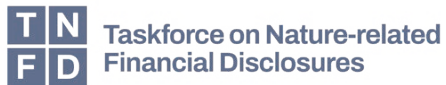


FUJIFILM Holdings Corporation

TNFD Report



Issued in September 2024

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1 Basic Approach

1. Policy

The Fujifilm Group acknowledges that all of our business activities have benefited from and impacted the natural environment and places a focus on the environment and conservation of biodiversity since our foundation. In contributing to realizing a sustainable society through business activities, we perceive Nature Positive (halting and reversing nature loss, and recovering nature) as one of priority social tasks, and have adopted the following as the policy to provide the basis for this concept.

FUJIFILM Holdings Green Policy (Environmental Policy) <https://holdings.fujifilm.com/en/sustainability/vision/policy/green>

FUJIFILM Holdings – Guidelines for Biodiversity

<https://holdings.fujifilm.com/en/sustainability/vision/policy/biodiversity>

FUJIFILM Holdings Procurement Policy <https://www.fujifilm.com/jp/en/about/sustainability/procurement>

2. Main initiatives for the Biodiversity Conservation

Business sites	• Focusing measures in “water-stressed areas” https://holdings.fujifilm.com/en/sustainability/activity/environment/priority-issue-2#link01 • Using and reusing rainwater as coolant and developing watershed protection forests and recharge fields for the conservation of water resources https://www.fujifilm.com/jp/en/about/brand/story/campaign/socialcontribution/environment/07 • Maintaining on-going cleaning of on-site water sources and general river systems https://holdings.fujifilm.com/en/sustainability/activity/environment/group
Products	• Incorporating the perspective of “biodiversity conservation” into design for environment https://holdings.fujifilm.com/en/sustainability/activity/environment • Engaging suppliers in respecting human rights and conserving the environment / biodiversity under the Sustainable Procurement Guidelines https://www.fujifilm.com/files-holdings/en/sustainability/vision/policy/procurement/about_sustainability_procurement_guidelines_202203_en.pdf • Enforcing procurement from forest resources that are considerate to the environment and human rights under the “Procurement Rules for Plant-Derived Materials” https://www.fujifilm.com/jp/ja/about/procurement/concept • Reinforcing governance with the establishment of the ESG Paper Procurement Committee (2014) for enhanced compliance with the Paper Procurement Rules https://www.fujifilm.com/fbglobal/eng/company/csr/svp2030/environment/bio.html
Local Communities	• Contributing to local communities through the Fujifilm Green Fund (established in 1983; first conservation-themed public trust fund created by a Japanese company) https://holdings.fujifilm.com/en/sustainability/activity/other-activities/social-contribution-activities/greenfund • Partnering with NPOs to educate the public on plantation and nature https://holdings.fujifilm.com/en/sustainability/activity/other-activities/social-contribution-activities/plantgreenery https://kansatsuro.jeef.or.jp/about • Joining the Ministry of the Environment’s 30by30 Alliance https://policies.env.go.jp/nature/biodiversity/30by30alliance/

3. About TNFD

TNFD (Taskforce on Nature-related Financial Disclosures) is an international initiative to build a framework for private companies and financial institutions to assess their business activities' impact on the environment and biodiversity and disclose their findings. The Framework v1.0 was released in September 2023. In support of TNFD recommendations, Fujifilm joined the TNFD Forum, a group of stakeholders supporting TNFD discussions and registered as an TNFD Adopter*¹ in 2024. This report presents the results of analysis and assessment, conducted in the LEAP Approach*² based on the Framework v1.0. We will start addressing issues identified in the analysis, and work on expanding the scope of analysis.



*¹ TNFD Adopter: Private companies and organizations that have registered their information disclosure intention in line with the TNFD recommendations on TNFD Forum's website. The registered companies declare the intention to disclose information in accordance with TNFD recommendations for 2023, 2024 or 2025.

*² LEAP Approach: An integrated approach for assessing nature-related issues under TNFD recommendations. The approach consists of Scoping (preliminary assessment), and four analysis steps of [Locate], [Evaluate], [Assess] and [Prepare], i.e. locating one's interface with nature, evaluating dependencies and impacts on nature, assessing nature-related risks and opportunities and preparing to report countermeasures, indices, targets and other information.

2 General Requirements

1. The application of materiality

In our Nature-related impact assessment under TNFD, we adopt a double materiality approach that assesses our natural environmental and social impact, as well as our financial impact based on our business scale.

2. The scope of disclosures

We have selected approx. 30 products and 300 business sites representing each of Fujifilm Group's business operations, and conducted preliminary assessment. For products, ENCORE*³ was used to score our dependencies and impacts on nature linked to business sectors and production processes across the value chain to identify products that should be focused. As for business sites, their location information was used to examine surrounding areas' nature characteristics and other important factors (e.g. ecosystem integrity), thereby determining the level of biodiversity and water risks. We considered these findings and incorporated the level of financial impact based on the scale of each of the products and business sites (e.g. revenues) to narrow down items for priority assessment. This scoping process selected Business Innovation segment's MFPs (Multifunction Printers), printers and papers as the items for initial analysis. The Business Innovation segment's direct operations have a relatively low level of environmental impact compared to the rest of Fujifilm Group's operations (See the amount of water intake, GHG emission etc. shown in "6. Metrics and Targets"). However, it is a core business in relation to "Work Style," a priority area listed in our long-term CSR plan, Sustainable Value Plan 2030 (hereinafter SVP2030). Papers are also products using forest resources, thereby being prioritized from the perspectives of conserving biodiversity and respecting the rights of local residents.

