

FUJIFILM Business Innovation Hong Kong Limited
Sustainability Report 2022

Cover Story



The cover of this report features Billbill Au, the son of our employee Pierre Au, holding his parents' hands to show the courage to face challenges with confidence. Similarly, we will "never stop" putting efforts in driving business innovation and creating a sustainable society through our innovative and sustainable products, solutions and services that will make the world a better place.

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Tatsuya Nakamura
Managing Director
FUJIFILM Business Innovation Hong Kong Limited

Our Top Priority

The name change from Fuji Xerox (Hong Kong) Limited to FUJIFILM Business Innovation Hong Kong Limited in April 2021 embodies our commitment to strengthening our status as a true global leader in delivering innovations to our customers. Our mission is to create a communication environment that enables customers to utilize information and knowledge to better display their creativity and focus more on their core businesses.

As “Your Business Innovation Partner”, we strive to develop close partnerships and to support our partners with innovative technologies and services for Workplaces, Processes and Communications. We also enhance value for customers with solutions and services in the areas of cloud, artificial intelligence (AI) and process automation that help them expand mass market coverage via indirect channels and eCommerce.

Besides, we share the same vision with our customers and stakeholders in minimizing the carbon dioxide (CO₂) emissions as it is the right thing to do. Adhering to the Fujifilm Group’s Green Value Climate Strategy, FUJIFILM Business Innovation Hong Kong focuses on promoting products, services and solutions with excellent environmental performance.

Regarding the Sustainable Development Goals (SDGs), we strive to achieve the following goals in our business:

- Goal 8 - Decent Work and Economic Growth via the sale of products and solutions
- Goal 12 - Responsible Consumption and Production via waste product management and supplier procurement
- Goal 13 - Climate Action via the sale of energy efficient products and solutions to customers and office energy efficiency initiatives to achieve “Carbon Neutral”

Looking Backward

The fiscal year (FY) 2021 was a challenging period. The Coronavirus Disease 2019 (COVID-19) pandemic showed no signs of abating and continued to affect how we lived, studied and worked. Striving to maintain a safe and agile operation, we adopted the Task Force on Climate-related Financial Disclosures (TCFD) last year to review our business from the perspectives of “Governance”, “Risk Management”, “Metrics and Targets” and “Strategy”.

Guided by the Fujifilm Group’s Sustainable Value Plan (SVP) 2030, our latest climate action targets announced in January 2022 have committed to reducing our CO₂ emissions across the entire product life cycle by 50% (compared to FY2019 levels) by FY2030. We promoted and delivered “Green Value Products” with excellent environment performance to our customers and worked closely with our business partners to launch sustainable and value-adding solutions and services.

Moving Forward

According to the Gartner Technology Trends for 2022, FUJIFILM Business Innovation Hong Kong focuses in providing solutions in the areas of Hyperautomation, Total Experience and Cybersecurity Mesh.

We also actively support the digital transformation journey of customers with solutions that evolved around multifunction printers (MFP) and production machines, which will create a “Smart Workstyle” for enterprises with our goal of “Accelerate Your Business Success”.

As the pandemic has highlighted the need for businesses to accelerate the adoption of digital technologies and related strategies to reduce costs, increase productivity, mitigate cybersecurity risks, simplify workplace practices and reduce manual errors, it has also underlined the importance to safeguard the wellbeing of employees and customers. As such, we introduced a digital signing service in April 2022 that can both streamline the digital transformation process and minimize the risks faced by the users. We were the first information and communications technology (ICT) vendor in Hong Kong to adopt “iAM Smart” which facilitates contactless digital signing of documents with customers online. As a key digital infrastructure that supports Hong Kong’s development as a smart city, the “iAM Smart” platform enables users to be authenticated with a single digital identity and access different online services securely anytime, anywhere.

The Fujifilm Group's Commitment

Corporate Philosophy

We will use leading-edge, proprietary technologies to provide top-quality products and services that contribute to the advancement of culture, science, technology and industry, as well as improved health and environmental protection in society. Our overarching aim is to help enhance the quality of life of people worldwide.

Vision

Anchored by an open, fair and clear corporate culture and with leading-edge, proprietary technologies, Fujifilm is determined to remain a leading company by boldly taking up the challenge of developing new products and creating new value.

Corporate Slogan

Value from Innovation

How We Act

Charter for Corporate Behavior

Based on the following six principles, the Fujifilm Group respects human rights and maintains compliance with, as well as respects, the spirit of all laws and international rules in its global business activities. Beyond this, we will take proactive action toward the realization of a sustainable society through innovation, while taking into account the impact of our activities.

1. A Trusted Company
2. Social Responsibility
3. Respect for Human Rights
4. Global Environmental Conservation
5. Vibrant Workplaces
6. Management of Various Crises

Code of Conduct

In all aspects of our corporate activities, we emphasize compliance and endeavor to create new value. If compliance requirements conflict with business profits or the demands of third parties, we give priority to compliance. An open, fair, and clear corporate culture is the basis for all our activities.

- Respect for Human Rights
- Fair Corporate Activities
- Protection / Preservation of Corporate Assets and Information
- Measures Related to Environmental Issues

How We Will Fulfill Our Commitment

CSR Plan

Sustainable Value Plan 2030

With fiscal 2030 as its long-term goal, this plan lays the foundations of the Fujifilm Group's business management strategies for sustainable growth. In this plan, we have set targets in the four priority areas of the environment, health, daily life and work style, as well as in supply chain and governance, the basis of our business activities. These targets serve as guideposts toward our goal of contributing to the realization of a sustainable society through the dual standpoints of resolving social issues through our business activities and considering society and the environment in our business processes.

Medium-Term Management Plan

VISION2023

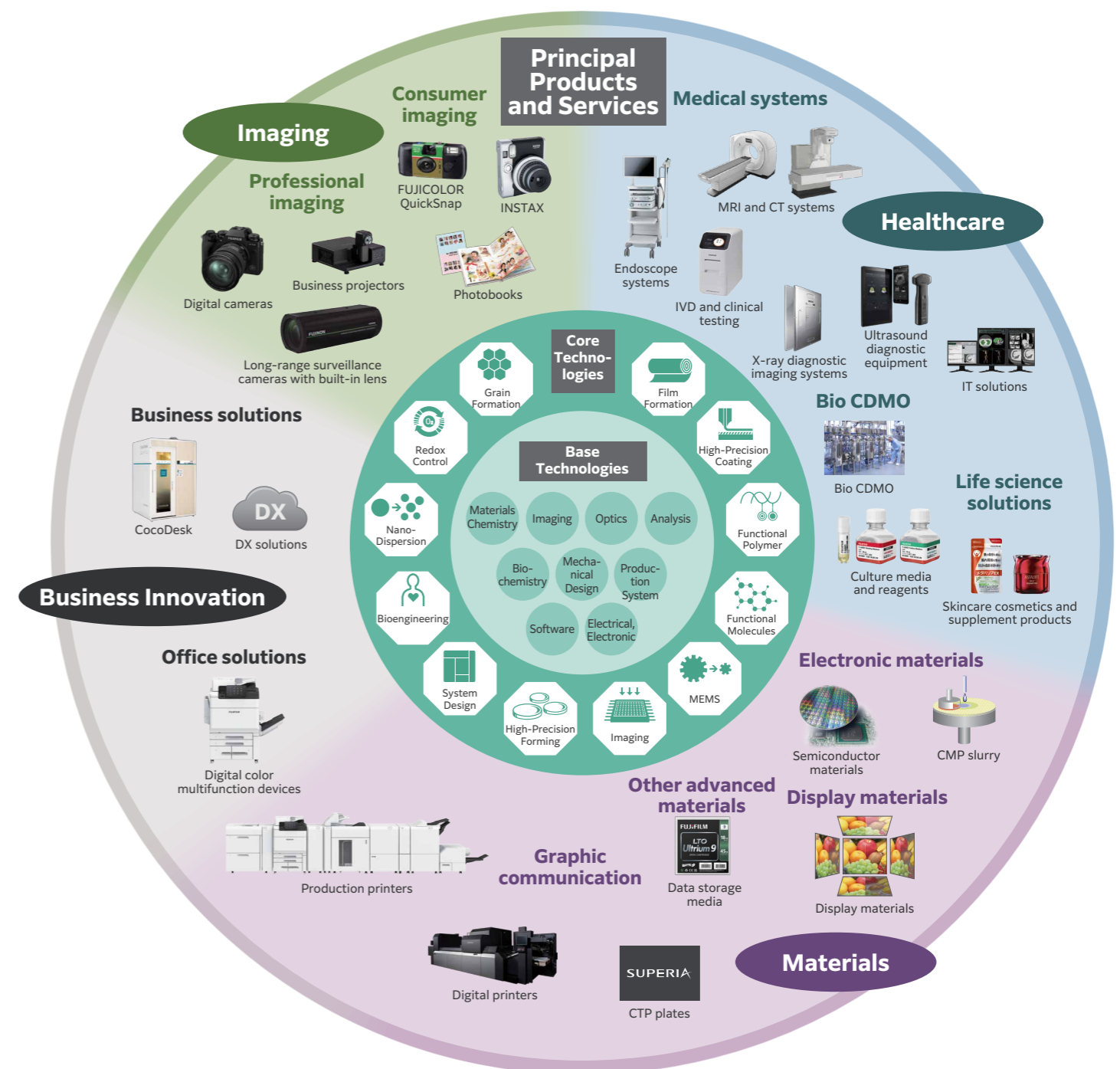
In April 2021, the Fujifilm Group formulated a specific action plan to accelerate the growth of business mainly in healthcare and advanced materials, aiming to achieve the goals set forth in the Sustainable Value Plan 2030.

Technologies and Business Fields

The Fujifilm Group applies advanced proprietary technologies cultivated through the photographic film business to a wide range of business domains. We also combine these with outside technologies through open innovation as we continue to create new value that will bring about a positive impact in society.

Proprietary Technologies of the Fujifilm Group

Since our founding, we have been accumulating the base technologies to support our business, including organic and inorganic materials chemistry, optical technologies and analytical technologies. Based on these technologies, we have honed our proprietary core technologies, which are central to continuously building up our competitive advantage. By combining these technologies, we provide a wide range of products and services.

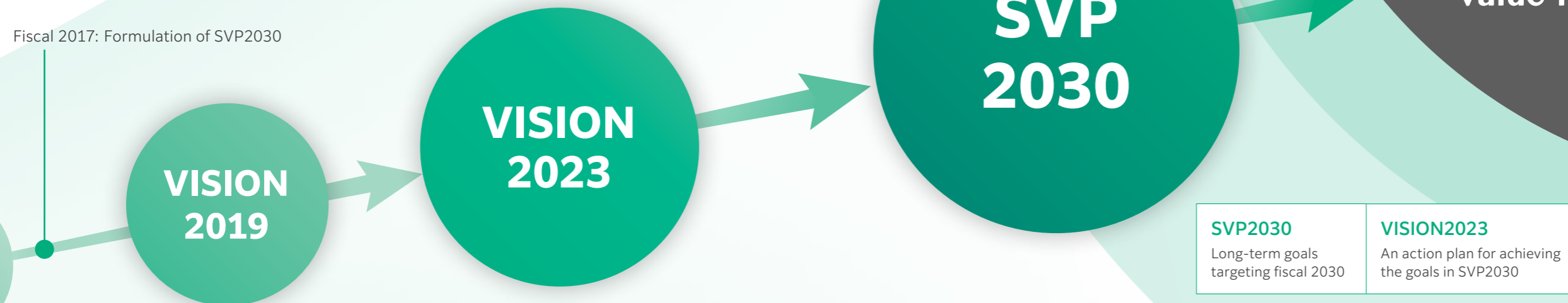


SVP2030 and Priority Issues

Under the CSR plan “Sustainable Value Plan 2030 (SVP2030)”, which outlines our long-term vision targeting fiscal 2030, we will use leading-edge, proprietary technologies to provide top-quality products and services. By doing this, we will work to resolve social issues through our business activities and contribute to the realization of a sustainable society.

Realization of a Sustainable Society through Value from Innovation

Fiscal 2017: Formulation of SVP2030



SVP2030 Priority Areas and Priority Issues (Materiality)

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.



	Resolving social issues through business activities Contribution (Opportunities)	Considering society and the environment in our business processes Impact (Risks)	Goals in the SDGs
Environment	<ul style="list-style-type: none"> 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"> ● ● ● 	
Health	<ul style="list-style-type: none"> 1. Fulfill unmet medical needs 2. Improve accessibility to medical services 3. Contribute to early disease detection 4. Contribute to health promotion and beauty 5. Promote management of a healthy workplace 	<ul style="list-style-type: none"> ● (Employees) 	
Daily Life	<ul style="list-style-type: none"> 1. Contribute to creating a safe and secure society 2. Contribute to enriching humanity and relationships between people 	<ul style="list-style-type: none"> ● 	
Work Style	<ul style="list-style-type: none"> 1. Create environments that lead to a motivated workplace (provision of solution services) 2. Develop and utilize diverse human resources 	<ul style="list-style-type: none"> ● (Employees) ● (Employees) 	
Basis of Business Activities			
Supply Chain	Strengthen CSR foundations across the entire supply chain including factors of the environment, ethics, and human rights		
Governance	Improve and maintain governance structures by further disseminating an open, fair and clear corporate culture		









The FUJIFILM Business Innovation Hong Kong Sustainability Report 2022 is designed to be read in conjunction with the FUJIFILM Holdings Integrated Report and its Sustainability Report (“the Group’s reports”). These Group’s reports present a holistic review of the Fujifilm Group’s management performance and progress towards the achievement of our Sustainable Value Plan 2030 (SVP2030); whereas this report complements the Group’s reports by providing additional information about the action and progress specific to our operation in Hong Kong.

