construction of large-scale manufacturing sites equipped with comprehensive outsourcing systems in the United States and Europe, which occupy a large share of the biopharmaceutical market, and aims for further business growth.

Trend and Forecasts in Biopharmaceutical CDMO API Manufacturing Market Size*



FUJIFILM Diosynth Biotechnologies

With bases in the United Kingdom, the United States and Denmark, we conduct contract development and manufacturing of a wide array of biopharmaceuticals, including antibody drugs, hormone preparations, gene therapy drugs and vaccines. With over 30 years of experience and achievements, we offer a comprehensive list of contract services from cell line development to process development, investigational drug manufacturing and commercial production using our industry-leading, proprietary and highly productive pAVEway™ and Apollo™X technologies.



Initiatives for “Health” through Business Activities

Life Sciences business (Drug discovery support: regenerative medicine, cell culture media, reagents)

Help further develop the pharmaceutical industry and create a regenerative medicine industry by actively promoting business in the biomedical field.



Business strategies

- Focus on regenerative medicine, cell culture media and reagents that make use of our strengths to develop a total solution business for drug discovery support.
- Promote the contract development and manufacture of regenerative medicine products such as cell therapeutics.
- Strengthen supply and customer support capabilities for cell culture media with three production sites: the United States, Europe and Japan.

Pharmaceutical business

Help further develop the pharmaceutical industry by utilizing our unique Drug Delivery System (DDS) technology, manufacturing facilities and infrastructure.



Business strategies

- Promote liposomal formulation development using our nano-dispersion, analysis and process technologies.
- Use our lipid nanoparticulate manufacturing facilities and infrastructure to build a process development and contract manufacture business for next-generation nucleic acid drugs and mRNA vaccines.

Consumer Healthcare business (Cosmetics, supplements)

Offer highly unique products that capture more needs and contribute to people's beauty and health.



Business strategies

- Cosmetics: Develop highly original products such as ASTALIFT White Jelly Aquarysta and develop ASTALIFT into a top-class brand.
- Supplements: Respond to growing needs to maintain and improve health, focusing on our MetabARRIER series.



Initiatives for “Daily Life” through Business Activities

Goals for resolving social issues

- We aim to contribute to the creation of a safe and secure society in the era of DX promotion, through the development and provision of cutting-edge functional materials.
- We aim to contribute to enriching lifestyles and to peaceful living through the development and provision of high-quality, high-performance products and services in the picture and imaging field.

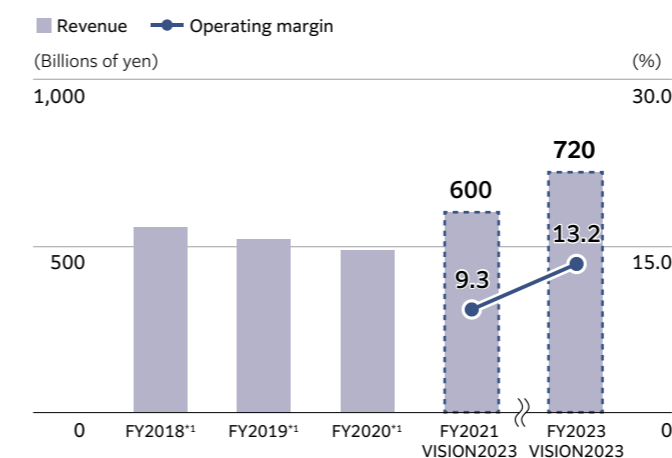
Materials

Contribute to creating a safe and secure society by developing and providing advanced materials in the era of promoting DX.

Competitive advantages

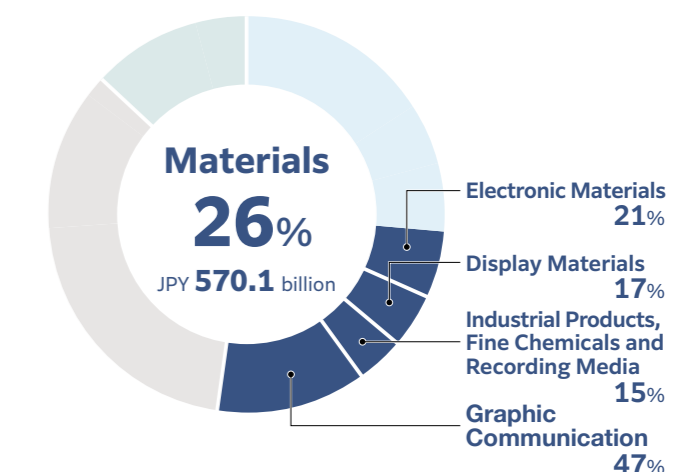
- Advanced technologies, such as functional molecules technology for imparting high functionality to film
- Advanced film forming and coating technologies capable of supporting thinness and enlargement
- Cost competitiveness and stable supply
- Rapid and accurate product formulation capabilities and development capabilities, and global production systems

Materials Segment Business Results



*1 Figures for fiscal 2018–2020 are actual value for the materials field in Healthcare & Material Solutions prior to segment disclosure changes.

Revenue Ratio by Segment (FY2020^{*2})



*2 Fiscal 2020 revenue in the new segments

Initiatives for “Daily Life” through Business Activities

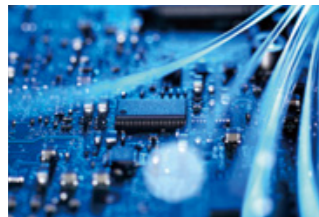
Growth strategies for advanced materials

We are committed to continuous creation of new businesses that contribute to the acceleration of DX in various fields by improving the development of high-speed communication networks such as 5G and enhancing the functionality of sensors and communication devices,

through the integration of technologies such as wavelength (including optics) control cultivated in each business. We also aim to expand both sales and profits by maintaining our current competitive advantage and quickly launching high-profit products that meet market needs.

Electronic Materials business

Accelerate market share expansion and strengthen profitability by offering a wide range of products that address miniaturization and high integration for cutting-edge semiconductors that are vital to 5G, AI, autonomous driving, etc.

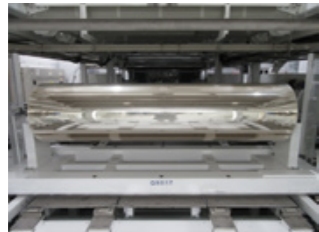


Business strategies

- Expand sales of photoresist and other pre-process materials for the promising EUV market as well as post-process materials such as polyimide insulating film for 3D integration.
- Sensors: In addition to our image sensor materials that boast a high market share, we aim to develop new markets by supplying Wave Control Mosaic (WCM), electromagnetic wave control materials for ranging.

Display Materials business

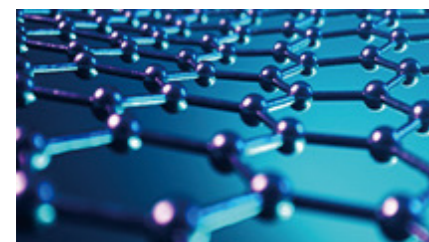
Create timely new products to suit changing market environments by utilizing our wide-ranging technical capabilities that can also be used for next-generation displays.



Business strategies

- Extend materials (anti-reflection film) for organic EL that have gained de facto standards for smartphone applications to TV applications as well.
- Develop new technologies focused on foldable smartphones and rollable TVs, which are expected to witness growing demand, by leveraging our advanced thin film formation technology.
- Introduce differentiated products in the in-vehicle market, a new target area.

Fine Chemicals business



Business strategies

- Create new businesses (highly functional polymers, colorant dyes, battery materials, etc.).

Industrial Products business



Business strategies

- Develop solutions business with existing products such as inspection materials and films for measuring pressure and create new businesses (optical sensors and communication-related materials).

Recording Media business



Business strategies

- Expand sales of storage tapes to support data growth in the 5G/AI era and accelerate sales expansion in China.

