

FUJIFILM Business Innovation Hong Kong Limited

# Sustainability Report 2023



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Cover Story

The cover of this report features Wong Yuk Shing (left) and Wong Yuk Lam (right), the sons of our employee Christy Wong, enjoying their camping in an environment full of sunshine and green plants. In accordance with the Fujifilm Group's commitment toward our goal of contributing to the realization of a sustainable society for ourselves and future generations, we will continuously put efforts into driving business innovation and creating a sustainable society through our innovative and sustainable products, solutions and services that will make a better world.



### ► Our Top Priority

As Hong Kong businesses face a myriad of challenges, such as the shift towards remote workforces and distributed networks, rising security threats, and increasingly volatile and competitive markets, FUJIFILM Business Innovation Hong Kong Limited (FUJIFILM BI HK) strives to support local enterprises to embrace sustainable digital transformation (DX) by adding value and managing volatility and to develop a Smart Workstyle that accelerates business success. FUJIFILM BI HK values an ecosystem approach that brings together business, government, and academia to spark innovation and promote the application of new technologies so as to achieve sustainability. For example, hosting the first Hong Kong metaverse contract signing ceremony, being one of the founding members of the Institute of Web 3.0 Hong Kong and the first Information Technology (IT) services companies in Hong Kong to be involved in document tokenization and payment execution via public blockchains, etc. Meanwhile, our artificial intelligence (AI) powered Managed Security Service helps businesses enhance their overall capability to defend against cyber security threats.

With the advancement of digital technologies that can reduce energy and paper consumption, the Fujifilm Group has been actively adopting these innovations in the implementation of our Green Value Climate Strategy and the realization of key Sustainable Development Goals (SDGs), including:

- "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, and
- "Goal 13 - Climate Action" by offering energy-efficient products and solutions, and launching office energy efficiency initiatives that help achieve "Carbon Neutral".

### ► Looking Backward

The fiscal year (FY) 2022 was full of challenges, although the impact of the Coronavirus Disease 2019 (COVID-19) pandemic had subsided and the border between Hong Kong and mainland China was reopened in February 2023. Resilient to the impact of global disruptions, we continue to adopt the Task Force on Climate-related Financial Disclosures (TCFD) recommendations to review our business from the perspectives of "Governance", "Strategy", "Risk Management" and "Metrics and Targets".

Guided by the Fujifilm Group's Sustainable Value Plan (SVP) 2030 and its climate action targets, we were committed to reducing our Carbon Dioxide (CO<sub>2</sub>) emissions across the entire product life cycle by 50% (compared to FY2019 levels) by FY2030. As an overseas operating company, we also promoted and delivered "Green Value Products" with excellent environment performance to our customers, and worked closely with our business partners to launch sustainable, value-added solutions and services.

### ► Moving Forward

Striving to achieve our new Group Purpose "Giving our world more smiles" through all FB Business, FUJIFILM BI HK will continue to empower our customers and stakeholders in Hong Kong to embark on an exciting transformation journey towards a Smart Workstyle. As a distinguished leader of DX solutions and services, we will help businesses overcome challenges by harnessing the power of innovation, such as ramping up automation to Hyperautomation, collaborating with unified communications to deliver a Total Experience, and deploying the Cybersecurity Mesh security frameworks. Furthermore, we are excited to support our customers and stakeholders in reducing their CO<sub>2</sub> emissions via our energy-efficient products, solutions, and services.



# Fujifilm Group's Purpose

## Giving our world more smiles

We bring diverse ideas, unique capabilities, and extraordinary people together to change the world.

### Corporate Slogan

## Value from Innovation

### How We Act

We approach all our activities with an “open, fair and clear” corporate culture.