The FUJIFILM Holdings Integrated Report is available at:
<https://ir.fujifilm.com/en/investors/ir-materials/integrated-report.html>

The FUJIFILM Holdings Sustainability Report is available at:
<https://holdings.fujifilm.com/en/sustainability/report>

SVP2030 Major Targets and Results in FY2021

Priority Area	Priority Issues	Major Targets for FY2030	Major Activities in FY2021
 Environment	<ol style="list-style-type: none"> 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 50% (compared to the FY2019 level) (achieve net zero CO₂ emissions by FY2040) • Reduce CO₂ emissions across the entire product lifecycle by 50% (compared to the FY2019 levels) • Sales percentage of Green Value Products: 60% • Contribute to a reduction in the CO₂ emissions generated in society by 90 million tons by FY2030 (accumulated value). 	<ul style="list-style-type: none"> • Developed new decarbonization targets and strategy (existing decarbonization targets moved forward by 10 years; targets at left are updated targets). • Reduced CO₂ emissions across the entire product lifecycle by 7.5% (compared to the FY2019 levels) • Registered in the CDP Water Security A List for two consecutive years, and evaluated CDP Supplier Engagement Leaderboard for four consecutive years.
 Health	<ol style="list-style-type: none"> 1. Fulfill unmet medical needs. 2. Improve accessibilities 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 & IoT technology to reduce burdens on medical professionals. • Promote management of health and productivity to maintain employees' vitality. 	<ul style="list-style-type: none"> • Started operation of a new production factory in Europe to raise the production capability for media used in cell culture. • Obtained recommendation of Stop TB Partnership that combines a portable X-ray device and DR Cassette as a tuberculosis examination system. • Selected under the Asia DX Promotion Program of the Ministry of Economy, Trade and Industry for study into the efficacy of AI-based diagnostic imaging systems in health examination services for developing countries.
 Daily Life	<ol style="list-style-type: none"> 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"> • Introduction of high-capacity magnetic tape storage media capable of long-term, safe and low-cost storage of mass data, contributing to drastic reductions in CO₂ emissions. • Practical application of new noise reduction technology for air conditioners in cooperation with Daikin Industries, Ltd. • Launched mirrorless cameras capable of rich color range and smooth 4K/30p video recording. • Held online exhibition of the entire collection of works in The Heart to Heart Communication—"PHOTO IS" Photo Exhibition."
 Work Style	<ol style="list-style-type: none"> 1. Create environments that lead to motivated workplace (provision of solution services). 2. Develop and utilize diverse human resources. 	<ul style="list-style-type: none"> • Actions for work style reform for customers. • Improve the rate of women in managerial positions. 	<ul style="list-style-type: none"> • Bought Hoya Digital Solutions to accelerate digital transformation (DX) business. • Launched Remote Cabin, a work booth for offices. • Introduced DocuWorks Cloud, a new cloud service, to speed up customer DX transformation.
 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"> • Resubmitted "Requests to Suppliers" to procurement suppliers in Japan and other countries and collected receipts from 204 companies.
 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"> • Established Regulations on Global Classified Information Management and Regulations on Global Personal Information Management. • Conducted employee training programs for fraud prevention, measures against cyberattacks and private data management.

Appraisals and Awards

Credit ratings (As of September 30, 2022)




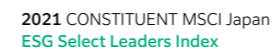


Credit rating agency	Credit rating	
	Long-term rating	Short-term rating
Moody's	A2 stable	—
	—	—
Standard & Poor's	AA ⁺	A-1 ⁺
	—	—
Rating and Investment Information (R&I)	AA	a-1 ⁺
	—	—

Note: "—" indicates no credit rating available.

In order to grasp the trends and the increasing level of global CSR demands and operate our businesses in an appropriate manner, FUJIFILM Holdings participates in various initiatives.

- [The main initiatives FUJIFILM Holdings participates]
- SBT Initiative (Science Based Targets Initiative)
 - RE100
 - TCFD Consortium (Task Force On Climate-Related Financial Disclosures Consortium)
 - UN Global Compact (UNGC)

Adoption of socially responsible investment (SRI)

 FTSE4Good FTSE4Good Global Index	 FTSE Blossom Japan FTSE Blossom Japan Index	 FTSE Blossom Japan Sector Relative Index FTSE Blossom Japan Sector Relative Index
 2021 CONSTITUENT MSCI Japan ESG Select Leaders Index MSCI Japan ESG Select Leaders Index	 2022 CONSTITUENT MSCI Japan Empowering Women Index (WIN) MSCI Japan Empowering Women Index (WIN)	 S&P/JPX Carbon Efficient Index S&P/JPX Carbon Efficient Index

Appraisals from external organizations

 CDP Water Security CDP Water Security	 CDP SUPPLIER ENGAGEMENT CDP SUPPLIER ENGAGEMENT	 JPX Nikkei Index 400 for 2022 JPX Nikkei Index 400 for 2022	 2022 Health and Productivity Stock 2022 Health and Productivity Stock
 Health and Productivity Management Outstanding Organization 2022 Health and Productivity Management Outstanding Organization 2022	 Digital Transformation Certification Digital Transformation Certification	 DX Stocks 2022 DX Stocks 2022	 2022 Sompo Sustainability Index Sompo Sustainability Index
 S&P Global Sustainability Yearbook Member 2022 S&P Global Sustainability Yearbook Member 2022	 2022 ESG FINANCE AWARDS JAPAN The Third ESG FINANCE AWARDS JAPAN's Environmentally Sustainable Corporations Category	 Nikkei Smart Work 2022 Five Stars, Nikkei Smart Work Survey 2022	 SPORTS YELL COMPANY 2022 Sports Yell Company 2022

Please refer to our website for an explanation of each indicator. ▶ <https://holdings.fujifilm.com/en/sustainability/evaluation>



Objectives

The Fujifilm Group's approach to sustainability aims to promote the sustainable development of the society through sincere and fair business practices that reflect our Corporate Philosophy and Vision. At FUJIFILM Business Innovation Hong Kong, recognizing our role and responsibilities at the forefront of sustainability, we have incorporated in our management strategy with the fundamental sustainability values and actively address sustainability issues that are important to our stakeholders, including customers, employees, suppliers and transaction partners, future generations, non-governmental organizations (NGOs) and local communities. We also ensure the accuracy and quality of our qualitative and quantitative sustainability data by using our Environmental, Social and Governance (ESG) management tool.

This report was prepared in response to the requirements for the disclosure of our business development plans and latest goals and initiatives. This is our 13th annual sustainability report that follows the Japanese financial year closing on 31 March. As such, some projects and plans mentioned may still be in progress, have been completed or be scheduled to roll out in the next fiscal year.

Reporting Scope and Period

This report provides information on the significant ESG impacts related to our operations between 1 April 2021 and 31 March 2022 (i.e. FY2021) in the following locations:

- Hong Kong and Macau offices
- Logistics and Warehouse

Due to the different data collection systems implemented in individual offices, some performance data related to the Macau office was not included.

Reporting Principles

This Sustainability Report complies with:

- The internationally recognized Global Reporting Initiative (GRI) standards issued in 2016 and partially updated in 2018
- ISO 26000:2010 Guidance on Social Responsibility
- United Nations (UN) SDGs
- ESG Reporting Guide issued by the Stock Exchange of Hong Kong Limited (SEHK)
- TCFD

External Assurance

This report was prepared in accordance with the GRI standards: Core Option with respect to the extent of coverage and the information provided. FUJIFILM Business Innovation Hong Kong appointed Hong Kong Quality Assurance Agency (HKQAA) to conduct an independent verification of this report according to the GRI standards, ISO 26000:2010 Guidance on Social Responsibility and SEHK ESG Reporting Guide. For details of the verification statement, please refer to the "Verification" section.

Sustainability Management

FUJIFILM Holdings Corporation developed the long-term SVP2030 with the same target year as the Paris Agreement and the UN SDGs.

As a company operating overseas, FUJIFILM Business Innovation Hong Kong makes appropriate non-financial information disclosures as requested by our stakeholders, creates value for them and shares our business performance. Although we are not a listed company in Hong Kong and are not obligated to disclose our ESG data, we believe that sustainability disclosure is a valuable means of stakeholder engagement. We will continue to integrate sustainability into our business and comply with international and local requirements under the GRI standards through active disclosure. Please visit our company website for more publications and historical data on our sustainability performance.

Material Aspects and Stakeholder Engagement

In response to Fujifilm's SDGs-aligned SVP2030, FUJIFILM Business Innovation Hong Kong undertakes a new materiality assessment when if possible to identify pertinent issues and evaluate their relevance to our business and stakeholders in accordance with the GRI standards and AccountAbility's AA1000 standards.

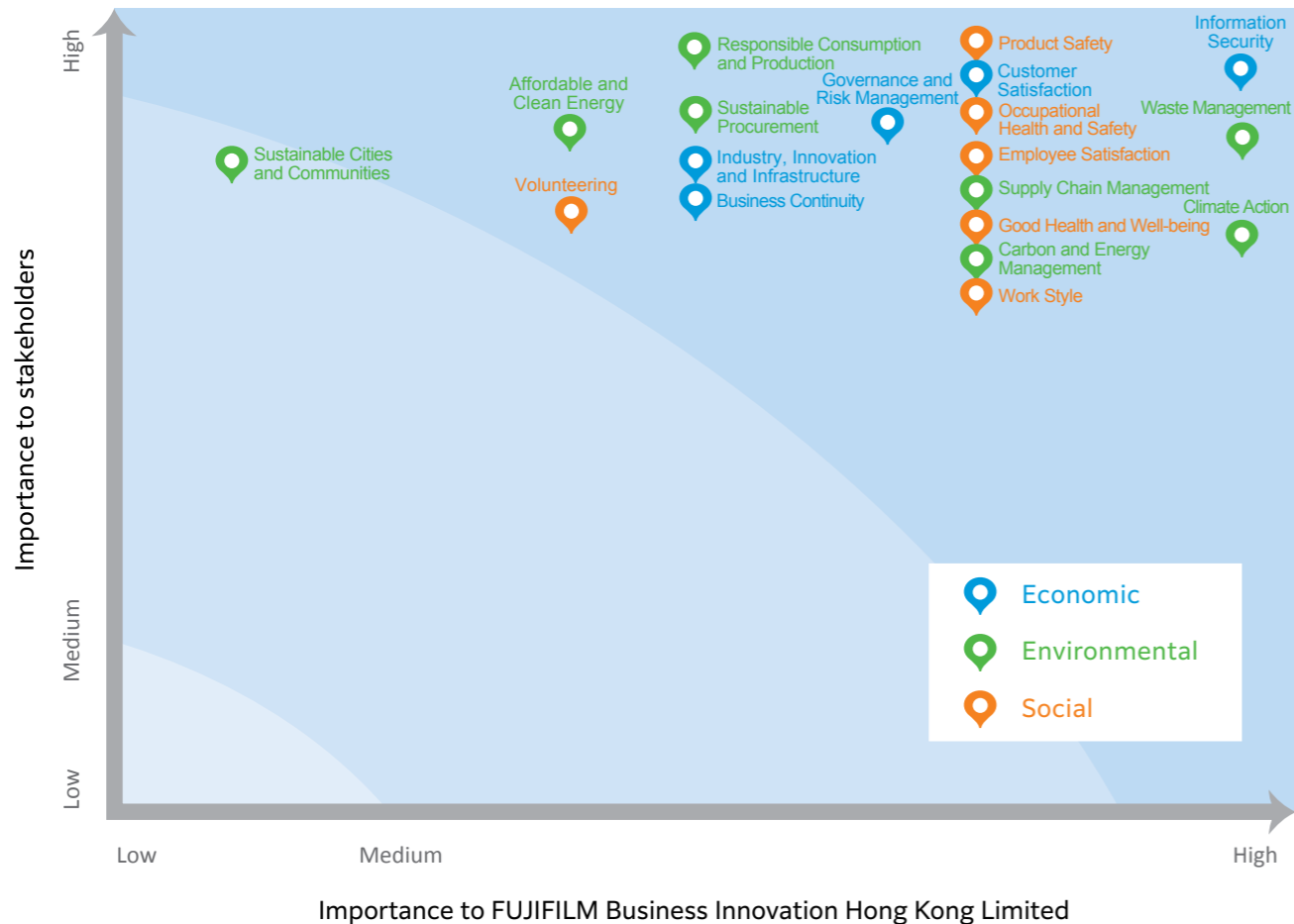
Since publishing the first local Sustainability Report in 2010, we have been defining the material aspects according to the feedback collected from our annual Corporate Social Responsibility (CSR) survey and international and Japanese standards and guidelines, including but not limited to the 10 Principles of the UN Global Compact, GRI and UN SDGs.