The selected products were assessed for nature-related dependencies, impact, risks and opportunities across the entire value chain including upstream to downstream and related business sites. For details, see "4. Risk and Impact Management" and "5. Strategy." We plan to expand the application of the LEAP approach to products in other business categories in stages.

*³ ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure): A nature-related risk analysis tool provided by the Natural Capital Finance Alliance, etc. (The pre-June 2024 version was used in the analysis covered in this report.)

3. The locations of nature-related issues

Out of some 70 sites (direct operations, warehouses, sales facilities, contractors, suppliers etc.) handling Business Innovation segment's MFPs, printers and papers, we selected about 40 sites as locations where potential nature-related issues might exist based on data from preliminary assessment, conducted in the Scoping stage. Target regions include Japan, China, Asia, United States and Oceania. These 40 sites were examined in the LEAP approach to identify locations where nature-related issues exist. Locations

that are confirmed to have nature-related issues in the Locate stage of investigation into the surrounding natural environment, are defined as “sensitive locations.” Locations that are confirmed to have dependencies, impacts and potential risks in subject sites’ activities and surrounding locations’ interfaces with nature, as identified in the Evaluate and Assess stages, and are assumed to have important risks based on relative assessment inside subject sites, are defined as “material locations.”

4. Integration with other sustainability-related disclosures

The Fujifilm Group has, since adopting TCFD recommendations in 2018, disclosed climate-related risks and opportunities based on the recommendations. In the analysis of nature-related issues in this report, we focused and assessed climate-related topics as one of the nature-related items. We will integrate climate-related disclosure and nature-related financial information disclosure in the future to achieve comprehensive disclosure of environmental information.

5. The time horizons considered

The timeframe of this nature-related impact assessment is today to 2026 (short term), 2027 – 2030 (mid term; SVP2030’s target year) and 2031-2050 (long term).

6. The engagement of local communities and stakeholders in the identification and assessment of nature-related issues

As a member of local communities, the Fujifilm Group discloses information on our own conservation activities, and continues to gather feedback from local residents in forms such as an environmental dialog gathering. We will continue to further reinforce environmental activities at our business sites, and actively disclose and disseminate information to external parties.

3 Governance

Fujifilm Group’s environmental activities including those addressing nature-related issues are discussed and determined at the ESG Committee, chaired by the President, and reported to the Board of Directors. The Board then issues instructions and advice on the report from the ESG Committee to secure the effectiveness of the process.

The ESG Committee deliberates on environment-related issues along with other compliance and risk issues as priority risks or opportunities. The Board receives a report from the ESG Committee and plays an on-going supervisory role on the management level for the Fujifilm Group’s issues in the environmental, social and governance fields. In recent years as a response to climate change, the ESG Committee has set the targets for reducing carbon emission and introducing renewable energies, while also making decisions on participating in climate-related initiatives such as supporting the TCFD recommendations, joining the RE100 and obtaining SBT certification. In nature-related areas the Committee has incorporated the conservation of biodiversity to the SVP2030 as a priority task in the category of environmental safety, and deliberated on information disclosure in pursuant to TNFD recommendations. The outcome of these deliberations is reported to the Board for further discussions.

In FY2023, the GX Committee was formed under the ESG Committee to reflect company-wide policies, strategies and ESG Committee’s decisions to the operations of individual business groups and business sites effectively. The GX Committee consists of all business groups’ general managers as well as general managers in charge of production, procurement and R&D. Other managers are additionally invited to meetings in accordance with discussion items on the agenda.

[GX Committee’s tasks]

- Managing the progress of environmental performance at individual business groups / business sites and exploring response policies
- Examining environmental measures suggested by individual business groups / business sites, discussing their effectiveness and reporting / suggesting them to the ESG Committee

- Applying ESG Committee's decisions to specific operations of individual business groups / business sites

See the following web pages for details of our corporate governance structure, Board analysis (deliberation ratio of sustainability-related issues) and directors' skill matrix:

- Corporate governance structure <https://holdings.fujifilm.com/en/about/governance/structure>
- Agenda analysis by the Board of Directors – The Evaluation of the Effectiveness of the Board of Directors <https://holdings.fujifilm.com/en/about/governance/board-of-directors>
- Directors' skill matrix (Convocation of the 128th Annual General Meeting of Shareholders) https://ir.fujifilm.com/en/investors/stock-and-shareholder/shareholders-meeting/main/02/teaserItems1/07/tableContents/00/multiFileUpload2_0/link/Notice%20of%20Convocation.pdf

With growing association between nature-related issues and human rights, the Fujifilm Group recognizes “respecting human rights” as a concept that must be fulfilled by private companies. In conducting business operations at sites spread across some 50 countries worldwide, we perceive local communities as key stakeholders and respect their cultures and customs, while also paying considerations to the rights of people involved in local communities. The Fujifilm Group Charter for Corporate Behavior and Code of Conduct, available in 24 languages, sets forth our basic stance on respect for human rights. We also support international principles on human rights including the U.N. International Bill of Human Rights and the U.N. Guiding Principles on Business and Human Rights, while also adopting the Human Rights Statement declaring our commitment to taking actions for assessing and reducing potential human rights risks in business activities.