Growth strategies for graphic communication

- Contribute to the expansion of customers' businesses by providing products that improve productivity and reduce environmental impact, as well as high-definition printing and printing on various materials using proprietary technologies, and printing diverse products in small lots.
- Transform manufacturing in a wide range of industries by making the most of the advantages of head and ink technologies for inkjet printers used in various applications such as building materials and ceramics.



Graphic Communication business

Business strategies

- Digital printing: Accelerate growth by promoting sales expansion through the integrated synergy between Fujifilm and FUJIFILM Business Innovation.
- Analog printing: Increase market share by focusing on the replacement of offset printing plates to environment-conscious processless plates, and contribute to decrease in the environmental burden.

FOCUS Establishing the Graphic Communication Division

—To accelerate the generation of synergies and provide further value to the printing industry globally—

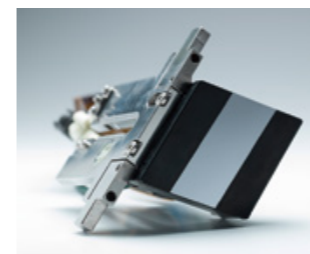
In the Fujifilm Group's graphic communication business field, Fujifilm's Graphic Systems Business Division and FUJIFILM Business Innovation's Graphic Communication Services Business Group was integrated into the Graphic Communication Division on July 1, 2021. Focusing on the printing plates business, Fujifilm is strong in the commercial printing market, including overseas markets such as the United States and Europe, and even in digital printing the Company has developed the JetPress series of inkjet digital presses that enable print quality surpassing that of offset printing. FUJIFILM Business Innovation has built strong relationships with customers in the domain of office solutions, mainly multifunction devices, and has demonstrated its strengths in digital printing technology and product capabilities taking advantage of the strength of its thorough familiarity with customer operations. Utilizing the technologies and sales channels of both the companies, we aim to accelerate the generation of synergies and

globally expand our one-stop solutions from analog to digital, continuing to drive the digitalization of the industry.



The BELIEVING IN PRINT-FUJIFILM Virtual Exhibit 2021 was held from June 24–July 30, 2021. In an online 3D space that mimics a realistic exhibition, many new products such as the FUJIFILM Business Innovation's Revoria Press PC1120 were exhibited. Our appeal for customers in the printing industry extends over a wide range of products and solutions.

Inkjet business



Business strategies

- Develop, introduce and expand sales of high-precision, high-productivity inkjet printer heads, food-safe watercolor pigment inks and custom systems integrating head and ink according to customer needs for growing markets (commercial printing and package printing).

Initiatives for “Daily Life” through Business Activities

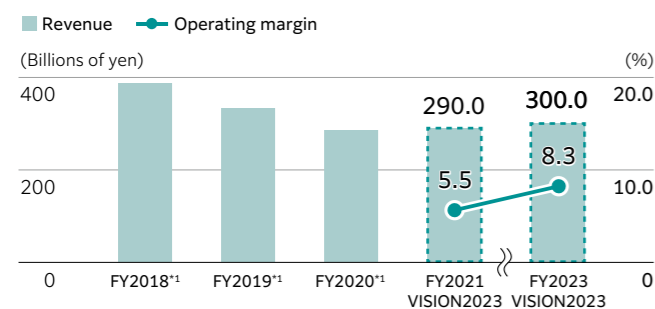
Imaging

Contribute to enriching lifestyles and peaceful living by developing and providing high-quality, high-performance products and services in the picture and imaging field.

Competitive advantages

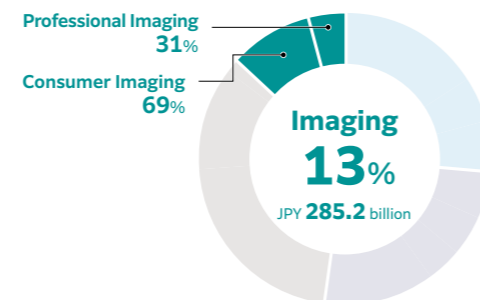
- Comprehensive strength capable of providing services from phototaking to printing
- Strong market position as a leading company
- Unique lineup of products equipped with two types of sensors (APS-C size and large format) that are small, lightweight and achieve superior color reproducibility owing to in-house developed key devices and unique imaging design technology
- Advanced optical technologies and high-precision processing and assembly technologies

Imaging Segment Business Results



^{*1} Figures for fiscal 2018–2020 are actual value for Imaging Solutions prior to segment disclosure changes.

Revenue Ratio by Segment (FY2020^{*2})



^{*2} Fiscal 2020 revenue in the new segments

Growth Strategies for the Imaging Segment

In the Imaging segment, the Photo Imaging Products Division and the Optical Device & Electronic Imaging Products Division were integrated into the Imaging Solutions Division on April 1, 2021 in order to continue offering new value and products that cater to diversifying needs in images and videos in the imaging field.

The needs for images and videos in society and daily life are diversifying amidst rapid advancement in various technologies, as seen in the diversification of image-

recording devices, network acceleration, advancement in AI technology and progress toward a data-oriented society, among other things. In the light of this situation, Fujifilm is redefining the market from broader perspectives, and is committed to accelerate the development of new products and services based on its brand power as a comprehensive photo imaging company as well as technological assets that cover fields ranging from imaging devices to photo printing systems and services, under the new system.

Consumer Imaging



Business strategies

- instax instant photo systems: Introduce various new products and apps and promote cross-industry cooperation to propose different ways to enjoy instax and expand user base.
- Expand environment-conscious dry systems (inkjet, xerography, etc.) to meet strong smartphone printing demand.

Professional Imaging



Business strategies

- Develop high-end mirrorless camera (GFX/X series) that achieves outstanding image quality with our unique color reproduction technology and is small and lightweight.
- Monitoring, measurement and digital signage: Promote image recognition solutions business.

Initiatives for “Work Style” through Business Activities

Goals for resolving social issues

We aim to offer work styles that support workers in improving productivity and demonstrating creativity by providing solutions and services that bring innovation to business.

Work-style support



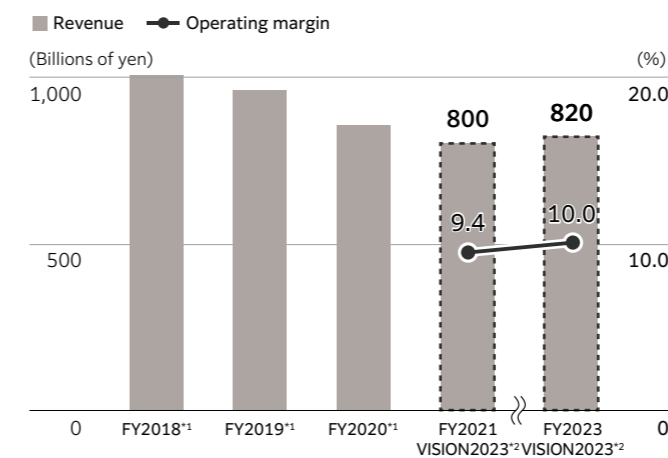
Business Innovation

Contribute to a social change where people feel fulfillment in their work through providing products, solutions and services worldwide that increase productivity and inspire creativity.