We have also invited our stakeholders to provide feedback on our performance in the ESG areas and share their views and sustainability challenges they experienced. We are pleased to learn that our leadership in ESG disclosures has been highly recognized by both our external and internal stakeholders. About 92% of our external stakeholders and 62% of the responding employees thought that our performance and the transparency of our ESG disclosures were "Good" or "Excellent".

The feedback was then turned into a materiality matrix to reflect the importance of material issues raised by various stakeholders.

• Materiality Matrix

Issues in the “High-High” area of the Materiality Matrix Diagram are identified as material matters and will be discussed in the following sections.



• Our Response to Stakeholders' Needs

Stakeholders	Concerns	Engagement Platforms
Customers	<ul style="list-style-type: none"> Product and Service Quality User-friendly Design Cost Effectiveness of Services Responsiveness of Services Information Security 	<ul style="list-style-type: none"> Customer Satisfaction Survey ISO/IEC 27001 Information Security Management System Audits Website Press Releases Social Media Platforms
Employees	<ul style="list-style-type: none"> Safe and Fair Working Environment Benefits and Welfare Career Development Employee Satisfaction 	<ul style="list-style-type: none"> Employee Relation Activities Newsletters Communication Meetings Managing Director's Monthly Message on Intranet Portal* Occupational Health and Safety Assessment
Suppliers and Transaction Partners	<ul style="list-style-type: none"> Economic Stability CSR Performance Management Business Ethics Fair Trade 	<ul style="list-style-type: none"> Code of Conduct Ad Hoc Meetings Letters
Future Generations, NGOs and Local Communities	<ul style="list-style-type: none"> Low Carbon Office Eco Product Lifecycle Sustainable Procurement Mentoring 	<ul style="list-style-type: none"> Various Audits (ISO 14001 Environmental Management System, ISO 50001 Energy Management System, FSC™ Chain of Custody, etc.) Volunteering CSR and Fundraising Events Academic Projects Placement

Remarks: * Physical communication meetings and gatherings were cancelled to avoid crowd gathering during COVID-19 pandemic.

Management Approach

Adhering to Fujifilm Group's management philosophy, we attach high importance to creating value for the defined stakeholder groups through our sustainability management practices and processes.



Engagement with Customers

Under the new normal, we believe that innovation is the key to business growth, meeting the needs of customers and coping with the ever-changing environment. In light of the remote working mode during the pandemic, we have been supporting our customers to develop online infrastructure to ensure business and service continuity. Through effective communication with customers, we have also strengthened our long-term customer relationships built on trust and mutual growth.



Engagement with Employees

Employees are key stakeholders in driving our business growth. We endeavor to provide them with an innovative environment where they can pursue personal growth and overcome different challenges. A wide array of engagement initiatives have been implemented to enhance job satisfaction, strengthen bonding, promote workplace diversity and provide learning and development opportunities.



Engagement with Suppliers and Transaction Partners

FUJIFILM Business Innovation Hong Kong attaches high importance to the partnerships with our suppliers and transaction partners along the supply chain with a strong focus on sustainability. To ensure that they share the same vision with us, we actively and frequently communicate our sustainability philosophy and management approach and strive to pursue continuous improvement together. Working closely with our suppliers and transaction partners, we have developed an all-round sustainable procurement strategy for our value chain.



Engagement with Future Generations, NGOs and Local Communities

We promote the sustainable development of our community by assessing and managing the social impact of our operations and by supporting local community initiatives that create lasting benefits for the public. Through frequent dialogues with NGOs and charitable groups, we work together to address social and environmental issues and join hands with academic institutions to offer students exciting opportunities to adopt ICT in their daily lives.



FUJIFILM Business Innovation Hong Kong Limited (previously Fuji Xerox (Hong Kong) Limited) is your trusted Business Innovation Partner. Pioneering an impressive array of groundbreaking technologies since our establishment in 1964, we have been fostering creativity through effective use of information and knowledge. With over 800 employees* in Hong Kong, our scope of business covers sale of world-class MFP, production printers and information technology (IT) solutions, as well as business outsourcing services. Committed to enhancing our customers' productivity and competitiveness and addressing their business challenges, we offer solutions and services empowered by our AI and Internet of Things (IoT) technologies that manifest our unique value proposition.

* Figure excludes certain external contractors performing logistic management tasks in our Logistics and Warehouse division.

From Business Innovation Suites to Smart Workstyle

We endeavor to create value through our business innovation suites for Workplace, Process and Communication that address various needs and to support value creation by our customers and stakeholders.

The pandemic has changed the world in many aspects. Lockdowns, working from home and virtual meetings have transformed the way we work. In order to thrive in this new digital world, it is essential for our customers to stay ahead of the game by embracing the new "Smart Workstyle" to stay connected and flexible. More on Smart Workstyle will be discussed in the "Economic" section along with our other economic impacts.



Striving for Excellence

We strive to excel in every aspect. We were honored to receive over 20 recognitions in FY2021 from leading local and regional organizations. These accolades underlined our commitment to upholding the highest standard in every process, product, solution or service.



^ Since the company was renamed on 1 April 2021, some recognitions and awards were presented under the name of Fuji Xerox (Hong Kong) Limited.

These achievements are in accord with our "NEVER STOP" campaign that aims at raising awareness of Fujifilm's commitment to sustained corporate growth and to "never stop" building on our innovations and expertise as well as pursuing sustainability. Such determination earned us the Gold Sectoral Award at the Hong Kong Awards for Environmental Excellence in 2011, Hong Kong Sustainability Award from Hong Kong Management Association (HKMA) in 2017 and hundreds of honors in the ESG areas. For details, please refer to the "Awards" section on our company website www.fujifilm.com/fbhk.



Sustain and enhance a robust governance structure for an open, fair and clear corporate culture

Adhering to the Fujifilm Group's corporate management philosophy and vision, we strive to foster an open, fair and clear corporate culture and to drive sustainable growth with integrity and good corporate governance.

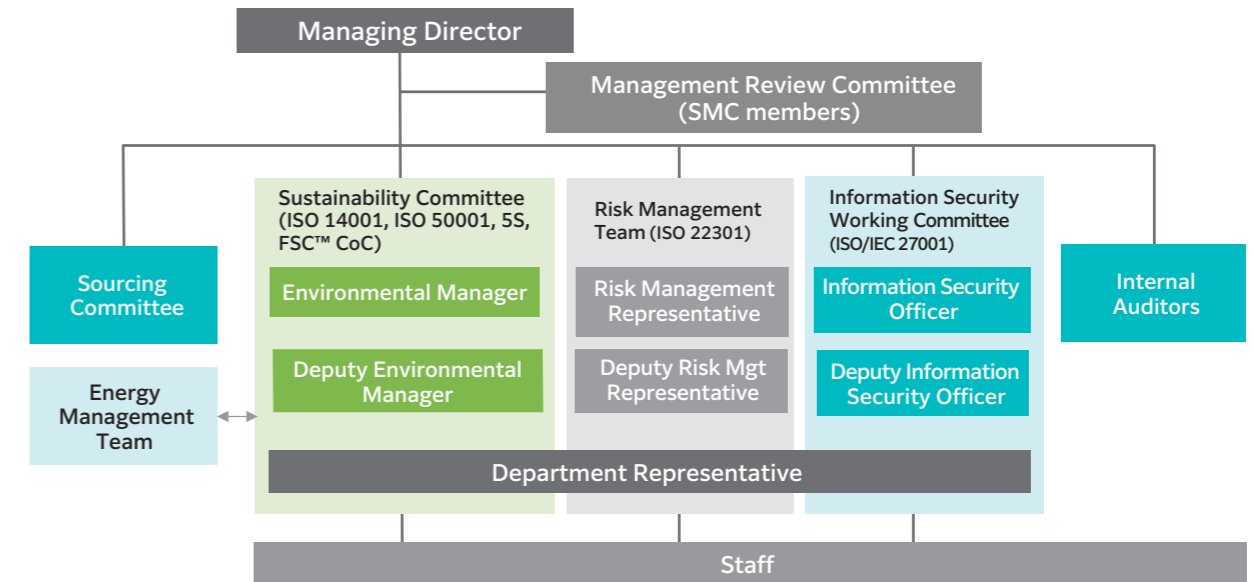
Governance and Organization

At FUJIFILM Business Innovation Hong Kong, the top management team are responsible for determining the corporate governance practices. Therefore, the Senior Management Committee (SMC), which consists of the Managing Director and five department heads, including four males and two females from different disciplines that help maintain diverse perspectives, meets monthly to discuss and review the operation and develop future business plan.



SMC kicked-started the new era of FUJIFILM Business Innovation Hong Kong on 1 April 2021.

To further strengthen our governance structure and facilitate the development of guidelines, policies and procedures, the Management Review Committee was established in accordance with the ISO 14001 Environmental Management System, ISO 50001 Energy Management System, ISO 22301 Business Continuity Management System, ISO/IEC 27001 Information Security Management System, 5S and FSC™ Chain of Custody (CoC). The committee is responsible for reviewing the overall effectiveness of our systems regularly to achieve continuous performance improvement. Meanwhile, collaborations and committees at operational level have been formed to ensure the successful implementation of various management systems.



The governance structure of FUJIFILM Business Innovation Hong Kong

In order to prevent any misconduct or major violations of the law, all colleagues are required to read and understand the Fujifilm Group Charter for Corporate Behavior and Code of Conduct at job orientation and attend anti-corruption and related compliance training regularly. Besides, a whistle-blowing policy and mechanism for reporting fraud and misconduct are in place.

Climate Change Strategy and Climate-related Financial Disclosure

We align our disclosure practices with global trends and compliance requirements, such as the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). According to the TCFD's framework, recommendations related to "Governance", "Strategy", "Risk Management" and "Metrics and Targets" have been applied to all business units of FUJIFILM Business Innovation Hong Kong.

Key Areas	Our Approach
Governance	<p>Members of the Risk Management Committee deliberate on the risks and opportunities presented by climate change and report to the SMC. Their climate-related responsibilities include:</p> <ul style="list-style-type: none"> • Developing climate-related strategy • Considering climate-related issues when developing business strategy and risk management policies • Approval of climate-related disclosures <p>The General Manager, Internal Audit and Sustainability is responsible for overseeing our sustainability and climate-related governance and coordinating our environmental initiatives. Plans and communications related to climate-related issues are reported regularly to the SMC and the regional headquarters.</p>
Strategy	<p>Risks and opportunities brought by climate change are identified over the short-term (0 to 5 years), medium-term (5 to 10 years) and long-term (10 years and beyond) horizons.</p> <p>Physical Risks:</p> <p>Our operations could be directly impacted by frequent short-term business disruptions caused by severe weather or natural disasters, such as flooding and typhoons in locations where we operate. These events could undermine our ability to provide effective support services to customers, to control the operating costs, and to meet the revenue and market share targets.</p> <p>As our products, spare parts and consumables are supplied by overseas manufacturing plants, our supply chain may be disrupted by severe weather events and other unexpected events, such as COVID-19.</p> <p>Transitional Risks:</p> <p>Climate-related regulations and standards, either mandatory or voluntary, addressing energy use and greenhouse gas (GHG) emissions reduction are expected to be tightened in the short-term. If we fail to comply with regulations on product energy efficiency, it will lead to an increase in operating cost.</p> <p>We enjoy unique competitive advantages with our document management expertise, innovative technologies and service excellence. However, such advantages could be affected by climate-related customer behavioral changes, such as printing less and going paperless. The awareness of environmental protection and climate change has been on the rise globally, creating a higher demand for low or zero carbon products. Consumers and other stakeholders also expect businesses to minimize their carbon footprint and to help their partners reduce adverse environmental impact throughout the product lifecycle. If we fail to recognize this expectation, our reputation could be undermined, leading to deteriorated brand value, and eventually the loss of sales and market share.</p> <p>Opportunities:</p> <p>In light of the tighter regulations and standards on energy efficiency and pollution management, the higher consumer awareness created an opportunity for the Fujifilm Group to launch the “Green Value Products”, a certification program to certify its group-wide products and services, ensuring that they meet the stringent criteria on environmental consciousness. As a benchmark in the industry, this program allows us to showcase our sustainable offerings that adhere to the rigorous standards from manufacturing to end-of-life disposal as well as our leadership as an industry pioneer. It also helps us attract more environmentally conscious customers and subsequently increases our revenue.</p>