Fujifilm Group's priority tasks concerning human rights and outcome of preventive and mitigation measures are reported to and discussed at FUJIFILM Holdings' ESG Committee, before being referred to the Board of Directors.

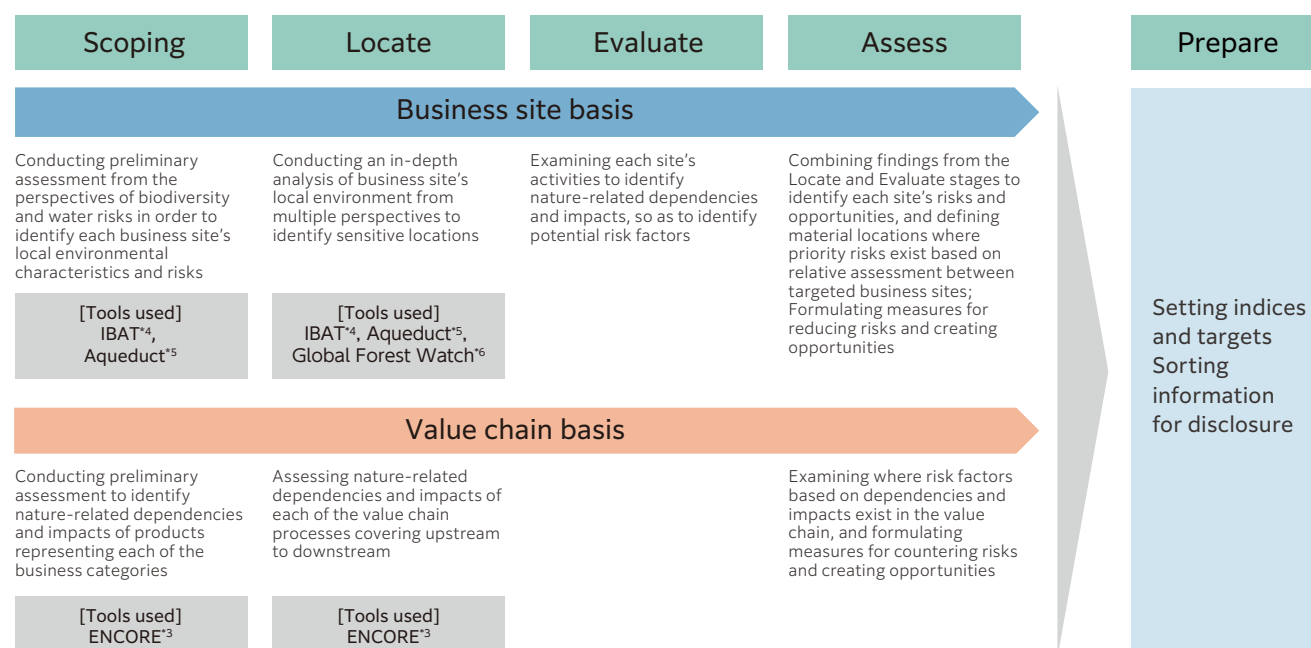
See the web pages below for Fujifilm Group's Human Rights Statement and its initiatives for respecting human rights:

- Fujifilm Group Human Rights Statement <https://holdings.fujifilm.com/en/sustainability/vision/policy/statement>
- Fujifilm Group initiatives for respecting human rights <https://holdings.fujifilm.com/en/sustainability/activity/other-activities/human-rights>

4 Risk and Impact Management

1. Process for identifying risks and impacts

The Fujifilm Group conducts assessment in the LEAP approach on the business site basis and value-chain basis in order to identify our nature-related dependencies, impacts, risks and opportunities in business activities.