Competitive advantages

- Excellent customer base leveraging a robust direct sales structure in Japan and the Asia-Pacific region
- Solid sales capabilities that can help solve the increasingly complex and diverse management issues of customers, as well as a lineup of cloud-based products and supporting document technology for delivering total solutions

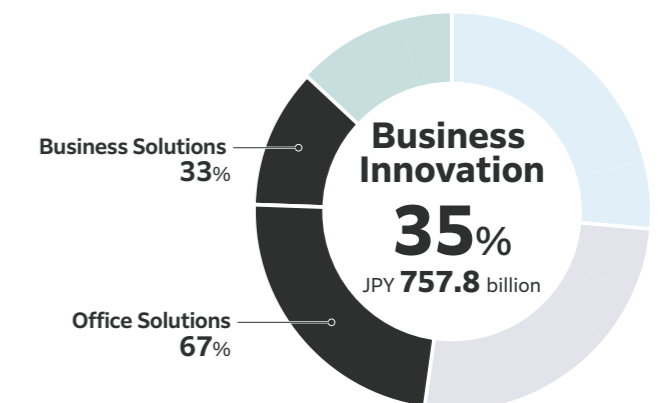
Business Innovation Segment Business Results



^{*1} Figures for fiscal 2018–2020 are actual value for Document Solutions prior to segment disclosure changes.

^{*2} With the reorganization of business segments, the production services business of the former Document Solutions segment was transferred to the graphic communication business of the Materials segment from fiscal 2021.

Revenue Ratio by Segment (FY2020^{*3})



^{*3} Fiscal 2020 revenue in the new segments

 Initiatives for “Work Style” through Business Activities

| Growth strategies for the Business Innovation Segment

On April 1, 2021, Fuji Xerox changed its corporate name and set off as FUJIFILM Business Innovation. In conjunction with this name change, we will accelerate the global development of business innovation under the Fujifilm brand. Promoting the mutual use of common infrastructure and technology assets with Fujifilm will enable us to achieve rapid and efficient development and production and expand our business globally regardless of area. We are expanding the business under the Fujifilm brand by developing new distributors in the new markets of Europe, the United States and emerging countries in addition to OEM supply to companies other than Xerox Corporation, which has already started. In Japan and the Asia-Pacific region, where we already have a strong market presence, we will continue to provide high-performance products, solutions and services developed in-house as we contribute to solving customer issues.

In Japan, FUJIFILM Business Innovation Japan has been established in line with this name change by integrating the direct sales divisions, 31 Japan domestic sales companies and Fuji Xerox InterField. We will strengthen the development of the office equipment and related solutions business, centered around multifunction devices, under a unified nationwide operation by bringing together our comprehensive strengths, including the knowledge and expertise we have accumulated through our domestic sales activities. As in the past, we will continue to focus on sales activities that emphasize the importance of ties with local communities.




In addition, going forward we will focus even further on the IT solutions and services business, accelerating the growth of our solutions and services business and the expansion of global business opportunities by assisting our client companies with work-style reforms, operational streamlining and digitalization.

Launching new Fujifilm brand products



| Accelerating growth by further strengthening solutions and services

By providing solutions and services tailored to customer needs, we will support their efforts to reform work styles and promote DX.

1	Improve business productivity using multifunction devices as a gateway	Enhance document management and cloud collaboration (DocuWorks/Working Folder/ coordination with other companies' cloud services) using multifunction devices, which have robust security, as a gateway.	
2	Expand IT services for SMB^{*1} customers	Offer complete IT services (IT Expert Service/beat/ multivendor services, etc.) for SMB customers facing problems such as having only one person handling IT ^{*2} or issues with IT implementation delays and productivity.	
3	Resolve management issues through work-style reforms and digitalization	Accelerate support for customer work style reforms and digital transformation, starting from the digitization of paper documents (Data utilization one-stop service/ CocoDesk/net-based printing services, etc.).	

^{*1} Small to medium-sized business

^{*2} The problem of companies not being able to properly manage IT because their information systems department consists of just one person, or because of an inability to secure someone to be in charge

Message from the President of FUJIFILM Business Innovation

Our name is our mission: Bringing together the strengths of the Fujifilm Group to help customers worldwide accelerate their business

Leaping forward as a company that constantly brings innovation to business

On April 1, 2021, we changed our name to FUJIFILM Business Innovation and set off under a new management structure. The new name embodies our commitment to continue as a company that constantly brings innovation to business under the Fujifilm Group corporate slogan of “Value from Innovation.”

This opens a new page in our history and has also expanded our business and sales domains and made more dynamic business development possible. At the same time, we recognize that we need to make significant changes in the way we provide value to our customers, as work environments—which are deeply involved with our business domain—undergo a global transformation and paradigm shift.

Given these circumstances, to devise and achieve a solid growth strategy as president and CEO, I will promote the acquisition of global business opportunities and an acceleration of growth in the solutions and services business to make a further leap forward.

Providing solutions ahead of changing times based on accumulated technology and expertise

As businesses diversify and competition intensifies, there is a need for more efficient business processes and faster decision-making. To create new value and innovation, it is increasingly important that businesses create an environment in which information can be exchanged and shared quickly and accurately. In this context, our role is to support our customers around the world to maximize the power of their organizations by improving the efficiency of their work and work styles, and through DX, which will lead to new value creation. Our company name truly is our mission.

To fulfill this mission, we will continue to evolve ahead of the times in business centered around multifunction devices, whose strength lies in their robustness and security. On April 1, we launched five models and 22 products in the Apeos series, which have been redesigned under the Fujifilm brand and offer advanced solutions. We will accelerate our global expansion, including a new OEM supply. In addition, we help customers resolve issues and grow in every aspect of their business by supporting the digitalization of business processes with the technology and expertise we have cultivated over many years. We will further develop our IT and solution services as a pillar of future profits.

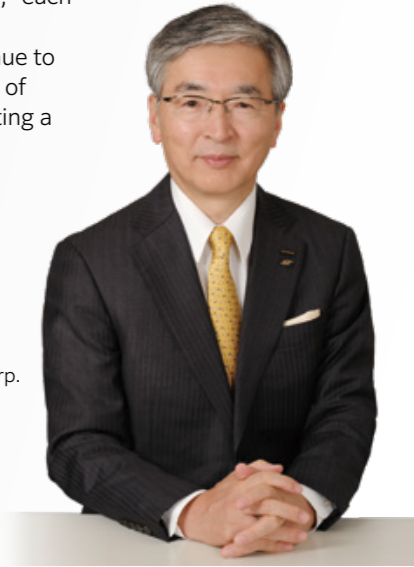
Accelerating synergies with Fujifilm as we continue to take on technical innovation

As a member of the Fujifilm Group, which has continued to create innovations that bring change to the world, we will pursue synergies by combining our technological capabilities and expertise to accelerate the business of our customers around the world. In the commercial printing field, we will expand our business by enlarging our lineup of new products and promoting cooperation within the sales network under a new structure that integrates the relevant divisions of Fujifilm and the company. In the medical systems field, we will support work-style reforms on the front lines of medicine through solutions that combine imaging processing and natural language processing technologies.

Changing the company to create change: To embody our fiscal 2021 corporate direction to “Create a new history,” each and every one of our employees will continue to take on the challenge of playing a part in creating a new history.

Hisanori Makaya

President and CEO
FUJIFILM Business Innovation Corp.