Key Areas	Our Approach
	<p>One of the most important components of our business strategy is to create value for our customers and other stakeholders by enhancing the sustainability benefits of our solutions and services through innovation. We offer more sustainable and energy-saving digital printing and document management solutions to improve our customers’ environmental performance and mitigate climate change. Also, more efficient and effective business processes have helped us achieve the emissions reduction targets internally and along the supply chain, and consequently cut down the electricity consumption and costs.</p> <p>One of our long-term strategies is to create shared value for our customers and other stakeholders through our printers and services. As such, we capture the strategic growth opportunities through innovations that simplify, automate, and optimize business processes using cloud and AI technology.</p> <p>Climate Scenario Planning:</p> <p>Led by the Fujifilm Group, this scenario analysis assesses the potential long-term business implications of direct and indirect transition and physical climate-related risks and opportunities. This active response to anticipated risks and opportunities has been integrated into our business strategy and enterprise risk management processes to ensure our business resilience. The analysis also covers our key locations and operations in Hong Kong, focusing on a range of potential climate-related and long-term physical risks and transition risks.</p> <p>Since Hong Kong and Macau are more vulnerable to flooding caused by typhoons and heavy rain, our service delivery and support may be disrupted. Therefore, the analysis assessed our asset-level risk exposure to flooding and extreme weather, and resilience measures such as a contingency supply chain plan managed under the ISO 22301 Business Continuity Management System were implemented accordingly.</p>
Risk Management	<p>Our risk management framework with long-term targets covers various climate-related risks, supporting Fujifilm Group’s SVP2030.</p> <p>In accordance with the ISO 14001 Environmental Management System, we assess the impact of our business activities from two perspectives: “compliance with laws and regulations” and “impact on the environment”. As the first company in Hong Kong to receive the newly launched ISO 14001:2015 Environmental Management System certification in 2015, we also obtained the latest ISO 50001:2018 Energy Management System certification in 2019. Guided by the ISO 20400 Sustainable Procurement - Guidance published in 2017, we manage our supply chain and actively integrate sustainability into the procurement process. The adoption of these management systems has enabled us to manage our day-to-day climate-related risks.</p>
Metrics and Targets	<p>Committed to the Science Based Targets Initiative, the Fujifilm Group aims to reduce its CO₂ emissions by 50% (compared to FY2019 levels) across the entire product lifecycle by FY2030. Besides, adhering to the RE100 initiative, the Fujifilm Group strives to convert 100% of its purchased electric power to renewable energy, achieving zero CO₂ emissions by FY2040.</p> <p>Keeping up with the SVP2030, FUJIFILM Business Innovation Hong Kong has been adopting and advocating various sustainability initiatives to address environmental issues, such as implementing the daily “earth hour” during lunch break, zoning lighting devices and adopting our self-developed ESG data management tool. In FY2021, we reduced our CO₂ emissions by 11.1% annually and reaffirmed our commitment to being a carbon neutral operation by purchasing 636 tonnes of carbon offsets and supporting renewable energy projects in Southeast Asia.</p>



Realizing the vision of Smart Workstyle through a robust partner ecosystem and continuous product innovation

Delivering Business Innovation through Partnerships

Your Business Innovation Partner to Boost Synergy

With a new name, comes a new mission. FUJIFILM Business Innovation Hong Kong Limited was renamed in April 2021 to better reflect our mission and commitment to delivering business innovation.

“Accelerate your business success” is the value that we offer. MFPs serve as a gateway for us to apply our expertise in managing documents, both paper and digital, to enhance efficiency and to make information more accessible.



◀ Dr. David Chung (third left), JP, the then Under Secretary for Innovation and Technology of Innovation and Technology Bureau; and Mr. Yasuyuki Matsumoto (third right), the then Managing Director of FUJIFILM Business Innovation Hong Kong and his management team attended the rebranding ceremony.



◀ Visitors enjoyed themselves with our employees.

Building a Partner Ecosystem of Success

To realize our new mission, we formed many new partnerships in FY2021 to expand our product offerings and extend our reach to new markets.

The strategic partnership with TriTech Distribution Limited announced in May 2021 demonstrates our commitment to pursue business innovation for Hong Kong businesses of all sizes. With its extensive reach across various end-user segments, including education, logistics and professional services, TriTech will leverage its channel-only model to drive the growth of our printers, MFPs and consumable products in these markets. This partnership also aims to address the needs of businesses who are looking to manage their documents and workflows for better communications with customers and higher operational efficiency. The addition of TriTech to our growing partner ecosystem brings us the opportunity to expand into the local small and medium enterprises (SMEs) market.

Meanwhile, we strengthened our partnership with business process automation provider Objectif Lune Asia Pty Ltd to expand our technology offerings in July 2021. Staying at the forefront of the market, its solutions automate business communications by integrating AI and cloud technologies. As the Platinum Reseller of Objectif Lune Asia, we supply, manage and implement its solutions for customers via exclusive tools, resources and support. Being a long-term partner for decades, this extended partnership allows us to support companies in growing their businesses for tomorrow.

Cybersecurity is a top priority for many local businesses to protect their operations and digital transformation. Aiming to empower enterprises with AI-driven cybersecurity operations, we deepened our partnership with IT infrastructure leader Sangfor Technologies (Hong Kong) Limited in November 2021. Under this partnership, we can combine its AI-enabled network detection and response technology with our recognized Managed Services to empower Hong Kong businesses with a security-as-a-service offering. This strategic partnership demonstrates the strong synergy between us. On top of being a Gold Partner of Sangfor, we were also named the HCI Top Case Producer.



▲ Mr. Yasuyuki Matsumoto (third left), the then Managing Director of FUJIFILM Business Innovation Hong Kong; Dr. Charlie Ip (third right), Managing Director of TriTech Distribution; and respective management team attended the partnership signing ceremony.



▲ Mr. Ringo Yiu (third left), Regional General Manager (Hong Kong, Macau, Taiwan & Singapore) of Sangfor Technologies (Hong Kong) Limited; Mr. Yasuyuki Matsumoto (third right), the then Managing Director of FUJIFILM Business Innovation Hong Kong; and respective management team attended the partnership signing ceremony.



▲ (From left to right) Mr. Ringo Yiu, Regional General Manager (Hong Kong, Macau, Taiwan & Singapore) of Sangfor Technologies (Hong Kong) Limited presented the Best Gold Partner award to Mr. Jon Chung, Sales Director of FUJIFILM Business Innovation Hong Kong.

Fostering Smart Workstyle for Customers' Digital Success

Transforming Workplaces, Processes and Communications

The pandemic has transformed the way we work. While many quickly adopted remote working during the pandemic, the challenge to drive digital success remains, and even intensifies, as we enter the new normal.

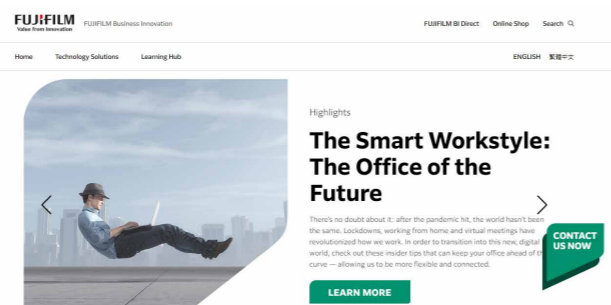
With the rise of hybrid workforce, virtual workplaces and automated workflow, digital transformation in the new normal relies on innovation across Workplaces, Processes, and Communications. At FUJIFILM Business Innovation Hong Kong, we call this combination the **Smart Workstyle**. Aiming to address the unique challenges faced by local businesses in achieving digital success, we offer a suite of technologies and services to help them adopt the Smart Workstyle through transforming where they work, the work processes and how people communicate.

Innovation of **Workplaces** goes beyond the work location, environment and equipment. It is about enabling seamless collaboration, both physically and virtually. We provide a wide range of tools to improve employee experience, enhance connectivity for remote workers and strengthen an organization's agility. These products range from printers that enable customization and personalization to remote working solutions, like eSignature and virtual desktop infrastructure.

Many businesses were forced to migrate to remote working during the pandemic, and they soon realized that traditional manually intensive work processes would affect the bottom lines and return on investment (ROI). As such, innovation in **Processes** goes beyond introducing process automation tools. It helps review the entire business process to identify opportunities to streamline operations and improve information management. By discovering areas where workload can be lightened through automation and outsourcing, businesses can boost their productivity and scalability significantly. Our Human Resources (HR) management solutions and information management tools also enable remote document collaboration and facilitate information search.

Apart from internal enhancements, engagement with external stakeholders needs to be stepped up with smarter **Communications**. As technology advances and becomes an increasingly important part of our daily lives, the boundaries between online and offline communications are disappearing. Our range of omni-channel technologies and services help local businesses to deliver human-centric communications for a consistent and personalized experience, delivering the right message at the right time via the right channel. The secure omni-channel communications also help maintain customer privacy and protect organizations' reputation.

The work style choice is increasingly critical for business success. We believe all enterprises deserve the support they need along the digital transformation journey. By taking advantage of the latest technologies, our Smart Workstyle designed for Hong Kong businesses can help them stay competitive in the global marketplace.



▲ A landing page was created to promote the concept of Smart Workstyle, covering the latest industry news and technology solutions.

Continuous Innovation to Simplify Security and Transform Collaboration

At FUJIFILM Business Innovation Hong Kong, Smart Workstyle is enabled through five product categories:

- Document Innovation
- Information Management
- Process Automation
- Zero Trust and Cybersecurity
- Work Anywhere, Anytime

However, our innovation in Smart Workstyle goes beyond these five categories. In FY2021, we continued to explore and launch new solutions to empower local businesses with smarter choices of work style.

The launch of **Security AI** in November 2021 marked a significant addition to our Smart Workstyle solutions by combining our established managed services with Sangfor's AI-enabled network detection and response technologies. Designed to simplify security operations and improve cyber resilience, this subscription-based AI-enabled cybersecurity solution is powered by global threat intelligence with behavior analysis to monitor customers' internal network traffic. The analysis also correlates with existing security events to provide real-time threat alerts when cybersecurity incident occurs. Security AI is also supported by the FUJIFILM Business Innovation Hong Kong's Service Operation Center to provide speedy response and remediation.

Another new and important addition to the Smart Workstyle portfolio is Kintone, an all-in-one workplace platform. Transforming and optimizing teamwork, Kintone consolidates data from varied sources—paper or digital—and allows business users to create and customize apps, with no coding skills required. Recognized by Gartner and Forrester as the top low-code application platform, Kintone empowers information workers with strong business knowhow to build apps and customize workflow to match each organization's unique environment and culture. It offers a library of 1,000+ ready-made app templates to support all kinds of business functions, from sales, customer support and marketing to business operations and workforce management. The centralized dashboard and flexible communication platform allow information workers to freely share data and offer live and inline commenting, turning business communications into seamless collaboration.



▲ Mr. Stanley Lau (middle), Head of Corporate Services of Build King Holdings Limited, joined the Security AI Seminar as a guest speaker to share his insights and experiences on how enterprises detect and react to the everchanging cybersecurity threats.



▲ A promotional video for Security AI was produced and starred by our staff.



▲ We were awarded "The Best Business Innovation Partner" with Security AI at the annual award hosted by local media, e-zone.

Transforming Colors and Creativity with Revoria

Inspiring Creativity with Colors and Energy

Determined to renew and refine our printing business, we introduced the new brand Revoria in July 2021. Under this new brand, we deliver a suite of production printing solutions that cover production printers, associated print servers and print workflow software.

Meanwhile, we introduced two revolutionary printer models: **Revoria Press PC1120**, a high-end production color printer, and **Revoria Press E1 Series**, a monochrome production printer. Revoria Press PC1120 can help printing companies expand their businesses with vibrant colors and higher productivity. Equipped with a single-pass six-color print engine, it offers more special toners on top of the basic CMYK toners, including gold, silver, clear, white and neon pink. These toners enable high-value, high-quality printing such as metallic colors and natural skin textures. Printing at a high speed of 120 pages per minute, it can deliver high-resolution prints of 2,400 dpi. Taking monochrome applications to the next level, Revoria Press E1 Series delivers excellent image quality and high-speed printing. Supported by the Air Suction Feeder, it enables high-speed and stable output for a wide variety of paper types. It can print at a high speed of 136 pages per minute and deliver high-resolution prints of 2,400 dpi.



▲ Revoria Press PC1120



▲ Revoria Press E1136

RE:ON Light Revisits Hong Kong's Neon Light Street Scenes and Revives Local Creativity

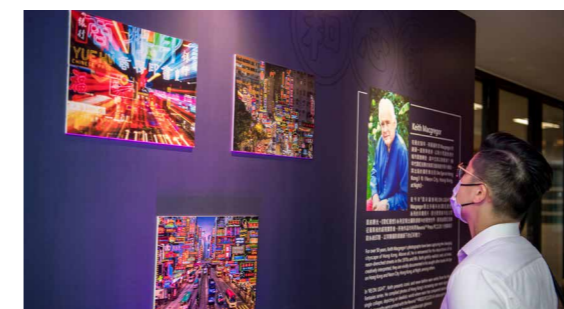
Celebrating Hong Kong's stunning neon light street scenes from the 1980s and showcasing the vivid color delivered by Revoria Press PC1120, we organized the RE:ON Light event that featured exhibitions and cultural seminars, inviting the public to embark on a journey down Hong Kong's dazzling memory lane from a new perspective.