(1) Business site basis assessment

- Scoping: Conducting preliminary assessment from the perspectives of biodiversity and water risks in order to identify nature-related characteristics and risks of targeted sites' surrounding areas (Tools used: IBAT^{*4}, Aqueduct^{*5})
- Locate: Examining the characteristics and risk factors in the natural environment surrounding each of the targeted sites in terms of four cautionary factors i.e. "biodiversity importance," "ecosystem integrity," "rapid decline in ecosystem integrity" and "physical water risks" to identify sensitive locations (Tools used: IBAT^{*4}, Aqueduct^{*5}, Global Forest Watch^{*6})
- Evaluate: Examining the activities of each of the sites identified as sensitive locations to identify nature-related dependencies and impacts, so as to identify potential risk factors; More specifically, the assessment is conducted in the following steps:
 - (i.) Examine each site's activities to break them down to elements related to "site / operation overview," "input," "siting" and "output," and identify factors that could lead to each element's dependencies and impacts at interfaces with nature. According to the TNFD recommendations, we examined dependencies in terms of ecosystem services, and impacts in terms of impact drivers.
 - (ii.) Factors that do not have dependency-replacing and impact-reducing measures were identified as potential risk factors.
- Assess: Combine the potential risk factors (dependencies and impacts) identified in the Evaluate stage with surrounding natural conditions examined in the Locate stage to determine whether each of the business sites has risks and potential risks, and identify sites and their surrounds that are found to have significant risks based on relative assessment between targeted business sites as "material locations." Then, compile tasks for reducing risks and gaining opportunities.

(2) Value chain basis assessment

- Scoping: Conducting preliminary assessment based on nature-related information linked to applicable industry sectors and production processes in order to identify nature-related dependencies and impacts of products representing each of the business categories. (Tools used: ENCORE^{*3})
- Locate: Examining the products representing the business categories selected in the above stage in terms of the level of main constituting ingredients, and assessing their nature-related dependencies and impacts in each of the processes of the value chain covering upstream (collecting raw materials etc.), midstream (manufacturing interim and final products etc.) and downstream (distribution, consumption, disposal etc.) (Tools used: ENCORE^{*1})
- Assess: Use the results of the Locate stage to examine whether dependency / impact risk factors exist in the value chain (upstream, midstream, downstream), and draw up measures for addressing risks and creating opportunities.

(3) Disclosure preparation

- Prepare: Integrate and sort the results of both of the above assessments to set indices and targets, and prepare for disclosure.

Reference: Tools used

^{*3} ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure): A nature-related risk analysis tool provided by the Natural Capital Finance Alliance (The pre-June 2024 version was used in analysis for this report.)

^{*4} IBAT (Integrated Biodiversity Assessment Tool): A biodiversity risk analysis tool provided by the IBAT Alliance, in which the United Nations Environmental Programme (UNEP) etc.

^{*5} Aqueduct: A water risk analysis tool provided by the World Resources Institute

^{*6} Global Forest Watch: A tool for analyzing the conditions of forests, provided by WWF

2. Organizational risk management process

Each of the business groups addresses nature-related risks identified in the above processes. Important risks are reported to the GX Committee and the ESG Committee, which then passes on to the Board of Directors. The Board is responsible for overseeing group-wide compliance and risk management, and provides instructions / advice in response to reports submitted by the ESG Committee to ensure the effectiveness of the processes.

See the website below on Fujifilm Group's Compliance & Risk Management Structure.

 <https://holdings.fujifilm.com/en/sustainability/vision/compliance>

5 Strategy

1. Market conditions and business strategy

Print volumes on MFPs and printers are downwards due to digitization and hybrid work, although decline in A3 color is moderate due to replacement from monochrome. While the need for DX is increasing, SME customers are facing challenges due to a lack of resources, resulting in a delay in achieving DX. With the basic strategy of “Become a solution partner supporting the digital shift of every customer, starting with the best devices for the environment and sustainable customer service,” we plan to make environmental response, reinforce our business foundation, expand market presence and provide solution services to achieve business growth.

<Basic strategy>

- Environmental response: Responding to environmental laws / regulations (eco designs, chemical substances, etc.) and environmental labelling, promoting the introduction of renewable energies and energy-saving measures to business sites in climate response, reinforcing resource-recycling activities for promoting transition to the circular economy
- Reinforcing business foundation: Considering operational partnership with industry stakeholders concerning procurement and toner development / production
- Market expansion: Enhancing business deployment to the European market etc.
- Reinforced delivery of solution services: Supporting operational optimization for SMEs

2. Results of assessment on MFPs and printers in the LEAP approach (identifying dependencies, impacts, risks and opportunities) and tasks