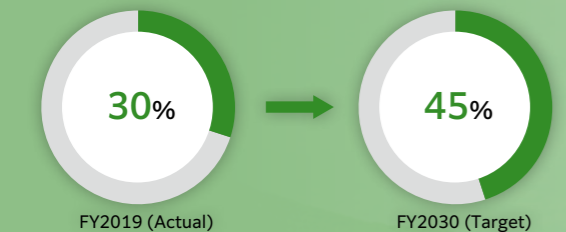




Initiatives for “Environment” through Business Activities

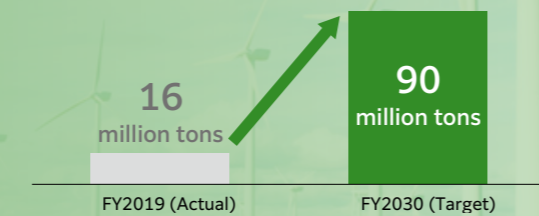
Goals for resolving social issues

Target 1: Reduce CO₂ emissions over product life cycle*¹



*1 Reducing CO₂ in the entire product life cycle (Figures vs. fiscal 2013 levels)

Target 2: Reduce CO₂ emissions through products and services*²



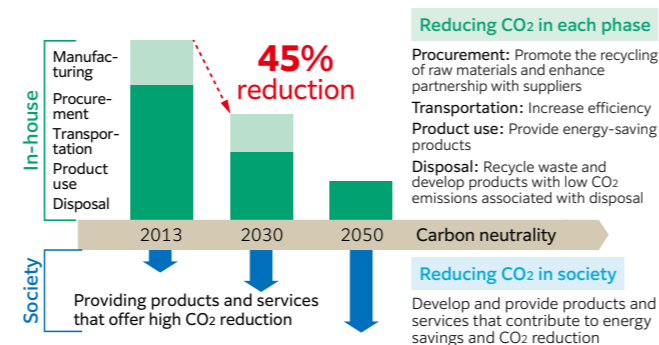
*2 Target of CO₂ emissions reduction in society, which is to be achieved by replacing the conventional products with our environmentally conscious products and services (Cumulative reduction since fiscal 2017)

The Fujifilm Group carbon neutrality goals

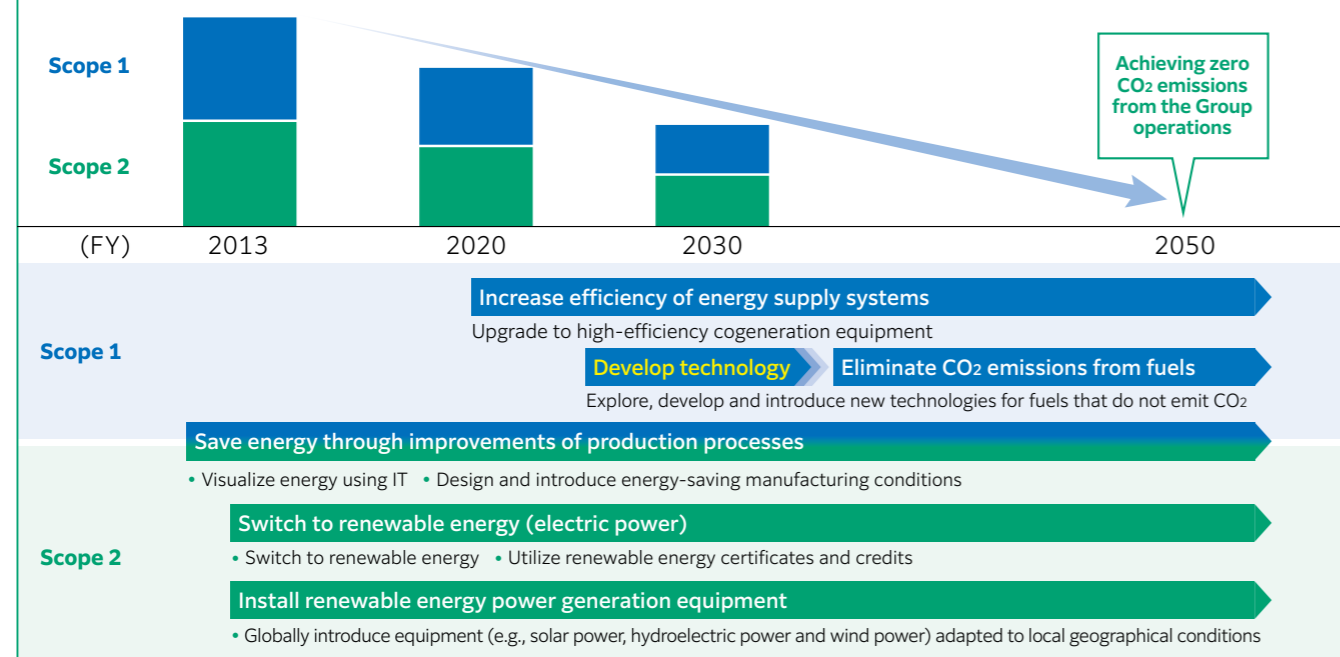
The Fujifilm Group will reduce CO₂ emissions by 45% (compared to fiscal 2013) in the entire product life cycle by fiscal 2030. By fiscal 2050, we aim to eliminate CO₂ emissions in our energy usage (Scope 1 and 2).

Furthermore, by developing and providing energy-saving products and services that help reduce CO₂, we will promote the reduction of CO₂ emissions in society and contribute to the realization of a decarbonized society.

Reducing CO₂ emissions in the entire product life cycle



Road map for reducing CO₂ emissions (Scope 1 and 2)



Environment-conscious investment

To realize a decarbonized society, the Fujifilm Group makes decisions on capital investments in plant construction and other areas with consideration to their environmental impact. In the deployment of renewable energy in particular, we examine location conditions based on regulations, support and the level of infrastructure.

FUJIFILM Diosynth Biotechnologies (FDB), which plays a central role in the ever-expanding market for pharmaceutical CDMOs, announced in March 2021 that it will establish a new large-scale biopharmaceutical manufacturing site, as its second site in North Carolina, U.S.A.

In selecting the region for the new site, we considered the total environmental impact based on a life-cycle assessment. On the assumption we will be supplying the United States, the area of greatest demand, we are working to reduce our environmental impact, including CO₂ emissions, by completing the entire process in the United States, from bulk drug substance production, formulation and packaging to transport. In addition, the new site will take advantage of North Carolina's active promotion



The new FDB site, scheduled to commence operation in spring 2025 (Holly Springs, North Carolina, U.S.A.)

of environmental programs, including the use of renewable energy such as solar power generation, and will proactively deploy systems to reduce environmental impact in cooperation with local governments and businesses. We aim to cover all of our electricity use with power derived from renewable energy sources and going forward will continue to accelerate manufacturing expansion and business growth premised on environmental consciousness.

Energy strategy

We are promoting an energy strategy centered around a switch to efficient equipment group-wide and environmental initiatives for social infrastructure development.

In the switch to efficient equipment group-wide, the Energy Strategy Promotion Committee plays a central role in considering measures for maximizing energy use efficiency and for reducing CO₂ emissions in energy procurement group-wide. We are also actively developing these measures within the Group as we promote energy conservation efforts and the introduction of renewable energy.

In the area of environmental initiatives for social

infrastructure development, through our memberships in RE100 and JCLP* we are presenting society with approaches to the decarbonization of electric power and fuel via the development of social infrastructure, acting on society and industry as a whole to lead the realization of a decarbonized society.

* Japan Climate Leaders' Partnership



Devise and disseminate environmentally conscious products

The Fujifilm Group operates the Green Value Products certification system, a mechanism for continually creating superior environmentally conscious products and services. In fiscal 2020, 30 new products were certified, for a cumulative total of 166 certified products.

As the increase in energy consumption at data centers has become a social issue, FUJIFILM Corporation's data archiving solution, which uses high-capacity magnetic tape, reduces power consumption by about 74% by storing infrequently accessed data stored on HDDs on LTO tape (magnetic tape), which requires power only when reading and writing data. This solution was certified Gold in

recognition of its ability to contribute to energy reductions in data centers.

We have set a new environmental target of increasing the percentage of products certified as Green Value Products to 60% of group-wide sales by 2030, as we aim to further reduce the environmental impact of our products and services.

Data archiving solution that combines magnetic tape and HDDs and allows for the safe, low-cost, long-term storage of large volumes of data



Initiatives for “Environment” through Business Activities

Information disclosure based on the TCFD recommendations

In December 2018, the Fujifilm Group announced that it would endorse the recommendations issued by the Task Force on Climate-related Financial Disclosures (TCFD). Furthermore, we have started a scenario analysis of the Fujifilm Group on climate change since fiscal 2020. Under both the 2°C and 4°C scenarios, we believe we can

make a significant contribution to addressing climate change and enhancing resilience over the medium to long term. Furthermore, studies are underway aimed at achieving 1.5°C certifications, and we will enhance our scenario analysis based on these efforts.