Joining hands with renowned British photographer Mr. Keith Macgregor, we organized the "Neon Fantasies" exhibition, showcasing photographs printed by the new Revoria Press PC1120 digital printing system. The perfect interpretation of colors precisely delivered the symphony of shimmering neon lights in Hong Kong through Macgregor's lens. The exhibition also showcased the work of photographer Pascal Greco using Fujifilm Instax and other instant cameras, revealing his passion for Hong Kong's neon light heritage.

To explore the latest developments in printing technologies and inspire local artists with vivid colors, we organized the "Creative Industry and the Art of Printing: Transformation and Inheritance" cultural seminar, which also featured a pop-up exhibition curated by Mr. Ken Fung and Mr. Keith Mak, architects at streetsignhk, using upcycled neon signs.



▲ Installation made of upcycled neon signs by streetsignhk, a local conservation group who aims to preserve Hong Kong's disappearing signboards.



▲ A visitor enjoyed the moments captured by renowned British photographer Mr. Keith Macgregor, which the shimmering neon lights on photographs were printed by the new Revoria Press PC1120 digital printing system.



▲ The panel discussion "The Transformation and Interstage of the Creative Industry and Printing Techniques" was moderated by Mr. Victor Tsang, Head of CreateHK of the Hong Kong Special Administrative Region (HKSAR).



▲ A showcase of different commercial applications with a wide range of paperweights and printing substrates used, supported by Fujifilm's innovative printing technologies.



▲ Visitors participated in the print-on-demand activity to create their own personalized postcards onsite.

The Asian Print Awards 2020 was held concurrently to recognize outstanding printing houses in Hong Kong, and the awardees included Hung Hing Printing, Ideastore Limited and Green Production (Overseas) Group.

Nurturing Next-generation Artists and Designers

We organized a graphic design competition as part of the RE:ON Light series to support local artists and inspire their creativity. In collaboration with Hong Kong Design Institute and The Hong Kong Polytechnic University, the competition invited students to showcase the city's bustling energy and vibrant colors through its dazzling street light scenes. All entries were printed with the Revoria Press PC1120 digital printing system, and one winner and five finalists were selected by a panel of six judges based on their originality, creativity and use of colors.



▲ Artwork of the Grand Prize winner, Miss Chui Ying Kwok from Hong Kong Design Institute, named "Once in a Blue Moon".



▲ Artwork of the People's Choice Award winner, Miss Yuen Ying Choi from Hong Kong Design Institute, named "Inverted City".

Besides, we presented workshops to provide continuous training for working designers. Our annual workshops with Advanced Printing Technology Center shared the latest printing technologies with designers, artists and publishers, helping them create more stunning pieces.



▲ Students from the Hong Kong Design Institute participated in the workshop on basic printing and design organized by FUJIFILM Business Innovation Hong Kong. They also explored the latest printing technology and its applications on different printing substrates.

Commitment to 100% Service Excellence

In addition to our leading technologies and business solutions, services form another important pillar of our offerings that is driven by customer satisfaction.

Adhering to our unique "3R+V" Customer First Strategy, we ensure that our products, solutions and services meet the ever-evolving needs of our customers. Specifically, we are committed to maintaining a high level of "Reliability" and "Responsiveness" and building "Relationships" to create "Value" for our customers. From pre-sales consultation and project implementation to device maintenance, our business operations are guided by our Service Pledge which focuses on helping customers accelerate their business growth and achieving excellent satisfaction level.

With our Service Pledge in mind, we recorded the following achievements:

Our Commitment	FY2021 Achievement
4-hour onsite recovery assurance	2.41 hours – the fastest onsite resolution pledge by any document management vendors in the market
2-hour onsite response time	1.48 hours – surpassed our commitment and faster response means more attentive service
99.5% average uptime	99.5% average uptime – enabling high availability

In addition to overachieving our Service Pledge, we are 100% dedicated to the Total Satisfaction Guarantee (TSG), another FUJIFILM Business Innovation's exclusive. TSG allows customers to replace any device with an identical model, or a machine with comparable features and capabilities at no charge. More than a promise, TSG is usually valid for three to five years or during the financing contract period starting from the delivery of a new device. With full confidence in the reliability of our products, we even include TSG in every agreement.

We are pleased to see that our commitment to quality management and customer satisfaction has not only maintained our business success, but has also ensured that we can continue to accelerate growth for our customers through innovation and partnerships.



Contributing to a Green Community through Engagement and Innovation

FUJIFILM Business Innovation Hong Kong is committed to promoting the development of the society and local communities by creating new values for our stakeholders through our innovative products, solutions and services and minimizing the impact of our business activities on the environment through various sustainability initiatives.

Promoting Sustainable Development through Environmental Campaigns

As a devoted supporter of sustainable development in Hong Kong, we signed the "Hong Kong Green Day 2021 - Green Pledge" organized by the Green Council. We strive to create a greener office by adopting green practices as we pursue the Fujifilm Group's SVP2030. We also encourage colleagues to adopt a green lifestyle by saving energy, conserving water and practising the 3R principle (reduce, reuse and recycle).



◀ The certificate reflected our commitment to creating a green office environment and spreading green messages to the community.

While observing our own earth hour every day during lunchtime, we continued to support the Earth Hour event organized by World Wide Fund for Nature (WWF) in March 2022 and committed to achieving sustainable development through the launch of innovative technologies, products and services. Furthermore, we adhere to sustainable procurement along a green supply chain that helps minimize our environmental impact.



▲ We pledged to support Earth Hour 2022 and committed to contributing to a sustainable future for the next generations.

Advocating Occupational Health & Safety through Collaboration with Future Generations

In FY2022, FUJIFILM Business Innovation Hong Kong continued to support academia and students. For the third year, we served as the corporate advisor of final-year projects of the Environmental Management and Technology program of The Hong Kong University of Science and Technology (HKUST). This collaboration helped students strengthen their academic knowledge and gain valuable hands-on experience in corporate sustainability. Our representative met the capstone project group regularly to keep track of their progress and offer guidance. At the final stage, the students shared their findings from the Occupational Health & Safety (OHS) assessment, benchmarking results and recommendations, inspiring our management team to pursue continued improvement to enhance our employees' well-being.

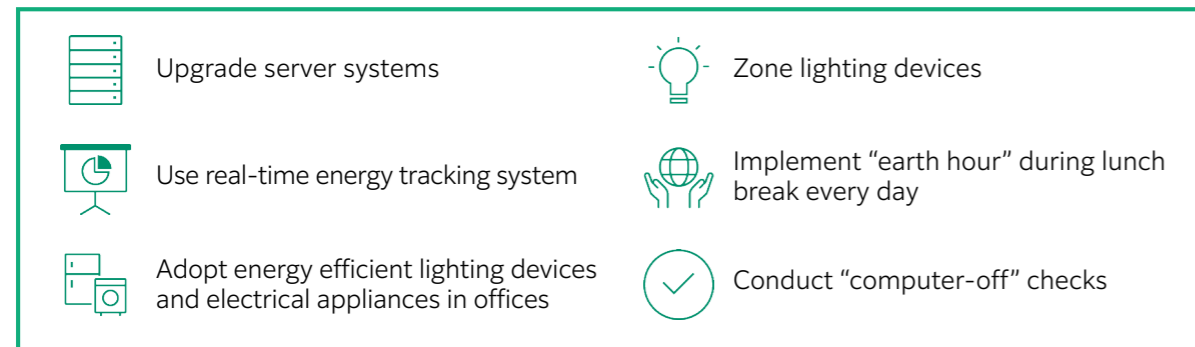


◀ HKUST capstone project team members, professors and our representatives

The Way to SVP2030

Adhering to Fujifilm Group’s SVP2030, FUJIFILM Business Innovation Hong Kong has been actively seeking ways to improve our environmental performance through benchmarking against sustainability pioneers and international standards.

In addition to the management systems mentioned in the “Corporate Governance” section, we enhance energy efficiency and reduce carbon emissions in our business operations through various initiatives. Energy review is conducted annually with the aid of energy tracking solution to evaluate energy data and identify areas for energy efficiency enhancement. With our print management solution, we have successfully cut down the paper usage and carbon emissions.



We became a carbon neutral business in FY2014 by investing in carbon offset projects that promoted renewable energy. Under the Visible Green Initiatives, we will purchase no less than 80 kg of carbon offsets for every compliment received. In FY2021, we were delighted to receive 1,606 compliments from customers and thus purchased 636 tons of carbon credit to offset our footprint. These compliments not only motivated us to achieve service excellence, but also helped protect the environment.

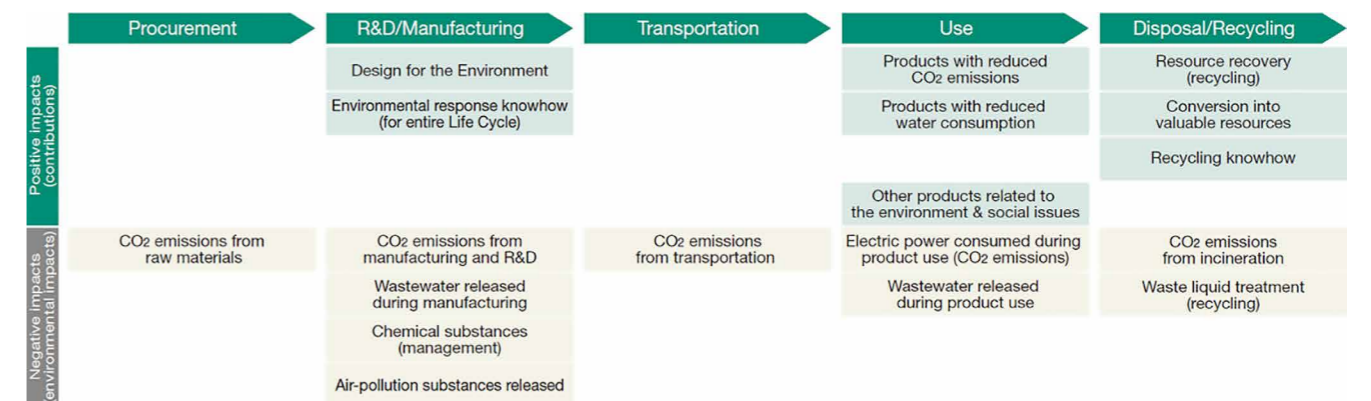


▲ Our Visible Green Initiatives in FY2021

To build a sustainable society, FUJIFILM Holdings Corporation launched the “Green Value Products” certification program in compliance with ISO 14021 Environmental Labels and Declarations in July 2018 to certify its products and services that meet specific criteria for environmental consciousness. The environmental value of each product is evaluated through an environmentally conscious design assessment. Based on their total scores, the selected products are further reviewed and approved by the Group Certification Council and finally certified as Fujifilm Group’s “Green Value Products”, which are then categorized into three certification ranks (diamond, gold and silver) according to their contribution to the reduction of environmental impact. Under this program, FUJIFILM Business Innovation’s products, such as the latest Apeos C5240 and ApeosPrint C5240, were certified as environmentally conscious products.



We will continue to tackle the environmental challenges along our value chain and to fully leverage our strong business model to create value for our customers and other stakeholders. We endeavor to reduce the CO₂ emissions across the entire lifecycle of products and the society by encouraging the wider use of our low emissions products, solutions and services.



▲ Impact on Business Processes along the Value Chain

Managing Green Supply Chains

We attach high importance to sustainability in our procurement process and supplier engagement. We actively engage suppliers who share the same sustainable procurement philosophy with us and encourage them to actively minimize their environmental impact. Stringent measures are also in place to manage the environmental performance throughout the product lifecycle, including the initial procurement, manufacturing, customer usage and end-of-life disposal. Risk levels of suppliers are assessed by the procurement team and are reviewed periodically.

Contributing to “Zero” Environmental Impact

Waste Electrical and Electronic Equipment (WEEE) is one of the major environmental challenges worldwide. Committed to achieving “Zero Landfill”, FUJIFILM Business Innovation Hong Kong introduced the end-of-life resource recovery program well before the implementation of the Producer Responsibility Scheme on Waste Electrical and Electronic Equipment by the HKSAR Government in August 2018. In addition to proactively collecting used multifunction printers and consumables according to stringent recycling regulations worldwide, we initiated a partnership with a local recycler in December 2018 to recycle used materials instead of sending them to the eco-manufacturing facilities in Thailand and to reduce carbon emissions from the cross-border transfer of WEEE.



Boosting Corporate Strengths
with Diverse Work Styles

Employee Engagement

Employee wellness is always our priority as we want to ensure that our people can pursue their career and personal goals. Apart from maintaining a safe and healthy workplace according to the Occupational Health and Safety Policy, we helped our employees achieve work-life balance through a series of wellness programs in the past year. As COVID-19 pandemic ran riot across the world, we safeguard the well-being of our people through different platforms, such as offering health benefits and introducing wellness reimbursement programs.

In order to raise their health awareness, we invited medical practitioners to host online wellness talks to share practical health tips, such as Allergic Rhinitis Health Talk and Healthy Recipe. They could also enjoy the virtual consultation service without leaving home and receive their medications promptly, minimizing the risk of being infected during the peak of COVID-19 outbreak.