(1) Defining assessment results and tasks

<Business site basis>

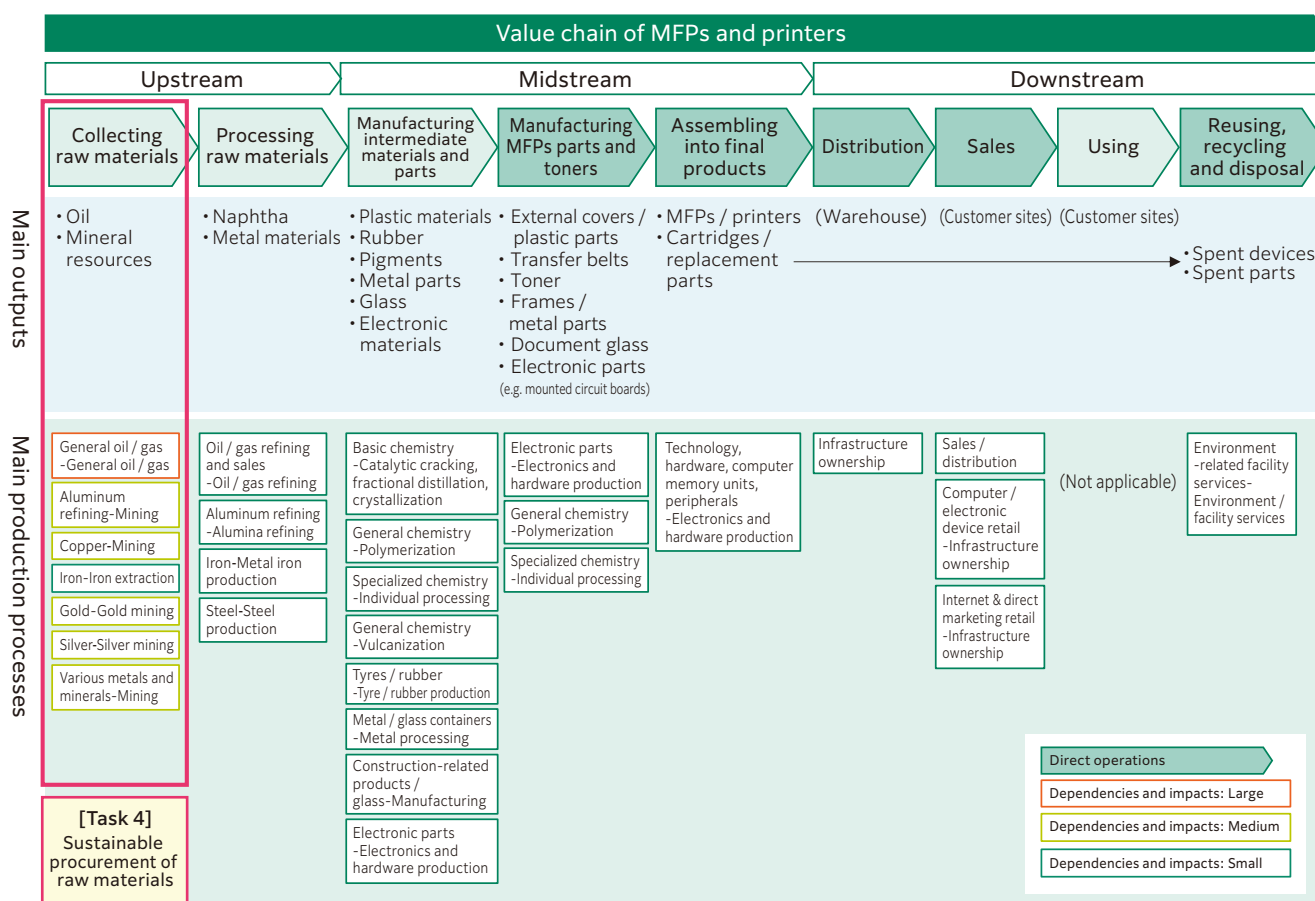
- Locate: All 40 sites identified as having potential nature-related tasks based on the preliminary assessment in the Scoping stage, were found to have at least one of the four cautionary factors i.e. “biodiversity importance,” “ecosystem integrity,” “rapid decline in ecosystem integrity” and “physical water risks” and were therefore designated as sensitive locations.
- Evaluate-Assess: Activities of each of the sites at the sensitive locations were investigated to identify potential risk factors from the perspectives of nature-related dependencies and impacts. These factors were combined with surrounding natural conditions, examined in the Locate stage, to assess the presence and manifestation probability of risks at each of the business sites and check significant potential risks based on relative assessment between the business sites. As a result, the following production-related risks (i) - (iii) were identified.
 - (i) Tight supply of water resources: There are areas with a relatively high level of water stress at and around production sites that extract and use groundwater, creating a risk of tight water supply.
 - (ii) Climate change: All production sites use energy for running facilities, thus emitting CO₂*.
(* Only CO₂ is described, representing GHGs, as Fujifilm Group’s emission reduction target.)
 - (iii) Loss of biodiversity due to the introduction of invasive alien species: In the past, there was a case of fire ants found in a container used to import parts.

To address these risks, we adopted the following tasks: [Task 1] promoting water saving and recycling, [Task 2] reducing CO₂ emission and [Task 3] controlling invasive alien species.

	Locate		Evaluate - Assessment				
	Surrounding natural environment		Interfaces with nature		Operating factors that could become a risk	Significant potential risks	Tasks
	Nature's domain		Dependencies	Impacts			
Site case 1	Freshwater (groundwater)	Water stress in surrounding areas	-Freshwater supply Water quality improvement -Water quality improvement	Resource use	Groundwater intake	Tight water supply	[Task 1] Promoting water saving and recycling
Site case 2	Atmosphere		Air purification	Climate change	CO ₂ emission	Climate change	[Task 2] Reducing CO ₂ emission
Site case 3	Land		—	Introduction of invasive alien species	Transported in an importation container	Loss of biodiversity due to the introduction of invasive alien specie	[Task 3] Controlling invasive alien species

<Value chain basis>

- Locate/Assess: As a result of ENCORE analysis, the production process involving the upstream collection of raw materials was found to have a high level of dependencies and impacts (Diagram below: upstream). Across the value chain, the collection of metal and plastic materials used in MFPs and printers was found to have a potential risk. In response, we adopted [Task 4] “procuring sustainable raw materials.”