► For more information, please see the Sustainability Report 2021 Management Performance, pages 59–60.

Analysis results of our scenario based on TCFD recommendations

(1) 4°C scenario

Measures surpassing those in place at present are not implemented, resulting in the average temperature rising by the year 2100 by 3.2°C to 5°C and over the level during the Industrial Revolution.

Business Risks (Physical risks)

In the 4°C scenario, risks such as the impact of abnormal climate on production facilities, disruption of raw materials supply, factory shutdowns due to power failures, etc., were found. To address these risks, we have been developing preventive measures based on the Business Continuity Plans (BCPs) for diversification of production sites, procurement sources and securing of a stable power supply. Especially in recent years, typhoons and heavy rains due to abnormal climate have caused damage from the disruption of power supply, which is an important lifeline, in various regions. To secure a stable power supply, the Fujifilm Group has been setting up in-house cogeneration systems at its major production sites in line with implementation planning since the 1960s, and we have been reviewing the risks of power failure regularly. For example, in the previous fiscal year we conducted a re-examination of power failure risks and introduced emergency in-house cogeneration systems as BCP for radioactive pharmaceutical production facilities. Furthermore, there are risks of change in animal and plant

habitats caused by changes in temperature and precipitation patterns that may lead to a decline in the animal and plant population and to extinction. These changes are likely to cause procurement instabilities and steep rises in prices for plant-derived materials. In addition, the depletion of fossil fuels is expected to cause supply instabilities and rising prices for petroleum-based materials. The Fujifilm Group is working to reduce these risks by reducing material consumption, such as by employing thinner films made from plant-derived materials and by reusing parts of multifunction devices in the Business Innovation segment.

Opportunities

Demand for systems, products and technology aimed at adapting to abnormal climate is expected to rise. Examples are improvements in weather monitoring and forecast accuracy and inspection of buildings and other structures to prepare for typhoons and heavy rains. Also, changes in the climate and ecosystems are expected to cause shortages of drinking water and food. For this reason, the production of drinking water and the output of agricultural plantations are

expected to increase. The Fujifilm Group believes it can contribute to adaptation to climate change impacts and expand its business opportunities by utilizing its high-precision lens processing and manufacturing technology. This technology can be used in high-sensitivity cameras that can monitor rivers and sea levels even at night or in inclement weather, and in degradation analysis technologies

for bridges, embankments, etc., that make use of high-definition image analysis and AI technology. With regard to the water shortage problem that is growing into a global risk, we believe we are able to make huge contributions to secure drinking water and water for agricultural use with our filtration technology that employs ion exchange membranes for desalination of brine and seawater.

(2) 2°C scenario

Rigorous measures are implemented to build a decarbonized society, keeping temperature rises by the year 2100 down to 2°C or less in comparison with the level during the Industrial Revolution.

Business Risks (Transition risks)

In the 2°C scenario, political measures to cut the use of fossil fuels and foster technological innovation are implemented in the transition to a decarbonized society. They include, for example, carbon tax and carbon border adjustment mechanisms designed to discourage the transfer of business operations prompted by differences in carbon tax among countries, introduction of which can have financial risks. The Fujifilm Group’s direct CO₂ emissions in fiscal 2020 amounted to 948,000 tons. Based on carbon pricing by EU-ETS (as of April 2021), etc., the price per ton of CO₂ is assumed to be JPY 5,000, resulting in financial risk of approx. JPY 4.7 billion. In our CSR plan SVP2030, we set the target to achieve zero CO₂ emissions from the energy consumed in fiscal 2050. To achieve this, we are implementing both promotion of energy conservation and introduction of renewable energy sources. Our direct CO₂ emissions in fiscal 2020 were 6% less than the previous fiscal year.

Opportunities

To minimize the impact on energy supply systems, systems and products with higher energy efficiency will be prioritized for use in society. Also, society is likely to

become decentralized through greater harmonization with natural energy sources and to see a rise in demand for longer travel distances and times for people and goods. Alongside wider use of renewable energy sources, the need for large-capacity, high-efficiency storage battery facilities is expected to grow. The Fujifilm Group contributes to reducing CO₂ emissions where customers use its products, with CO₂ emissions during data storage reduced by the use of its large-capacity magnetic tape data archiving system utilizing its BaFe magnetic particle technology, and by supplying energy-saving devices such as energy-saving multifunction devices. Our solutions services utilizing digitization and IT are expected to see a growth in demand for reductions in travel distances, time and space and also in actions to cater to a more diversified society. We promote the development and dissemination of green energy applications in the decarbonized society of the future. In the area of highly functional materials, we are moving forward in the development of technologies to build a more resilient energy society, represented by natural glass refining that uses technology for separating mixed gases, methane refining from biomethane and methanation and high-capacity storage battery materials that use dispersed coating and organic materials technologies.

Business Risks (Physical risks)	Measures (Activities)
<ul style="list-style-type: none">Supply chain disruptions and factory production stoppages due to sealevel rise or natural disasters such as floodingFactory production stoppages due to droughtPower grid disruptions and power outages due to typhoons	<ul style="list-style-type: none">Diversification of raw material suppliers and production sites through the formulation of BCPsMeasures against flooding through monitoring of rainfall information upstream of rivers and preventing the inflow of river water (sluice gate control)Continual water risk assessment for all sites by our water risk assessment systemInstall regular and emergency in-house cogeneration systems
<ul style="list-style-type: none">Material shortages due to tree and plant die-off (Paper: pulp, Film: cellulose)	<ul style="list-style-type: none">[Paper] Reduce paper with solutions and services utilizing digital and IT[Film] Reduce film materials by using thinner films and promotion of recycling
<ul style="list-style-type: none">Material shortages due to fossil fuel depletion	<ul style="list-style-type: none">Recycling and use of used multifunction machines (reuse)Offer appropriate management across the life cycle of multifunction device (machine selection, operation and disposal) to optimize the number of machines and reduce printing waste (Managed Print Services).
<ul style="list-style-type: none">Growing adverse impact on the health of employees, such as heatstroke and sleep deprivation, due to intense heat	<ul style="list-style-type: none">Measure and address heat index at work sites and send heatstroke warnings to employees
The Fujifilm Group's technologies	Business opportunities against climate change
<ul style="list-style-type: none">Lens processing, polishing, coating and manufacturing technologies/Image processing technologiesHigh-precision image analysis and AI technologyIon exchange membranes by electro separation technologies	<ul style="list-style-type: none">Providing high-sensitivity surveillance cameras capable of monitoring rivers and weather even in rough weather or at nightOffer infrastructure degradation diagnosis services for bridges, roads and embankments in case of typhoonsContribution to measures for water shortage by water filtration technology and products such as ion exchange membranes

Business Risks (Transition risks)	Measures (Activities)
<ul style="list-style-type: none">Increase in costs to build new facilities due to carbon taxes on fossil fuel and transition to fuel without emitting CO₂Steep rise in procurement prices due to carbon taxes on raw materials	<p>Promotion of energy saving and renewable energy usage</p> <ul style="list-style-type: none">Reduce CO₂ emissions by 45% across the entire product life cycle by fiscal 2030 (compared to the fiscal 2013 level)Convert 50% of purchasing energy to renewables by fiscal 2030Achieve no CO₂ emissions in the manufacturing stage by converting energy purchasing to 100% renewables by fiscal 2050, and using hydrogen for in-house cogeneration systems <p>Prediction for 2030</p> <ul style="list-style-type: none">Accomplish CO₂ emission targets in SVP2030 by these measures and other energy-saving measures. Cost reduction of 1.0 billion yen/year in carbon tax on CO₂ emissions at the manufacturing stage in fiscal 2030 versus fiscal 2020^{*2}
The Fujifilm Group's technologies	Business opportunities against climate change
<ul style="list-style-type: none">BaFe magnetic material with excellent magnetic properties and long-term storageMaterial processing technology for photopolymerization with excellent developability of printing machineGas separation membrane technologyIT solution and system design technology with excellent communication quality and confidentiality	<ul style="list-style-type: none">Products contributing to energy consumption reductionEnergy-saving data storage by high-capacity magnetic tape data archiving systemsResource and energy usage reduction by process-less CTP plates for printingCO₂ separation membrane removes CO₂ from natural gasReduce CO₂ emissions by cutting back on time, transportation and space with solutions and services utilizing digital and IT technologies

^{*1} When the carbon tax is assumed to be JPY 5,000/ton as the same level as the emission allowance price under EU-ETS (as of April 2021), fiscal 2020 CO₂ emissions at the manufacturing stage total 948,000 tons, which translates to 948,000 × JPY 5,000/ton ≈ JPY 4.7 billion/year.