Meanwhile, with the support from the Department of Health and the Occupational Safety and Health Council, we invited professionals to conduct art healing workshops. The Japanese Pastel Nagomi Art Workshop and Zentangle Workshop under our “Happy Friday” series demonstrated how different forms of art could help the participants restore inner peace through mindfulness practice, breathing exercise and enjoying calming music.



▲ Snapshots of the Japanese Pastel Nagomi Art Workshop



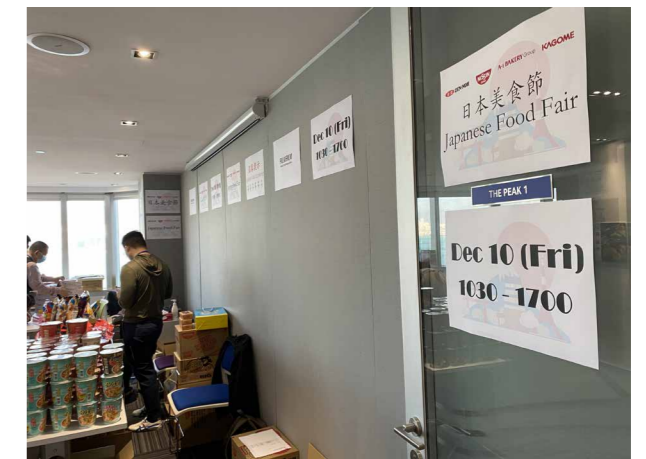
▲ Works created by the participants of the Zentangle Workshop

It has been over a decade since we rolled out the “Employee Well-being Month” in October to support our employees achieve work-life balance. By offering sponsorship for sports and cultural activities, our colleagues are encouraged to “leave on time” and “move your body” to enjoy quality time with families and friends.

Japan is a popular tourist destination for Hong Kong people. However, the travel restriction and lockdown measures imposed over the last two years have made it impossible for local citizens to enjoy their favorite food and great scenery in Japan. Therefore, we organized the Japan Food Fair in December 2021 and invited different suppliers to set up sales booths in the office to sell a wide range of Japan food items, drinks, fresh vegetables and seasonal fruits. We were pleased to see a joyful atmosphere and lots of happy faces in the office as our employees shared their shopping experience with each other. In January 2022, we also set up a virtual CNY Bazaar for our colleagues to purchase festive gifts and seasonal candies prior to the Chinese New Year.



▲ Festive food at the Japan Food Fair



In order to remind our colleagues to stay vigilant, safe and healthy, we offered them a customized mask case, FUJIFILM Hydro Ag+ hand sanitizer and wipes.

As “living a well life” has become integral to people’s daily lives, we will continue to cultivate a healthy work environment and encourage our employees to “Eat Smart, Play Smart and Work Smart”.



▲ Our branded mask case

Learning & Development

Digital Maturity for Digital Transformation

The pandemic has ushered us into the new normal with the emerging trend of digital transformation (DX) for the business world. Striving to become a “Business Innovation Partner”, instead of limiting our ICT training to the technical aspects, we strive to nurture digital talents to promote business DX and operations DX. In FY2021, we launched the “Digital Maturity” project that covered both the personal and organization levels to enhance our people’s ICT competencies and foster operation process optimization with ICT tools. On the personal level, the project started with an extensive focus group which had over 40 meetings with different departments to understand their requirements in four knowledge domains: 1) Office Productivity, 2) Core Business Technologies, 3) Emerging Technologies and 4) ICT Best Practices. It was followed by a digital maturity survey to measure the baseline of the current ICT competencies in these four domains. The survey results were analyzed as an important input for learning needs. On the organization level, we focused on creating business impact through empowering our employees with essential skills in using simple ICT tools to drive internal digital transformation, such as process automation, and enhancement in data analysis and visualization.

In FY2021, we supported 10 DX projects involving all departments and achieved a reduction of 41 man days per month. The champion of the Digital Transformation Contest was “automation for lodgment daily operation” which did not only achieve 100% automation on its “bill upload” process, but also removed manual error by its enhanced data file.



▲ The Champion of Digital Transformation Contest

From Trainee to Professional

In FY2021, we recruited four young talents to join our “Solutions Developer Trainee Program”. During the one-year training period, they underwent job rotations in key business units. Apart from programming works for assigned projects, they took up different customer-facing roles, such as spending a whole quarter at a customer’s site to capture the customer requirements.

We also care about their personal development. During the program period, they had the opportunities to participate in various ICT hot topics sharing sessions. These experiences did not only enable them to do their research and application alignment, but also strengthened their confidence through presentations. In terms of professionalism, they acquired eight ICT qualifications ranging from IT Service Design, Quality Management to Project Management Methodology. More importantly, we incorporate challenges in every activity to reveal the competencies needed by a solution developer and the importance of a good teamwork. Like in the concluding activity, the cake making workshop involved sudden change of deliverable requirements, needing to wear eye mask and follow instructions from other members for the cake making, etc.

We will continuously provide all-round support for their career and competency development in order to groom them to become the next industry professionals.



▲ Cake Making Workshop for Solutions Developer Trainee

Community Engagement

FUJIFILM Business Innovation Hong Kong has been committed to community engagement since 2002. Over the years, we have been actively promoting the development of local and global communities through various social contribution and environmental conservation initiatives. While the COVID-19 outbreaks caused significant disruptions to common physical activities as we had to observe the social distancing measures, we shifted our focus to indoor activities and leveraged different technologies to continue with our projects.

In September 2021, 39 staff members joined the Beeswax Food Wrap Green Workshop to learn the eco-friendly way to make a plastic-free food wrap that could be reused and hence to reduce plastic waste.



▲ Beeswax Food Wrap Green Workshop

In order to help students from low income families to strive for academic excellence, we partnered with People Service Centre to roll out the Volunteer Homework Tutor Program from October to December 2021 to offer students living in Sham Shui Po online homework support, relieving the financial burden of their families. We also participated in the Toy and Book Donation Campaign on 4-13 October 2021 and collected 68 boxes of toys and 264 books from our employees to be donated to the NGO. Besides, staff volunteers supported the YMCA Toys Reborn Campaign initiated by YMCA of Hong Kong in December 2021 to sort and repair toys donated by the public. During the festive seasons, such as the Dragon Boat Festival and Mid-Autumn Festival, we encouraged our employees to donate rice dumplings and mooncakes to the Food Bank to share the festive joy with those in need.



▲ Toy and Book Donation Campaign



▲ YMCA Toys Reborn Campaign

Supporting children with congenital heart disease and raising the awareness of heart health in the community, our staff members were encouraged to participate in the Heart-to-Heart Charity Sports Day of the Children's Heart Foundation (CHF) on 16 October 2021. Moreover, we supported CHF Lucky Money Wishes cum Red Packet Envelopes Recycle Program that made donation to the children and collected 6 kg of used red packet envelopes in February 2022 for reuse.



◀ Heart-to-Heart Charity Sports Day

In July 2021 and from 20 November to 12 December 2021, we participated in the Make-A-Wish Flag Day and Make-A-Wish Charity Sales respectively to raise funds. Staff volunteers oversaw the charity sales booth and raised money to support children with critical illnesses, enriching their lives with hope, strength and joy.



▲ Make-A-Wish Flag Day



▲ Make-A-Wish Charity Sales

In FY2021, 237 staff volunteers contributed 626 hours to support volunteering activities and CSR events. The pandemic in Hong Kong may bring challenges for physical community activities, but we will continue to seize every opportunity to contribute to the sustainable development of the community and build a better world.



As a non-listed private organization, FUJIFILM Business Innovation Hong Kong endeavors to publish as much information as we can to enhance the transparency of our "Triple Bottom Line" performance. Some of the data below was reorganized and regrouped for easy understanding.

Environmental

Item	Data Summary	FY2019	FY2020	FY2021
1	Nitrogen Oxides (NOx) Emissions (kg) ^{*1,2}	-	19.6	16.4
2	Sulphur Oxides (SOx) Emissions (kg) ^{*1,2}	-	0.4	0.3
3	Particulate Matter (PM) Emissions (kg) ^{*1,2}	-	1.4	1.2
4	Gasoline Consumption by Vehicle (Litres) ^{*3}	35,617	26,920	23,360
5	Energy Consumption Equivalent to Gasoline Consumption (GJ) ^{*3,4}	1,176	889	771
6	Electricity Consumption (kWh) ^{*5}	1,061,895	928,299	827,538
7	Energy Consumption Equivalent to Electricity Consumption (GJ) ^{*4,5}	3,823	3,342	2,979
8	A3 Paper Consumption (Sheets/No. of Staff) ^{*6}	96	98	116
9	A4 Paper Consumption (Sheets/No. of Staff) ^{*6}	1,275	1,064	1,078
10	Recycled Paper/Environmental Paper Consumption (Sheets/No. of Staff) ^{*6}	1,388	1,173	1,197
11	Total Water Discharges (Tonnes) ^{*7}	2	2	1
12	Direct CO2 Emissions (Tonnes CO2-e) ^{*3}	84.1	63.5	55.1
13	Indirect CO2 Emissions (Tonnes CO2-e) ^{*5}	743.3	649.8	579.3
14	Other Indirect CO2 Emissions (Tonnes CO2-e) ^{*6,7,8}	1.0	1.0	0.8
15	Total CO2 Emissions (Tonnes CO2-e) ^{*3,5,6,7,8,9}	827.4	714.3	635.2
16	Paper Recycled (Tonnes) ^{*10}	29.73	29.91	27.71
17	Aluminum Recycled (Tonnes) ^{*10}	0.04	0.05	0.07
18	Plastic Recycled (Tonnes) ^{*10}	0.22	0.09	0.18
19	Waste to Landfill or Incineration (Tonnes) ^{*10}	45.01	44.78	32.75
20	Total Number of Spills	0	0	0
21	Total Volume of Spills (m ³)	0	0	0
22	Chemical Waste Produced (Tonnes) ^{*11}	0.06	0.04	0.07
23	Waste Electrical and Electronic Equipment (WEEE) Recycled (Tonnes)	1,057	1,340	1,555
24	Environmental Convictions Per 100,000 Man-hours	0	0	0
25	Major Non-conformance in Integrated Management System Audits	0	0	0

Social

Item	Data Summary	FY2019	FY2020	FY2021
1	Number of Staff ^{*12}	1,015	931	852
2	Male : Female	659 : 356	597 : 334	537 : 315
3	Local : Non-local ^{*13}	1,010 : 5	925 : 6	846 : 6
4	Full Time : Part Time ^{*1}	-	913 : 18	835 : 17
5	Manager (Male : Female)	93 : 36	83 : 33	79 : 33
6	Non-Manager (Male : Female)	566 : 320	514 : 301	458 : 282
7	Hong Kong : Macau ^{*1}	-	855 : 76	776 : 76
8	Age Below 30 ^{*1}	-	132	93
9	Age 30-50 ^{*1}	-	577	527
10	Age Above 50 ^{*1}	-	222	232
11	Voluntary Staff Turnover	15.8%	15.0%	26.0%
12	Staff Turnover Rate – Female ^{*1}	-	21.6%	27.0%
13	Staff Turnover Rate – Male ^{*1}	-	19.6%	26.0%
14	Staff Turnover Rate – Age Below 30 ^{*1}	-	35.4%	70.1%
15	Staff Turnover Rate – Age 30-50 ^{*1}	-	16.3%	23.7%
16	Staff Turnover Rate – Age Above 50 ^{*1}	-	21.5%	10.9%
17	Staff Turnover Rate – Hong Kong ^{*1}	-	19.8%	26.2%
18	Staff Turnover Rate – Macau ^{*1}	-	24.7%	27.5%
19	Retention Rates After Parental Leave	100%	100%	100%
20	Staff Injuries	5	7	5
21	Staff Fatalities Resulted from Work-related Injury	0	0	0
22	Accident Rate Per 1,000 Workers ^{*14}	4.93	7.52	5.87
23	Lost Days Due to Work Injury ^{*1}	-	88	43
24	Total Training Hours ^{*15}	25,334	20,680	19,980
25	Employee Trained – Male : Female (%) ^{*1, 16}	-	64.2 : 35.8	61.9 : 38.1
26	Employee Trained – Manager : Non-Manager (%) ^{*1, 16}	-	11.4 : 88.6	10.9 : 89.1
27	Average Training Hours – Female (per employee) ^{*1, 17}	-	16.74	19.31
28	Average Training Hours – Male (per employee) ^{*1, 17}	-	20.28	17.62
29	Average Training Hours – Manager (per employee) ^{*1, 17}	-	27.35	17.72
30	Average Training Hours – Non-Manager (per employee) ^{*1, 17}	-	17.93	18.33
31	Staff Training Cost Year-On-Year Growth ^{*18}	239.64%	5.96%	-48.71%
32	Convicted Cases of Corruption	0	0	0
33	Anti-corruption Learning Participation Rate ^{*1, 19}	-	100%	100%
34	Code of Conduct Learning Participation Rate ^{*20}	100%	100%	100%
35	Volunteering Hours ^{*21}	1,523	381.5	626
36	Number of Volunteer ^{*21}	313	120	237
37	Monetary Value of Significant Fines and Total Number of Non-Monetary Sanctions for Non-Compliance with Laws and Regulations (HK\$)	0	0	0
38	Human Rights Review	100%	100%	100%
39	Number of Grievances Related to Human Rights	0	0	0