#### 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

## VISION2030

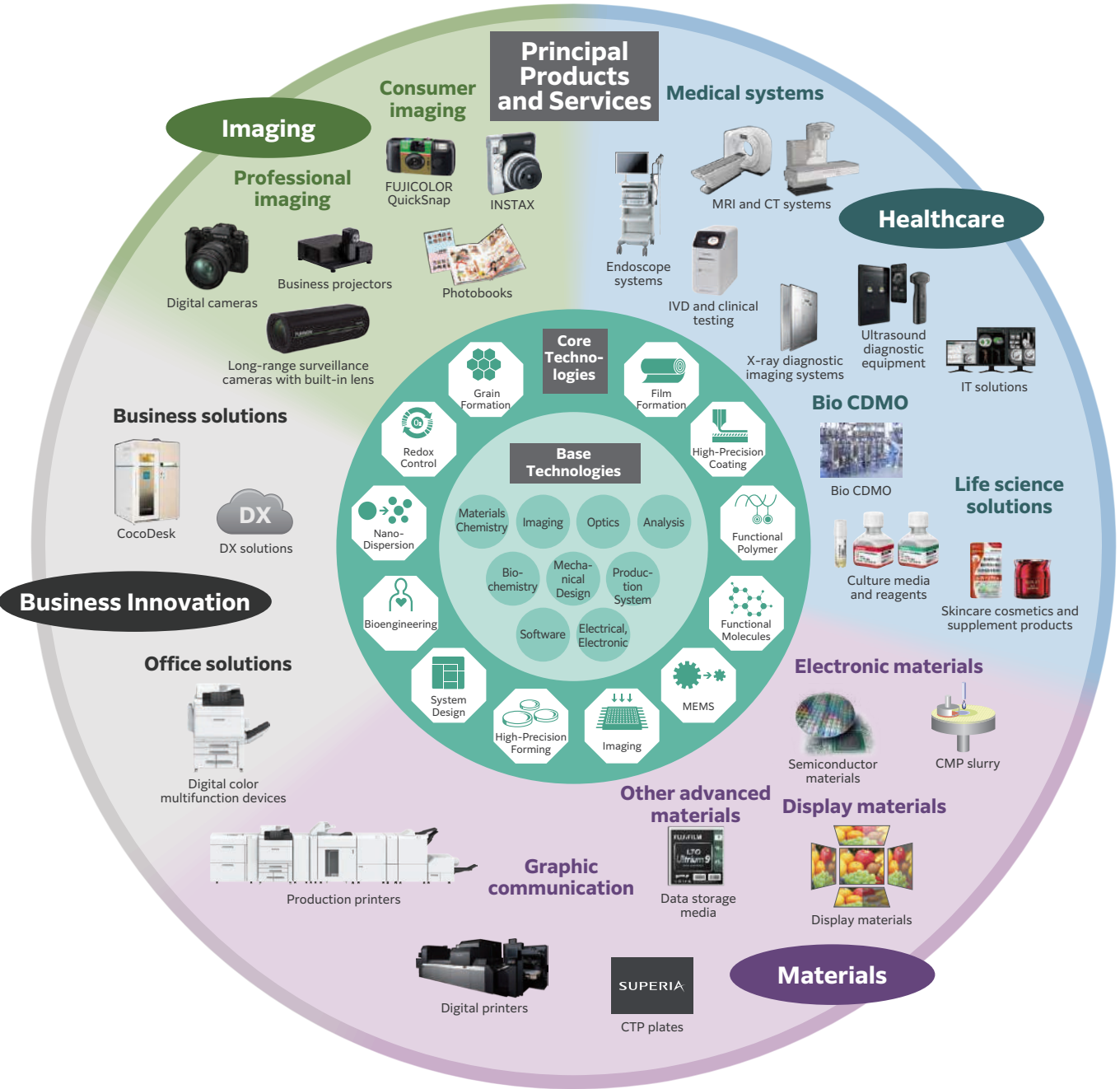
Under the banner of the Group's Purpose "Giving our world more smiles" all employees of the Fujifilm Group, who have diverse backgrounds and values, will carry out the action plan VISION 2030 toward the Sustainable Value Plan 2030 with aspiration.