^{*2} Fiscal 2020 CO₂ emissions at the manufacturing stage were 948,000 tons. The CO₂ emissions target for the manufacturing stage in the year 2030 is 747,000 tons in SVP2030. If this target is achieved, the carbon tax-saving value translates to (948–747) thousand tons × JPY 5,000/ton in fiscal 2030 compared to fiscal 2020 (identical to^{*}) ≈ JPY 1 billion/year.

Feature 1

Initiatives in Healthcare

Contributing to resolving healthcare issues with one-stop solutions centered on medical IT

On March 31, 2021, FUJIFILM Healthcare, which had acquired the diagnostic imaging business of Hitachi, Ltd., was added to the Fujifilm Group. In this section, we describe the direction targeted by the medical systems business, which drives growth in the healthcare field for us as a total healthcare company.

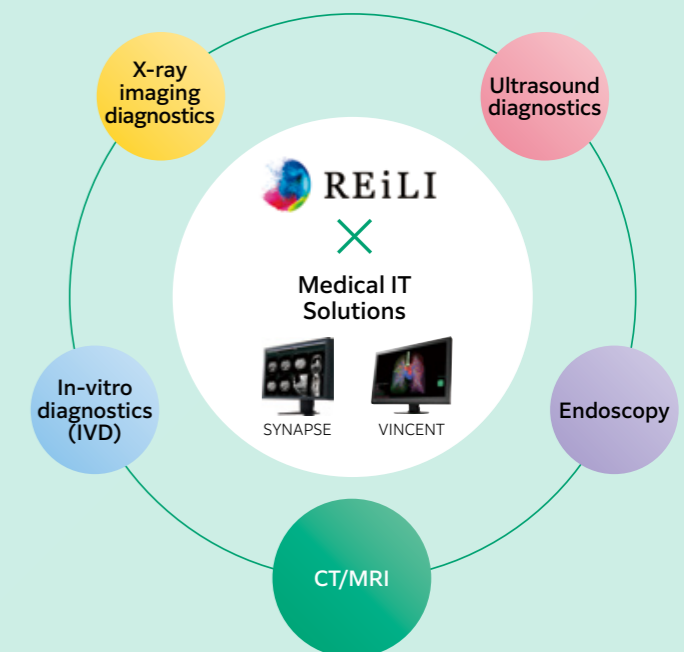


use of endoscopic procedures in emerging countries and elsewhere by realizing the sale of endoscopic systems and fluoroscopic equipment as a set.

The medical systems business has established sales channels and service networks in 169 countries and regions around the world, with overseas sales accounting for more than 60% of total sales. Going forward, our goal is to further expand sales through the use of the Fujifilm Group's sales channels and service networks, including the development of new fields using CT and MRI as a foothold.

In addition, the Group is currently focusing on initiatives to resolve medical issues around the world, and in February 2021 opened NURA, a diagnostic center in India that utilizes AI. Through the medical screening services business in emerging countries, we will bring the Group's collective strengths to contributing to solutions to medical issues, including the early detection of cancer and lifestyle diseases in medically developing countries.

We hope you will continue to look forward to exciting growth from the medical systems business.



Message from the General Manager of the Medical Systems Business Division

As one of the world's leading healthcare companies, we will leverage the strength of our Group synergies to create superior value centered on medical IT.

Masataka Akiyama

Corporate Vice President and General Manager,
Medical Systems Business Division, FUJIFILM Corporation

The Fujifilm Group aims to grow annual revenue in the healthcare field to 1,000 billion yen by the mid-2020s. In that field, the medical systems business offers a broad lineup centered on SYNAPSE, our medical-use picture archiving and communication system (PACS), which has the largest share of the global market. In the medical IT market, we possess unique image processing technology cultivated over many years, and are also developing AI technology to support workflows on the front lines of medicine under the REiLi brand as we continue to grow.

In March of this year, we also added FUJIFILM Healthcare, which over many years has developed a strong worldwide reputation, to the Group. By combining FUJIFILM Healthcare's products with our own image processing and AI technology, we will extend a global offering of high-value-added products and services unique to the Fujifilm Group.

In addition, we will strengthen global cross-selling, offering comprehensive proposals for products and services from both companies. In CT and MRI, we are already in the

process of securing deals in Asia, Europe and elsewhere through cross-selling. In the past, the lineup offered by medical systems business lacked its own CT and MRI products, but through the trust relationships Fujifilm has built with its customers, we have seen cases which have quickly led to contracts. The Company's product lineup, which includes both endoscope systems and diagnostic imaging equipment, is also highly unique worldwide; the addition of FUJIFILM Healthcare's fluoroscopy equipment will further enhance our competitive advantage. Specifically, we will be able to provide a one-stop offering of the equipment needed for endoscopic retrograde cholangiopancreatography (ERCP), in which contrast media is injected into the biliary and pancreatic ducts using an endoscope, and the condition of these ducts is observed using X-ray fluoroscopy. To create an environment where endoscopic procedures can be performed more safely and accurately, there are significant advantages to being able to provide the necessary equipment from a single manufacturer. Going forward, we hope to contribute to the widespread

Message from the Senior Deputy General Manager

We will contribute to realizing a society in which all people can lead happy, healthy lives by offering value unique to the Fujifilm Group.

Corporate Vice President and Senior Deputy General Manager,
Medical Systems Business Division, FUJIFILM Corporation
President and Chief Operating Officer, Representative Director,
FUJIFILM Healthcare Corporation

Akio Yamamoto



Over the years, FUJIFILM Healthcare has generated products that were the first of their kind in Japan and the world on the strength of our ability to continually refine our own technology. For example, in 1960 we were the first in the world to commercialize ultrasound diagnostic equipment, and later introduced mobile medical exam vehicles to conduct Group gastric examinations, thus offering new value ahead of our competitors. This kind of innovation has been supported by our employees' passion and sense of mission.

In recent years, the front lines of medical treatment have sought proposals for solutions that combine a variety of products and services to provide consistent support for everything from diagnosis to treatment. As a member of the Fujifilm Group since April, our goal has been to provide solutions of even greater added value, and we are pushing ahead daily with efforts to quickly build a close, collaborative system for sales, development and other functions and to

create synergies. I sense that the level of motivation and enthusiasm is increasing among all of our employees, regardless of department, through active personnel exchanges and study sessions. I also feel confident that as we incorporate the sense of speed of Fujifilm's business, and based on the customer relationships both companies have accumulated, we will be able to expand new business opportunities, including in countries and regions we have yet to enter. Going forward, as the Fujifilm Group accelerates its growth as one of the world's leading healthcare companies, we will focus on delivering new value only achievable by the Fujifilm Group, contributing to healthcare through a more multifaceted approach as we combine the technologies of both companies. We are also determined to contribute to a society in which everyone can lead happy lives, and even if they fall ill, can quickly recover and once again return to those happy lives.