In relation to the above, we adopted the following two tasks, which will contribute to reducing environmental impacts.

[Task 5] “Promoting resource recycling”: Reusing / recycling products and consumables etc.

(Promoting [Task 5] also contributes to [Task 2] (reducing CO₂ emission) and [Task 4] (procuring sustainable raw materials).)

[Task 6] “Enhancing solution services”: IT / operational solution services that lead to improving operations, saving energy or eliminating paper use

(2) Structuring risks / opportunities and tasks

Risks identified above in the LEAP approach and specific examples of their negative impacts on business are sorted by tasks defined according to the risk categories presented in the TNFD recommendations in the table below:

Risk category	Task	Risk	Negative impact on business	Term
Physical risks	Acute	1 Water intake difficulty due to deterioration of water quality attributable to other stakeholders	Loss caused by temporary operation suspension	Short to mid term
		3 Loss of biodiversity due to the introduction of invasive alien species	New expense for eliminating the alien species	Short to mid term
	Chronic	1 Lower groundwater level due to continuous water extraction	Reduced production volume due to intake restriction	Mid to long term
		2 Intensification of natural disasters due to on-going CO ₂ emission	Natural disasters causing operation suspension and increased expense for countermeasures	Long term
Transfer risks	Policies	1 Tightened intake restrictions following changes to local ordinance / standards	Reduced production volume due to intake restrictions	Short to mid term
		2 Tightened CO ₂ emission restrictions by laws / regulations	Increased cost of introducing new facilities with a lower environmental impact	Mid to long term
		4,5 Tightened regulations on the environment and human rights affecting procurement	Difficulty in obtaining procurement supplies reducing production volume or increasing the cost of countermeasures	Mid to long term
		5 Tightened regulations on resource recycling	Increase in countermeasure expenses and capital investment to respond to regulations	Mid to long term
	Market	2 Switch to products of companies that have more advanced climate measures	Reduced product demand	Long term
		1-5 Reduced corporate brand image due to inappropriate nature-related management	Criticism from customers, conservationist groups and industry organizations	Mid to long term
	Technology	1,2,4,5 Transition to technologies with a lower impact on nature	Increased cost of introducing new facilities with a lower environmental impact	Short to mid term

Opportunities are also sorted in line with the TNFD recommendations. The aforementioned [Task 6] “Enhancing solution services” is identified as an opportunity. In addition to tasks that bring a positive impact to nature directly, we have adopted actions that reduce a negative impact via [Tasks 1-5] delivering benefits to nature.

Opportunity category	Task	Opportunity	Positive impact on business	Term
Corporate performance	Fund	1,2,4,5 Use of Green Finance, various grants etc. for introducing processes and facilities that lead to environmental conservation	Creating a new fund-raising route	Mid to long term
	Resource efficiency	1 Introduction of facilities that lead to water saving and promotion of water recycling	Reducing the cost of operations in the long term	Mid to long term
		5 Promoted reusing of spent parts	Reducing the impact of skyrocketing material / resource costs	Mid to long term
		5 Use of recycled materials		
		2 Introduction of production technology that contributes to CO ₂ emission reduction	Reducing the threat of natural disasters caused by climate change	Long term
	Products and services	6 Delivery of solutions that assist corporate DX	Increasing revenues through the delivery of services that reduce the environmental impact	Mid to long term
Sustainable performance	Reputation capital	1 Cooperation to local conservation efforts for improving the sustainability of water sources	Improving relationship with local stakeholders	Mid to long term
	Sustainable use of resources	4 Expanded trading with suppliers that comply with laws / regulations and consider sustainability	· Reducing the cost of operations in the long term · Reducing the impact of skyrocketing material / resource costs	Mid to long term
	Ecosystem protection, restoration and regeneration	3 Protecting native species at and around business sites	Enhancing reputation from and relationship with local stakeholders	Mid to long term

(3) Acting on tasks

We position the Tasks 1-6, defined for reducing risks and gaining opportunities, as priority tasks in line with Business Innovation segment's basic strategy, and focus on their implementation.

[Task 1] Promoting water saving and recycling

We will make a combined use with tap water, and work on reducing water use and promoting water recycling further.

[Task 2] Reducing CO₂ emission

We will continue to promote efficient energy use in production processes and introducing renewable energies at all production sites. Initiatives to reduce CO₂ emission across all product lifecycle include introducing energy-saving designs to MFPs and printers, reusing parts from spent products and adopting the use of recycled materials (Task 6).

[Task 3] Controlling invasive alien species

In order to counter the risk of invasive alien species (e.g. fire ants), we will ensure checking importation containers according to the three principles of prevention (blocking their entry, preventing uncontrolled disposal and stopping proliferation), appropriately eliminating any alien species upon discovery and reporting such discovery to local governments.