Economic

Item	Data Summary	FY2019	FY2020	FY2021
1	Revenue/Selling General & Administrative Expense	3.84	4.13	3.92
2	Human Resources Productivity (Revenue/Total HR cost)	3.57	4.14	3.59
3	Environmental Expenditure Year-On-Year Growth ^{*22}	15%	-10%	-3%

Remarks:

- *1 New indicator adopted from FY2020 onwards.
- *2 The calculation was based on "How to Prepare an ESG Report - Appendix 2: Reporting Guidance on Environmental KPIs" issued by SEHK.
- *3 Per the report verifier's advice in August 2019, we have included the consumption data of Managing Director's car into the calculation from FY2019 onwards.
- *4 The conversion ratio refers to the GRI Sustainability Reporting Guidelines Version 3.0.
- *5 Per the report verifier's advice in August 2019, we have included the consumption data of Macau office in the calculation from FY2019 onwards.
- *6 Paper consumption was recorded within the scope of our document management system rather than internal orders. For item 10, the Recycled Paper/Environmental Paper Consumption included A3, A4 and A5 paper.
- *7 Water consumption of our head office was excluded as it was included in the calculation of the building management fee. Water consumption of two of our Hong Kong offices included the volume consumed in the third and fourth quarters of FY2019 due to suspended meter reading service under COVID-19 pandemic.
- *8 Per the report verifier's advice in August 2018, we included the amount of paper recycled in the data of Other Indirect CO₂ Emissions. Hence, the calculation included the total of (1) CO₂ emissions from disposal of paper waste (i.e. amount of paper consumed minus amount of paper recycled) and (2) CO₂ emissions from total water discharges (i.e. CO₂ emissions from electricity used for fresh water processing by Water Supplies Department plus CO₂ emissions from electricity used for sewage processing by Drainage Services Department).
- *9 We have included Other Indirect (Scope 3) CO₂ Emissions in the calculation from FY2020 onwards. Hence, the total CO₂ emissions included Direct (Scope 1), Indirect (Scope 2) and Other Indirect (Scope 3) CO₂ Emissions but excluded CO₂ emissions from logistics management activities carried out by on-site contractors, refrigeration, air-conditioning and fire extinguishers. CO₂ is the main greenhouse gas (GHG) produced by FUJIFILM Business Innovation Hong Kong. The calculation was based on the "Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong (2010 Edition)" published by the Environmental Protection Department and the Electrical and Mechanical Services Department.
- *10 Macau office data has been included from November 2013 onwards. The data was recorded directly by our colleagues or provided by the property management company and/or recycler.
- *11 Chemical waste excluded amount generated by activities of off-site contractors.
- *12 Included all permanent and contract staff.
- *13 "Local" employees refer to those whose employment terms and conditions meet the labor requirements of the HKSAR and Macao Special Administrative Region.
- *14 The calculation of accident rate per 1,000 workers was referenced to the definition of the Labour Department of HKSAR.
- *15 The decrease in training hours was caused by the suspension of new recruitment of customer engineers and fewer newly hired salespersons in FY2020.
- *16 The calculation was based on the total number of employee trained.
- *17 The calculation was based on the total number of employee in the specified category trained.
- *18 The increase in staff training cost in FY2020 was caused by the extension of training services to the Services Department. The significant drop in FY2021 was caused by the smaller number of certificates issued after the training direction review.
- *19 The calculation included active staff only.
- *20 All new staff members joining FUJIFILM Business Innovation Hong Kong are required to complete the "Code of Conduct" training within three months of commencement of employment. For existing staff, regular reviews and/or training will be carried out according to the annual review of scope and content.
- *21 The decrease in volunteering hours and number of volunteer in FY2020 was due to the COVID-19 pandemic throughout the year, which led to the delay, cancellation or reduction in scale of social contribution activities. In FY2021, the enhancement in the volunteering measures was due to people's adaptation to the new normal.
- *22 The data included end-of-life management costs only.



This report has been prepared in accordance with the GRI standards: core option. The GRI disclosures are presented below with either linkage to the reported section(s) or direct answer.


General Disclosures


GRI 102: General Disclosures 2016		Cross-reference	SEHK ESG Guide Reference	Global Goal(s)	Page
Organizational Profile					
102-1	Name of the organization	Company Profile			15
102-2	Activities, brands, products and services	Company Profile; There are no brands, products and services that are banned in any markets.			15 - 17
102-3	Location of headquarters	Company Profile			15
102-4	Location of operations	Reporting Scope and Approach - Reporting Scope and Period			10
102-5	Ownership and legal form	Corporate Governance - Governance and Organization			18 - 19
102-6	Markets served	Company Profile			15 - 17
102-7	Scale of the organization	Reporting Scope and Approach - Reporting Scope and Period; Company Profile			10, 15 - 17
102-8	Information on employees and other workers	CSR Indicators - Social; Our business activities are mainly performed by our employees with limited assistance from external vendors (e.g. solutions development, logistics arrangement, survey); There are no significant variations in the numbers reported in Disclosures 102-8-a, 102-8-b and 102-8-c.	KPI B1.1		40

102-9	Supply chain	Based on our Preferred Vendor List (as of June 2022), the percentage of local supplier accounted for over 84%, The others are from countries/regions like Mainland China, Macau, Singapore and Europe. Environmental - Managing Green Supply Chains; All our suppliers (including multifunction printers, printers, paper, solutions, etc.) are engaged.	KPI B5.1 KPI B5.2		33
102-10	Significant changes to the organization and its supply chain	On 1 April 2021, we officially changed our company name from Fuji Xerox (Hong Kong) Limited to FUJIFILM Business Innovation Hong Kong Limited. There were no significant changes in the organization's size, share capital structure, ownership or organization's supply chain during the reporting period.			N/A
102-11	Precautionary Principle or approach	Corporate Governance - Climate Change Strategy and Climate-related Financial Disclosure			19 - 21
102-12	External initiatives	No such initiatives are subscribed or endorsed by FUJIFILM Business Innovation Hong Kong.			N/A
102-13	Membership of associations	- Business Environment Council - Hong Kong General Chamber of Commerce - Hong Kong Management Association - Japanese Chamber of Commerce - The Aberdeen Marina Club - The Chinese Manufacturers' Association of Hong Kong - The Clearwater Bay Golf & Country Club - The Hong Kong Japanese Club - The Hong Kong Printers Association			N/A
Strategy					
102-14	Statement from senior decision-maker	Top Commitment			2 - 3
Ethics and Integrity					
102-16	Values, principles, standards and norms of behavior	About the Fujifilm Group - The Fujifilm Group's Commitment Corporate Governance			4, 18 - 21
Governance					
102-18	Governance structure	Corporate Governance - Governance and Organization			18 - 19
Stakeholder Engagement					
102-40	List of stakeholder groups	Our defined stakeholders include our customers, employees, suppliers and transaction partners, future generations, NGOs and local communities.			N/A
102-41	Collective bargaining agreements	While none of our employees are covered by collective bargaining agreements, our "Managing Director's Mailbox" serves as a direct channel offering formal opportunities for two-way communications between senior management and regular employees.			N/A
102-42	Identifying and selecting stakeholder	The identification and selection of stakeholder is based on the CSR management of Fujifilm Group.			N/A
102-43	Approach to stakeholder engagement	Reporting Scope and Approach; All the identified stakeholder types have been included in the materiality assessment in compiling this report.			10 - 14

Reporting Practice					
102-45	Entities included in the consolidated financial statements	Reporting Scope and Approach			10 - 14
102-46	Defining report content and topic boundaries	Reporting Scope and Approach - Reporting Scope and Period - Reporting Principles			10 - 11
102-47	List of material topics	Reporting Scope and Approach - Material Aspects and Stakeholder Engagement			11 - 13
102-48	Restatements of information	For the Environmental indicator - Item 11 Total Water Discharges (Tonnes) in CSR Indicators, consumption in one of our Hong Kong offices included the amount of water consumed during Dec 2019 - Mar 2020 due to the suspended meter reading service under COVID-19 pandemic. - Item 15 Total CO ₂ Emissions (Tonnes CO ₂ -e) in CSR Indicators, we have included Other Indirect (Scope 3) CO ₂ Emissions in the calculation from FY2020 onwards. Hence, the Total CO ₂ Emissions include Direct (Scope 1), Indirect (Scope 2) and Other Indirect (Scope 3) CO ₂ Emissions.			N/A
102-49	Changes in reporting	Reporting Scope and Approach - Material Aspects and Stakeholder Engagement			11-13
102-50	Reporting period	Reporting Scope and Approach - Reporting Scope and Period			10
102-51	Date of most recent report	Reporting Scope and Approach - Objectives; The latest sustainability report was published in November 2021 covering the data period of FY2020.			10
102-52	Reporting cycle	Reporting Scope and Approach - Objectives; The sustainability report is prepared annually.			10
102-53	Contact point for questions regarding the report	Email: shm-fbhc-sustainability@fujifilm.com			N/A
102-54	Claims of reporting in accordance with the GRI Standards	GRI Content Index			42 - 48
102-55	GRI content index	GRI Content Index			42 - 48
102-56	External assurance	Reporting Scope and Approach - External Assurance; Verification			11, 49

Topic Specific Disclosures


Material Topics	Cross-reference	SEHK ESG Guide Reference	Global Goal(s)	Page
Indirect Economic Impacts				
GRI 103: Management Approach 2016 (103-1, 103-2, 103-3)	Reporting Scope and Approach; Economic			10 - 14, 22 - 29
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	Corporate Governance - Climate Change Strategy and Climate-related Financial Disclosure	A4, KPI A4.1	 19 - 21

GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	Reporting Scope and Approach; Social	KPI B8.1, KPI B8.2		10 - 14, 34 - 38
	203-2	Significant indirect economic impacts	By organizing investment programs, some of partners became our customers, and our business relationship has been deepened through working together. Taking Caritas - Hong Kong as an example, we have worked with them for several programs since 2009. In FY2021, we supported Caritas Computer Workshop by donating computers and other electronic equipment for charity purpose. Another example was supporting the Children's Heart Foundation's "Lucky Money Wishes", where our colleagues donated red packets to support children suffering from congenital heart diseases. Whereas for workforce engagement, we seek to cultivate a number of community-minded characteristics in our employees, including inspiring their families and friends to give back to the community, fostering a charitable spirit and learning to respect different cultures. We noticed that the participated staff demonstrated greater employee satisfaction and a higher level of engagement with the company. In addition, as an organization with a good CSR image, it is easier for our HR team to recruit new talents.			N/A

Anti-corruption












GRI 103: Management Approach 2016 (103-1, 103-2, 103-3)		Reporting Scope and Approach; Social	B7, KPI B7.2		10 - 14, 34 - 38
GRI 205: Anti-corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	CSR Indicators - Social		 40
	205-3	Confirmed incidents of corruption and actions taken	CSR Indicators - Social	B7, KPI B7.1	40


Materials




GRI 103: Management Approach 2016 (103-1, 103-2, 103-3)		Reporting Scope and Approach; Environmental	A3, KPI A3.1		10 - 14, 30 - 33
GRI 301: Materials 2016	301-2	Recycled input materials used	We provide FSC™ recycled 100% paper (i.e. Recycled).		 N/A

Energy

GRI 103: Management Approach 2016 (103-1, 103-2, 103-3)		Top Commitment; Reporting Scope and Approach; Environmental	A2, KPI A2.3		2 - 3, 10 - 14, 30 - 33
GRI 302: Energy 2016	302-1	Energy consumption within the organization	CSR Indicators - Environmental	KPI A2.1	   39

Emissions						
GRI 103: Management Approach 2016 (103-1, 103-2, 103-3)		Top Commitment; Reporting Scope and Approach; Environmental		A1, KPI A1.5		2 - 3, 10 - 14, 30 - 33
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG* emissions	CSR Indicators - Environmental	KPI A1.1, KPI A1.2		39
	305-2	Energy indirect (Scope 2) GHG* emissions	CSR Indicators - Environmental	KPI A1.1, KPI A1.2		39
	305-3	Other indirect (Scope 3) GHG* emissions	CSR Indicators - Environmental	KPI A1.1, KPI A1.2		39
	305-5	Reduction of GHG* emissions	Corporate Governance - Climate Change Strategy and Climate-related Financial Disclosure CSR Indicators - Environmental	KPI A1.5		19 - 21, 39
	305-7	Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	CSR Indicators - Environmental	KPI A1.1	 	39
As CO2 is the main Greenhouse Gas (GHG) emission in FUJIFILM Business Innovation Hong Kong, CH4, N2O, HFCs and PFCs are excluded in the calculation of GHG emissions.						
NOx, SOx and PM are the significant air emissions in FUJIFILM Business Innovation Hong Kong.						
Effluents and Waste						
GRI 103: Management Approach 2016 (103-1, 103-2, 103-3)		Reporting Scope and Approach; Environmental		A1, KPI A1.6		10 - 14, 30 - 33
GRI 303: Water and Effluents 2018	303-4	Water discharge	CSR Indicators - Environmental	KPI A2.2		39
GRI 306: Effluents and Waste 2016	306-2	Waste by type and disposal method	CSR Indicators - Environmental	KPI A1.3, KPI A1.4		39
	306-3	Significant spills	CSR Indicators - Environmental	KPI A3.1		39
Environmental Compliance						
GRI 103: Management Approach 2016 (103-1, 103-2, 103-3)		Reporting Scope and Approach; Corporate Governance; Environmental				10 - 14, 18 - 21, 30 - 33
GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	CSR Indicators - Environmental	A1		39
Supplier Environmental Assessment						
GRI 103: Management Approach 2016 (103-1, 103-2, 103-3)		Reporting Scope and Approach; Environmental		B5, KPI B5.2, KPI B5.3, KPI B5.4		10 - 14, 30 - 33
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	We included environmental criteria in all preferred vendors' assessments.	KPI B5.2		N/A