I look forward to your continued support.

Dialogue with the Heads of Development

We will bring together the R&D capabilities of the Fujifilm Group to create a future in which people around the world can benefit from better healthcare.

The goal of the medical systems business is to create new value through the integration of the AI and IT technologies that are the Company's strength and a wide-ranging product lineup that now includes products from FUJIFILM Healthcare. We asked the leaders of development at Fujifilm and FUJIFILM Healthcare about their efforts to accelerate the creation of development synergies and their progress thus far.



As you work to accelerate the creation of development synergies, what kind of initiatives are you putting into practice?

Nabeta To create development synergies, we began visiting one another's offices the day after FUJIFILM Healthcare joined the Fujifilm Group, holding top-level discussions and actively exchanging ideas at the field level. At the same time, we took stock of the technologies and business domains of both companies, and together with our sales organizations and other related departments, strategically screened more than 100 synergy proposals categorized in the fields of prevention, diagnosis and treatment.

In doing so, we delved deeper into synergy development themes based on three concepts: (1) Constantly evolve existing products and continue to refine their level of perfection as medical devices; (2) Make strategic use of AI in our devices to evolve toward high value-added medical DX; and (3) Practice rigorous cost cutting while further strengthening device competitiveness to maximize profits.

Kawano When we compared the existing technology and technology under development at both companies, we

were extremely surprised to find very little redundancy, not only in our product lineups but in the technology we each had under development, and we found that many of our technologies could be used effectively with one another.

We also have new insights into methods for shortening the development period already established by the development division of Fujifilm's medical systems business, and we are working to apply those methods to the development process at FUJIFILM Healthcare.

I think that the shift to high added value using AI technology that is being sought in diagnostic imaging equipment can be broken down into three categories: higher image quality, workflow improvements and diagnostic support. For example, we are discussing how to reduce the workload involved in diagnoses by automatically extracting suspected lesions from CT and MRI data. Discussions are also underway to effectively utilize the technology assets of both companies, including the development of clinical support applications on the AI platform being developed by Fujifilm, to add value to our products and apply them on equipment and on the medical-use PACS SYNAPSE.

Further, Fujifilm's PACS, which boasts the world's top market share, is an indispensable system for managing and

sharing a variety of medical information within hospitals. We are convinced that, when combined with FUJIFILM Healthcare's products, it will become a powerful tool. We are now in the process of implementing Fujifilm's image processing and AI technologies in FUJIFILM Healthcare products, strengthening our collaboration to enable us to unify our development platforms.

Can you offer some specific examples of how you are creating development synergies?

Kawano First, in CT and MRI, we are working to increase the added value of the equipment itself by developing technology to incorporate the viewer and analysis functions of Fujifilm's SYNAPSE VINCENT, a 3D image analysis system. VINCENT includes a segmentation function for automatically extracting brain regions, lumbar nerves, liver, etc. Using FUJIFILM Healthcare's MRI analysis technology, we can determine not only the shape of the captured area but other qualitative characteristics such as calcification and hemorrhage, and we expect that combining these kinds of technologies will further enhance added value.

Nabeta CT/MRI and VINCENT are already generating global sales synergies. FUJIFILM Healthcare has been receiving requests from customers around the world to install VINCENT, and efforts to sell CT/MRI and VINCENT together are steadily progressing. Expectations in the field are also growing, and based on their customers' needs, Fujifilm's local subsidiaries have requested the development of new products that combine CT/MRI and VINCENT.

We are beginning to understand from feedback on

VINCENT from the field that it is highly useful in emergency medicine, where CT and MRI are used more frequently and where rapid diagnoses are particularly required. I believe there is an opportunity to further expand sales of VINCENT globally.

In addition, in terms of utilizing AI technology, we have launched an endoscopic diagnosis support system that can complete a series of workflows to support image-based diagnosis of lesions on a single monitor. This has been well-received, and going forward we hope to achieve a similar system for MRI.

Kawano Next, with regards to X-ray imaging equipment, we are working to develop a combination of FUJIFILM Healthcare's mobile X-ray systems and fluoroscopic imaging systems with Fujifilm's high sensitivity, low-dose panel technology and AI technologies. In this context, FUJIFILM Healthcare's fluoroscopic imaging systems are equipped with frame interpolation technology—which detects movement between frames in the captured image and creates and interpolates intermediate frames—and other technology to enhance image quality and radically reduce exposure doses. By combining this with Fujifilm's image processing technology, we will achieve even lower doses and higher image quality.

Nabeta Fluoroscopic imaging systems are used to capture moving images, which increases the exposure dose. When combined with Fujifilm's image processing technology, however, the benefits of reduced exposure due to lower doses can be very significant. We believe we can further contribute to medical safety by reducing exposure not only for patients but also for doctors, nurses and radiologists as well.

Field	Diagnostic Imaging System										Medical IT		
Product	CT	MRI	Fluoroscopia system	General radiography system	Mammography	Mobile X-ray system	DR/CR	Bone densitometry	Ultra-sound systems	Endoscopy	HER/HIS	PACS	IVD
Fujifilm													
FUJIFILM Healthcare													



Strengths of Fujifilm + FUJIFILM Healthcare portfolio not found with other companies

DR panels
Top share in Japan
From Yano Research Institute Ltd., Interim Forecast for 2020 ME Equipment Market by Function and Manufacturer Market Share

Lineup
The world's most unique product lineup, combining endoscopes and diagnostic imaging equipment

CR
Top global share
From Azure Insights, Azure 2020

PACS
Top global share
From Signify Research Report published March 2021

Strengths in PACS, image processing technology and AI technology

Advanced image processing and software technologies



Diagnostic support AI, Workflow AI, Image recognition AI



Kawano With regard to ultrasound systems, as we discussed development synergies we confirmed that our product lineups do not overlap, and that we have different technologies—FUJIFILM SonoSite's products are portable ultrasound systems, while FUJIFILM Healthcare's are stationary systems. This is why we plan to enhance the product value of both companies simultaneously by providing and integrating image processing technology, AI technology and high-function application technology. The use of AI technology in particular will not only lead to higher image quality but to the value of being able to make more accurate diagnoses quickly and on the spot.

We are also considering establishing a common development platform on which both companies can jointly develop multiple products, which will lead to improved development efficiency and speed and to reduced costs.

Nabeta In addition to innovation based on combining technologies from both companies, we are also focusing on reducing costs through the use of common components and a shift to a more robust R&D structure.

How do you feel about the results of your efforts thus far?

Kawano Many of the technologies Fujifilm has been researching and developing, such as its AI platform, are a step ahead of what we are doing. Having contact with such advanced technology immediately gets engineers thinking they want to learn. And as we actually learn about one another's technology we deepen our mutual understanding and can proceed with our discussions with a sense of mutual respect. I think that by fostering this kind of positive environment, we pool our wisdom even in the face of difficult challenges, creating the motivation to "Give it a try!" I get the strong sense that this is beginning to give shape to the passionate aspirations of both companies.



Nabeta In just the three months since April, we have already held more than 80 subcommittee meetings where active, in-depth discussions have taken place, and I feel development is making steady progress.

Kawano As companies with different cultures and foundations, there are of course situations in which adjustments are necessary. In such situations, Mr. Nabeta or I sometimes go directly into the subcommittees to sort out their direction and encourage the participants, but I think overall things are progressing extremely well. The discussions also provide numerous opportunities for positive insights about other ways of doing things.

Nabeta As this development progresses, in fiscal 2021 we plan to launch products that combine components from both

companies, in addition to new products under the REiLi brand of AI technology to support workflow on the front lines of medical treatment. We are also looking not just at short-term output but also on drafting development proposals to meet our medium- and long-term dreams.

What message do you have for your stakeholders?