[Task 4] Procuring sustainable raw materials

We stipulate biodiversity protection and respect to the rights of local residents under our sustainable procurement policy in order to ensure stable and sustainable material procurement. For minerals in particular, we seek information disclosure from suppliers concerning the use of child labor and conflict minerals, and promote the expanded use of suppliers that actively work on respect to human rights and environmental conservation.

[Task 5] Promoting resource recycling

After launching the collection, reusing and recycling of spent products and consumables in Japan in 1995, we deployed the initiative overseas in 2008 by establishing Fujifilm Eco Manufacturing in Suzhou, China in 2008. In June 2024, the Circular Manufacturing Center for collecting and regenerating toner cartridges was established in Europe under Fujifilm Manufacturing Europe B.V. (Netherlands) to start promoting resource recycling in the region. We will continue to promote reusing spent products / consumables and introducing the use of recycled materials in a bid to reduce the rate of resource use.

[Task 6] Enhancing solution services

We will provide various solution services that cater to DX needs in our society to facilitate work style reforms for higher efficiency and lower environmental impact.

The following table sort the above tasks according to value chain and local association:

〈Value chain basis〉		
(Upstream) [Task 4] Procuring sustainable raw materials	<Business site basis> Scoping (Locate) target: Approx. 70 sites (Japan and abroad)	
(Upstream - Downstream) [Task 5] Promoting resource recycling	Sensitive locations Approx 40 sites (Japan and abroad)	
(Downstream) [Task 6] Enhancing solution services		Material locations (7 production sites in Japan and abroad) [Task 1] Promoting water saving and recycling [Task 2] Reducing CO ₂ emission [Task 3] Controlling invasive alien species

3. Results of assessment on papers in the LEAP approach and tasks

Papers are procured from suppliers. This time, production sites of Japanese and overseas suppliers who agreed to cooperate were assessed in the LEAP approach.

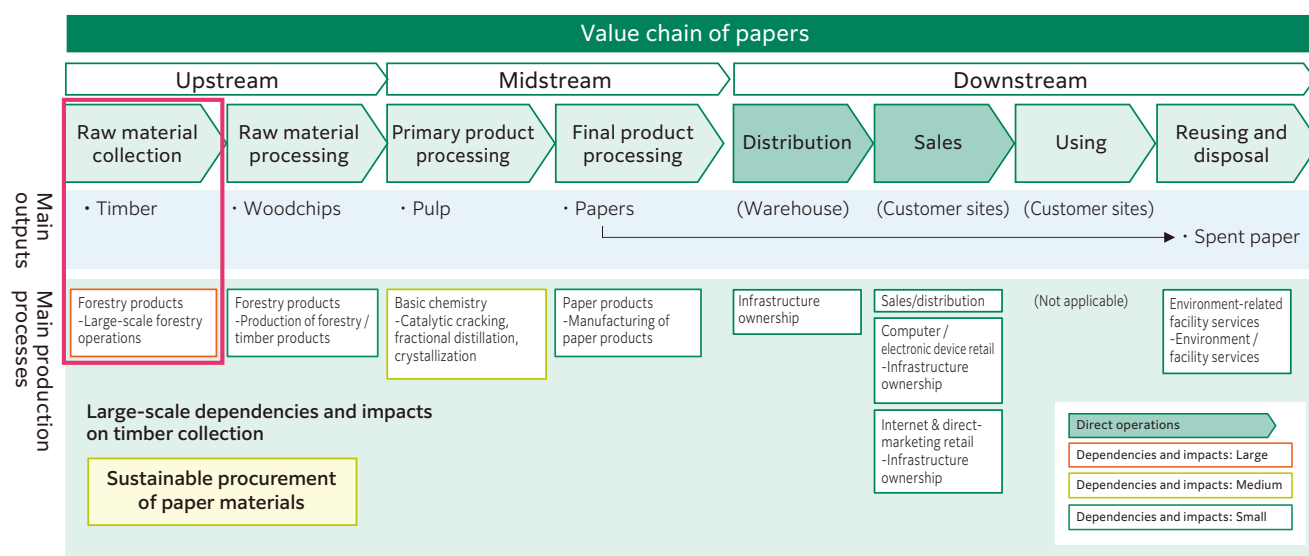
(1) Defining assessment results and tasks

<Business site basis>

Through the Locate, Evaluate and Assess stages, targeted production sites were identified as having potential risks such as (i) forestry resource supply risk, (ii) climate change risk with CO₂ emission and (iii) local water stress risk associated with water intake from local rivers. Sites that have at least one of the risks were identified as material locations.

<Value chain basis>

ENCORE analysis found a high level of dependencies and impacts on timber (raw material collection) upstream (shown in Upstream below) and “pulp (primary product processing) midstream (shown in Midstream below).



In relation to nature-related potential risks identified at targeted paper suppliers' production sites and in papers' value chain, priority tasks that suppliers should address are (i) sustainable procurement of paper materials, (ii) reduction of CO₂ emission and (iii) efficient use of water.