Employment						
GRI 103: Management Approach 2016 (103-1, 103-2, 103-3)		Social				34 - 38
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	CSR Indicators - Social	KPI B1.2		40
	401-3	Parental leave	CSR Indicators - Social			40
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	Fujifilm Group Code of Conduct https://holdings.fujifilm.com/en/about/philosophy/law	KPI B4.1, KPI B4.2		N/A
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor				N/A
Occupational Health and Safety						
GRI 103: Management Approach 2016 (103-1, 103-2, 103-3)		Reporting Scope and Approach; Corporate Governance; Social		B2, KPI B2.3		10 - 14, 18 - 21, 34 - 38
GRI 403: Occupational Health and Safety 2018	403-9	Work-related injuries	CSR Indicators - Social	KPI B2.1	 	40
Training and Education						
GRI 103: Management Approach 2016 (103-1, 103-2, 103-3)		Reporting Scope and Approach; Social				10 - 14, 34 - 38
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	CSR Indicators - Social	KPI B3.2	 	40
N/A	N/A	Percentage of employees trained	CSR Indicators - Social	KPI B3.1		40
Diversity and Equal Opportunity						
GRI 103: Management Approach 2016 (103-1, 103-2, 103-3)		Reporting Scope and Approach; Social				10 - 14, 34 - 38
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	CSR Indicators - Social	KPI B1.1		40
Human Rights Assessment						
GRI 103: Management Approach 2016 (103-1, 103-2, 103-3)		Reporting Scope and Approach; Corporate Governance				10 - 14, 18 - 21
GRI 412: Human Rights Assessment 2016	412-1	Operations that have been subject to human rights reviews or impact assessments	CSR Indicators - Social			40
	412-2	Employee training on human rights policies or procedures	CSR Indicators - Social			40

Marketing and Labeling					
GRI 103: Management Approach 2016 (103-1, 103-2, 103-3)		Reporting Scope and Approach; Environmental			10 - 14, 30 - 33
GRI 417: Marketing and Labeling 2016	417-2	Incidents of non-compliance concerning product and service information and labeling	There is no incident of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	B6	 N/A
Customer Privacy					
GRI 103: Management Approach 2016 (103-1, 103-2, 103-3)		Reporting Scope and Approach; Corporate Governance		B6, KPI B6.5	10 - 14, 18 - 21
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	No substantiated complaints regarding breaches of customer privacy and losses of customer data were recorded in FY2021.	B6, KPI B6.2	 N/A
Socio-economic Compliance					
GRI 103: Management Approach 2016 (103-1, 103-2, 103-3)		Reporting Scope and Approach; Corporate Governance			10 - 14, 18 - 21
GRI 419: Socio-economic Compliance 2016	419-1	Non-compliance with laws and regulations in the social and economic area	No fines and/or non-monetary sanctions for non-compliance with laws and regulations were recorded in FY2021.	B1, B2, B4, B6, B7	 N/A
Customer Satisfaction					
GRI 103: Management Approach 2016 (103-1, 103-2, 103-3)		Reporting Scope and Approach; Economic			10 - 14, 22 - 29
N/A	N/A	4 hours onsite recovery assurance	Economic - Commitment to 100% Service Excellence		29
		2-hour onsite response time	Economic - Commitment to 100% Service Excellence		29
		99.5% average uptime	Economic - Commitment to 100% Service Excellence		29
Business Continuity					
GRI 103: Management Approach 2016 (103-1, 103-2, 103-3)		Reporting Scope and Approach; Corporate Governance			10 - 14, 18 - 21
Information Security					
GRI 103: Management Approach 2016 (103-1, 103-2, 103-3)		Reporting Scope and Approach; Corporate Governance			10 - 14, 18 - 21
N/A	N/A	Description of practices relating to observing and protecting intellectual property rights.	Fujifilm Group Code of Conduct https://holdings.fujifilm.com/en/about/philosophy/law	KPI B6.3	N/A
Volunteering					
GRI 103: Management Approach 2016 (103-1, 103-2, 103-3)		Reporting Scope and Approach; Social		B8	10 - 14, 34 - 38
N/A	N/A	Focus areas of contribution	Reporting Scope and Approach; Social	KPI B8.1	10 - 14, 34 - 38
		Resources contributed	Reporting Scope and Approach; Social	KPI B8.2	10 - 14, 34 - 38
		Number of volunteering hours contributed	CSR Indicators - Social		40

Remarks:
*The main Greenhouse Gas (GHG) emitted by FUJIFILM Business Innovation Hong Kong is carbon dioxide (CO₂). In this context, "Greenhouse Gas" refers to CO₂.



Scope and Objective

Hong Kong Quality Assurance Agency ("HKQAA") was commissioned by FUJIFILM Business Innovation Hong Kong Limited (hereinafter referred to as "FUJIFILM Business Innovation Hong Kong") to undertake an independent verification for its Sustainability Report 2022 (hereinafter referred to as "the Report"). The scope of this verification covers the sustainability performance data and information of FUJIFILM Business Innovation Hong Kong's business for the period of 1 April 2021 to 31 March 2022, as defined in the Report. This is the 13th Report that FUJIFILM Business Innovation Hong Kong published to communicate its commitments, efforts and progress of performance towards sustainability.

The aim of this verification is to provide a reasonable assurance of the reliability of the contents. The Report has been prepared in accordance with the Core Option of the Global Reporting Initiative Sustainability Reporting Standards ("GRI Standards"), the Environmental, Social and Governance Reporting Guide of The Stock Exchange of Hong Kong Limited ("SEHK ESG Reporting Guide"), and also made reference to ISO 26000:2010 – Guidance on Social Responsibility ("ISO 26000:2010").

Level of Assurance and Methodology

The process applied in this verification was based on the International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board. Our evidence gathering process was designed to obtain a reasonable level of assurance as set out in the standard for the purpose of devising the verification conclusion. The extent of this verification process undertaken covered the criteria set in the GRI Standards: Core Option of GRI Standards, the SEHK ESG Reporting Guide and ISO 26000:2010.

The verification process included verifying the systems and processes implemented for collecting, collating and reporting the sustainability performance data; reviewing relevant documentation; interviewing responsible personnel with accountability for preparing the reporting contents and verifying selected representative samples of data and information. Raw data and supporting evidence of the selected samples were thoroughly examined during the verification process according to the sampling plan.

Independence

FUJIFILM Business Innovation Hong Kong is responsible for the collection and presentation of the information presented. HKQAA is not involved in calculating, compiling, or developing the Report. Our

verification activities are independent from FUJIFILM Business Innovation Hong Kong.

Conclusion

Based on the verification results and in accordance with the verification procedures undertaken, HKQAA has obtained reasonable assurance and is of the opinion that:

- The Report has been prepared in accordance with the Core Option of the GRI Standards and the SEHK ESG Reporting Guide;
- The Report illustrates the sustainability performance of FUJIFILM Business Innovation Hong Kong, covering all material aspects, in a balanced, comparable, clear and timely manner; and
- The data and information disclosed in the Report are reliable and complete.

FUJIFILM Business Innovation Hong Kong has developed a stringent data management mechanism where all data and information undergo robust internal vetting, the basis of credible and transparent reporting is attained. Nothing has come to HKQAA's attention indicating that the selected sustainability performance information and data contained in the Report has not been prepared and presented fairly and honestly, in all material aspects, in accordance with the verification criteria. In conclusion, the Report provides clear information with regards to the sustainability performance of FUJIFILM Business Innovation Hong Kong in a factual, responsive, consistent, fair and truthful manner.

Signed on behalf of
Hong Kong Quality Assurance Agency

Meico Cheong
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Feedback

FUJIFILM Business Innovation Hong Kong Limited – Sustainability Report 2022

Thank you for taking the time to read our Sustainability Report! As your feedback will play a crucial role in helping us to enhance our future performance, please take a few minutes to share your views with us via post, fax or email:

Post:	11/F, 12 Taikoo Wan Road, Taikoo Shing, Hong Kong	
Fax:	+852 2513 2020	Email: shm-fbhk-sustainability@fujifilm.com

FUJIFILM Business Innovation Hong Kong's Sustainability performance interests me as:

<input type="checkbox"/> Fujifilm's Customer	<input type="checkbox"/> Fujifilm's Employee	<input type="checkbox"/> Education Sector
<input type="checkbox"/> Government Department	<input type="checkbox"/> Non-Governmental Organizations	<input type="checkbox"/> General Public
<input type="checkbox"/> Media	<input type="checkbox"/> Other, please specify: _____	

How do you rate our Sustainability Report?

1. Overall view Excellent Good Average Poor

2. Report content

2.1 Informative Excellent Good Average Poor

2.2 Useful Excellent Good Average Poor

2.3 Easy to understand Excellent Good Average Poor

3. Sustainability performance Excellent Good Average Poor

4. Which chapter(s) did you find most useful?

<input type="checkbox"/> Top Commitment	<input type="checkbox"/> About the Fujifilm Group	<input type="checkbox"/> Reporting Scope and Approach	<input type="checkbox"/> Company Profile
<input type="checkbox"/> Corporate Governance	<input type="checkbox"/> Economic	<input type="checkbox"/> Environmental	<input type="checkbox"/> Social
<input type="checkbox"/> CSR Indicators	<input type="checkbox"/> GRI Content Index	<input type="checkbox"/> Other, please specify: _____	

5. Which chapter(s) did you find least useful?

<input type="checkbox"/> Top Commitment	<input type="checkbox"/> About the Fujifilm Group	<input type="checkbox"/> Reporting Scope and Approach	<input type="checkbox"/> Company Profile
<input type="checkbox"/> Corporate Governance	<input type="checkbox"/> Economic	<input type="checkbox"/> Environmental	<input type="checkbox"/> Social
<input type="checkbox"/> CSR Indicators	<input type="checkbox"/> GRI Content Index	<input type="checkbox"/> Other, please specify: _____	

6. Any other comments and/or recommendations you would like to share?

If you would like us to reply to your comments and/or require updates on future sustainability developments at FUJIFILM Business Innovation Hong Kong, please provide your contact below:

Name: _____

Company: _____

Telephone: _____ Email: _____

Glossary

3R	Reduce, Reuse and Recycle	HR	Human Resources
3R+V	Reliability, Responsiveness, Relationship and Value	ICT	Information and Communications Technology
5S	Seiri, Seiton, Seiso, Seiketsu and Shitsuke	IEC	International Electrotechnical Commission
AI	Artificial Intelligence	IoT	Internet of Things
CDMO	Contract Development and Manufacturing Organization	ISO	International Organization for Standardization
CHF	Children's Heart Foundation	IT	Information Technology
CMP	Chemical Mechanical Planarization	IVD	In Vitro Diagnostic
CMYK	Cyan, Magenta, Yellow and Key (Black)	MEMS	Microelectromechanical systems
CNY	Chinese New Year	MFP	Multifunction Printer
CO2	Carbon Dioxide	MRI	Magnetic Resonance Imaging
CoC	Chain of Custody	NGOs	Non-governmental Organizations
COVID-19	Coronavirus Disease 2019	NOx	Nitrogen Oxides
CSR	Corporate Social Responsibility	OHS	Occupational Health & Safety
CT	Computed Tomography	PM	Particulate Matter
dpi	Dots per inch	R&I	Rating and Investment Information
DX	Digital Transformation	SBT	Science Based Targets Initiative
ESG	Environmental, Social and Governance	SDGs	Sustainable Development Goals
FSC™	Forest Stewardship Council™	SEHK	The Stock Exchange of Hong Kong Limited
FTSE	Financial Times Stock Exchange	SMC	Senior Management Committee
FY	Fiscal Year	SMEs	Small and Medium Enterprises
GHG	Greenhouse Gas	SRI	Socially Responsible Investment
GRI	Global Reporting Initiative	SVP	Sustainable Value Plan
HKMA	Hong Kong Management Association	TCFD	Task Force on Climate-related Financial Disclosures
HKQAA	Hong Kong Quality Assurance Agency	TSG	Total Satisfaction Guarantee
HKSAR	Hong Kong Special Administrative Region	UN	United Nations
HKUST	The Hong Kong University of Science and Technology	WEEE	Waste Electrical and Electronic Equipment
		WWF	World Wide Fund for Nature

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