Kawano We will continue to accelerate the integration of Fujifilm and FUJIFILM Healthcare's products and technologies. At the same time, we will expand our business portfolio from diagnostics to treatment and prevention, centered on AI technology, and strive to increase sales for the Group as a whole.



Nabeta By quickly and reliably combining Fujifilm's medical AI and IT systems with the full lineup of diagnostic equipment now available with the addition of FUJIFILM Healthcare, we hope to resolve a variety of issues on the front lines of medical treatment, and propose a new workflow that contributes to improvements in operational efficiency and quality. By doing so, we aim to reduce the burden on the front lines of medicine in developed countries, exhausted by the COVID-19 pandemic, and maximize the time that medical professionals can devote to treatment, study and other activities. And in emerging countries, we hope to contribute to improving the healthcare environment and access to healthcare by providing the Fujifilm Group's diagnostic systems in the area of medical screening that supports the early detection of disease, as we have with the NURA medical screening center opened in India in February 2021. We hope you will look forward to further growth and initiatives from the Fujifilm Group going forward.



The NURA medical screening center was opened in Bangalore, India on February 4, 2021. NURA offers Fujifilm's medical devices, capable of providing high-definition diagnostic images, as well as IT systems based on AI technology to assist doctors in carrying out screening and tests for diagnosing cancer and lifestyle diseases. In the future, Fujifilm plans to introduce mobile screening buses to build a mechanism in which more people can access such testing at reasonable prices, thereby contributing to the early detection of cancer and lifestyle diseases in emerging countries.

Feature 2

Efforts to Promote Diversity

Strong individuals are the source of innovation. Our continued goal is to enhance diversity and build a strong organization that can contribute to creating a prosperous society.

Respect for and promotion of diversity and the prohibition of discrimination are set out in the Fujifilm Group Code of Conduct. Our internal systems and rules are created and operated based on the belief that opportunity should be equal for all, regardless of nationality, age, gender, disability, etc. In addition, by creating an environment that allows employees to work flexibly and return to work smoothly during life events such as childcare or nursing care, we aim to ensure that no employee misses an opportunity to grow through their work and can contribute to the organization.



Chisato Yoshizawa

Corporate Vice President
General Manager of
Corporate Communications Division
and ESG Division
FUJIFILM Holdings Corporation

Promoting the creation of an environment in which diverse human resources can play a long-term role

The Fujifilm Group emphasizes the importance of enabling each individual to maximize their potential, increase productivity and deliver the greatest results possible, and we have worked to put in place an environment that makes this possible. We also emphasize diversity not only in terms of attributes such as gender and nationality but also in human resources with diverse experiences and skills. These "strong individuals" then become the source of the Fujifilm Group's innovation.

As the global expansion of our business accelerates, the ratio of international (i.e., non-Japanese) employees across the Fujifilm Group as a whole reached 46% in fiscal 2020, with the ratio of international employees in key positions reaching 27%. The percentage of women in managerial positions in the Fujifilm Group was 15.4%. We consider further increasing these percentages to be an important issue in the promotion of diversity. Specifically, we have set long-term goals to increase the ratio of international employees in key positions to 35%, and the ratio of women in managerial positions to 25% by fiscal 2030. We will actively promote the appointment of talented international and female employees to managerial positions and the further recruitment of human resources with the potential to become future candidates for management. At our overseas affiliates (in countries and regions other than Japan), international employees are active in management and administrative positions. In Japan as well, we will continue moving forward to promote outstanding personnel, regardless of nationality, by putting the right people in the right positions.

In addition, while our overseas affiliates have made progress in creating an environment in which employees can take an active role and be promoted regardless of gender, at the Fujifilm Group in Japan the ratio of females in managerial positions was 5.8% in fiscal 2020, and there remains room for improvement. To date, the Company has continued to emphasize the importance of encouraging continuous employment uninterrupted by life events, with the goal of promoting an active role for women. While respecting the changes that come with different life stages and life events, including childbirth, fertility treatment, childcare and nursing care, we have also established a system that allows employees to work flexibly and enjoy a smooth return to the workplace, and we aim to increase the percentage of women in managerial positions by providing career support and equitable opportunities for promotion to management regardless of gender.

Further, we are promoting the employment of people with disabilities as part of our efforts to develop and utilize diverse human resources. In Japan, we have maintained an employment rate at or above the legally stipulated level since fiscal 2016, and in February 2018 FUJIFILM Holdings was certified as a special exception to the Group calculation, strengthening cooperation within the Group. As of the end of June 2021, we reached an employment rate of 2.53%, exceeding the legally stipulated rate of 2.3%. We work to assign the right people to the right positions in the case of employees with disabilities as well, according to their job aptitude, skills and the individual's wishes, and some employees have taken on leadership roles by improving their skills. Going forward, we will work to create an environment in which those with disabilities can work for the long term, as we work with outside organizations to support the hiring of the disabled.

A culture that values both work and life takes root

With an atmosphere of support from superiors and colleagues for employees at various stages of their lives, I get the sense that a management culture that considers a balance between work and life has begun to take root. One such example is the fact that to date, 35 employees in Japan have utilized the birth support leave system, which allows them a set period of time to focus on fertility treatment. While some employees may have had the child they desired and others have not as a result, I believe that the process of focusing on one's life for a certain period of time over the course of a long career is extremely important. Some of the users of the leave system have said that even if they did not achieve the desired result, by doing their best they were able to gain emotional closure, which allowed them to focus on their work once again. We will continue to create an environment that facilitates the use of these various systems regardless of gender, as we strengthen our promotion of diversity among our employees.

Aiming to increase engagement by deepening business understanding and sharing values

The Fujifilm Group aims to contribute to the creation of a prosperous society by deepening our employees' understanding of our corporate philosophy and the value generated by our diverse businesses, while creating further value by bringing pride to their work. To that end, we are developing internal branding activities targeting all employees in and outside Japan, including employees of companies that have newly joined the Fujifilm Group. As part of that effort, we created the FUJIFILM Corporate Movie, which is being rolled out successively to employees worldwide, offering a message that explains in 22 languages the Fujifilm Group's purpose—what kind of corporate group we strive to become. By sharing our vision for the Fujifilm Group with all of our employees, we will further increase our engagement with them.

Voice from Europe

I want more people to know about the women who play an active role in the Fujifilm Group.

Women4Women is an editorial initiative conceived and created at FUJIFILM Europe by an integrated corporate communications/human resources team. The magazine was launched last year, with the aim of giving voice to the stories of the many female professionals who work at Fujifilm every day with passion and enthusiasm. The role of women at Fujifilm is growing, and for this reason we felt it was important to highlight this through a highly appealing tool such as an editorial magazine.

The first issue, published in October last year, featured women working in the medical systems division, particularly in the area of women's health. The magazine's release coincided with Breast Cancer Prevention Month, so it was a time of great involvement for all women. Subsequent issues focused on 'women in science' and 'powerful women'. Our ambassadors contributed with intense stories, providing stimuli to evolve the status of women in business. To date, 60 Fujifilm ambassadors have been involved, worldwide.

In addition to the stories of our female colleagues, each issue features prestigious external contributions to complement the central theme. We have hosted journalists, physicians, university professors, influencers and thinkers. We also carefully choose the photographic themes, using the exciting work of our X-Photographers.

Women4Women is distributed within the Fujifilm network, but is also shared on social networks to attract a wider audience, and has been noticed by a number of women's media outlets, such as Elle and Marie Claire, who have relaunched it on their social channels, helping to increase its awareness and readership. The magazine is also available to the divisions for circulation to clients and various stakeholders. We can say that clients are also enthusiastic about this new model of storytelling about professional women. Each issue has about 2,500 readings and the aim is to grow it more and more, turning it into a real women's magazine of stories and opinions.



Luana Porfido
European Head of Corporate Communication
and Integration Chief
FUJIFILM Europe GmbH



Women4Women
July 2021 Issue



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