(2) Addressing tasks

We have shared the results of the latest analysis with suppliers and will help them step up their countermeasures in the future. Our Business Innovation has traditionally placed emphasis on biodiversity and human rights of local residents. We will expand the ratio of forest certified papers, in relation to (i) sustainable procurement of paper materials, to boost the sustainability of the value chain as a whole.

6 Metrics and Targets

The Fujifilm Group discloses, among TNFD's core disclosure metrics, indices related to the above-mentioned tasks including wastewater volume, GHG emission, non-GHG emission of air pollutants and waste volume, as well as gross water intake as an additional metric. Furthermore, FUJIFILM Business Innovation discloses additional disclosure metrics concerning nature-related tasks including MFPs' resource use rate (related to A23.4 circular material use rate), 3TG minerals' (tin, tungsten, tantalum, gold) RMAP certified refinery rate and raw material report collection rate from paper suppliers (related to A22.4 ratio of suppliers that are working on sustainable production). We are preparing for the disclosure of core disclosure metrics that have yet to be disclosed.

(1) Fujifilm Group's metrics and targets

Disclosure number	Item		Fujifilm Group performance for FY2023 *() shows Fujifilm Business Innovation figures	FY2030 target	Related tasks
A3.0	Total water consumption and withdrawal	Tap water	4.5 million m ² (0.4 million m ²)	Reducing water use by 30%	MFPs-Task 1
		Industrial water	3.2 million m ² (0 million m ²)		
		Groundwater	338K m ² (1.3 million m ²)		
		Rainwater etc.	0.2 million m ² (0 million m ²)		
		Total water intake	418K m ² (1.7 million m ²)		
C2.1	Wastewater discharged	Sewage	15.5 million m ² (0.4 million m ²)	No individual targets are set. (The water use target is set.)	—
		Rivers	20.2 million m ² (1.1 million m ²)		
		Others	0.9 million m ² (0 million m ²)		
		Total wastewater discharged	36.6 million m ² (1.5 million m ²)		
C2.2	Waste generation and disposal	Waste generated	100.7K t (11.9K t)	30% reduction (v.s. FY2013)	MFPs-Task 4
		Designated hazardous waste generated	2,481t (792t)	No individual targets are set.	
—	GHG emission	Scope 1	534K t-CO ₂ (30K t-CO ₂)	Scopes 1 & 2 total: 50% reduction Product lifecycle CO ₂ : 50% reduction (v.s. FY2019)	MFPs-Task 2
		Scope 2 Market basis	390K t-CO ₂ (99K t-CO ₂)		
		Scope 2 Location basis	454K t-CO ₂ (105K t-CO ₂)		
		Scope 3	7,926K t-CO ₂ (1,364K t-CO ₂)		
C2.4	Non-GHG air pollutants	SOx emission	15t	No individual targets are set.	MFPs-Task 2
		NOx emission	252t		
		Dust emission	5.0t		
		VOC emission	560t	Below the minimum level over the last 3 years	
C7.4	Proportion of revenue from products producing demonstrable positive impacts on nature	Listing the sales ratio of Green-Value-Products-certified products* as a related indicator	28%	60% (FY2030)	MFPs-Task 2, Task 6

*Green Value Products-certified products: Products certified under Fujifilm Group's system that assesses products' environmental items such as "measures for climate change," "resource saving and recycling," "risk minimization for chemical substances," and "biodiversity" from the perspective of lifecycle to recognize products that contribute to reducing the environmental impact

<https://holdings.fujifilm.com/en/sustainability/activity/environment/green-value-products>

(2) Business Innovation segment's metrics and targets

Disclosure number	Item		FY2023 performance	FY2030 target	Related tasks
C3.1-related	C3.1 Quantity of high-risk natural commodities procured and quantity under certification programme	Business Innovation segment' metric Ratio of "forest certification paper" brands in paper products in Japan	42%	No individual targets are set, but efforts are made to improve.	Papers-Task 2
A23.4-related	A23.4 Circular material use rate	Business Innovation segment' metric New resource use rate*	83%	60% or below	MFPs-Task 5
A22.4-related	Proportion of suppliers committed to and effectively implementing sustainable production	Ratio of refineries with RMAP certification for 3TG minerals	3TG: 63% Cobalt: 55%	Efforts are made for on-going improvement.	MFPs-Task 4
		Ratio of collecting statements, checklists and materials report from paper suppliers	100%		Papers-Task 2

*New resource use rate: The ratio of new resources (fossil fuel, gold, silver, copper, iron and other depleting resources) used in the total weight of MFPs, printers, production units, packaging, drum toner cartridges and optional items

7 Looking ahead

We will continue to promote measures for achieving and addressing the abovementioned tasks and metrics in the Business Innovation segment. The Fujifilm Group plans to, for assessing and addressing company-wide nature-related dependencies, impacts, risks and opportunities, expand the application of the LEAP approach to products in business categories other than Business Innovation as well in stages, while also considering to adopt business strategy based on scenario analysis and expand the application of disclosure metrics.



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