## 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

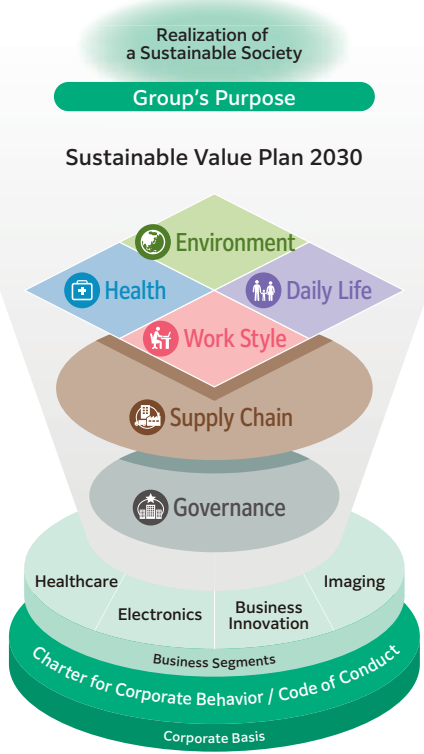
Under the CSR plan “Sustainable Value Plan 2030 (SVP2030),” which outlines our long-term vision targeting fiscal 2030, we will use leading-edge, proprietary technologies to provide top-quality products and services. By doing this, we will work to resolve social issues through our business activities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

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
<b>Environment</b> 1. Address climate change 2. Promote recycling of resources 3. Biodiversity conservation 4. Ensure product and chemical safety	● ● ● ●	● ● ●	
<b>Health</b> 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	● ● ● ●	● (Employees)	
<b>Daily Life</b> 1. Contribute to creating a safe and secure society 2. Contribute to enriching humanity and relationships between people	● ●		
<b>Work Style</b> 1. Create environments that lead to a motivated workplace (provision of solution services) 2. Develop and utilize diverse human resources	●	● (Employees) ● (Employees)	
<b>Basis of Business Activities</b>			
<b>Supply Chain</b> Strengthen CSR foundations across the entire supply chain including factors of the environment, ethics, and human rights			
<b>Governance</b> Improve and maintain governance structures by further disseminating an open, fair and clear corporate culture			

INTEGRATED REPORT 2023

SUSTAINABILITY REPORT 2023







The FUJIFILM Business Innovation Hong Kong Sustainability Report 2023 (“this report”) 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 FY2022

Priority Area	Priority Issues	Major Targets for FY2030	Major Results and Activities in FY2022
<div>Environment</div>	<div>1. Address climate change.</div> <div>2. Promote recycling of resources.</div> <div>3. Address energy issues toward a decarbonized society.</div> <div>4. Ensure product and chemical safety.</div>	<div>• Reduce the Fujifilm Group's CO<sub>2</sub> emissions by 50% (compared to the FY2019 level). (achieve net zero CO<sub>2</sub> emissions by FY2040)</div> <div>• Reduce CO<sub>2</sub> emissions across the entire product lifecycle by 50% (compared to the FY2019 levels)</div> <div>• Sales percentage of Green Value Products: 60%</div> <div>• Contribute to a reduction in the CO<sub>2</sub> emissions generated in society by 90 million tons by FY2030 (accumulated value).</div>	<div>• Started partnership agreement with Tokyo Gas and Minamiashigara City to develop a net zero CO<sub>2</sub> emissions model in manufacturing.</div> <div>• Achieved carbon neutrality at a multifunction devices recycling center in China.</div> <div>• Introduced the internal carbon pricing system.</div> <div>• Certified 22 new products under the Green Value Products Certification Program, our environmentally conscious design standards (total 226 products, 30% of total sales for the Group).</div> <div>• Registered in the A List for the two areas of climate change and water security by CDP.</div>
<div>Health</div>	<div>1. Fulfill unmet medical needs.</div> <div>2. Improve accessibilities to medical services.</div> <div>3. Contribute to identifying diseases at an early stage.</div> <div>4. Contribute to health promotion and beauty.</div> <div>5. Promote management of a healthy workplace.</div>	<div>• Develop new treatment solutions/ Improve accessibility to new treatment solutions.</div> <div>• Expand and scale up AI &amp; IoT technology to reduce burdens on medical professionals.</div> <div>• Promote management of health and productivity to maintain employees' vitality.</div> <div>• Develop broader deployment of products and services utilizing medical AI technology. FY2023: 100 countries and regions FY2030: 196 countries and regions.</div>	<div>• Set up our first BIO CDMO site in Toyama to expand business in the Asian markets and strengthen the vaccine production system in Japan (Plan to start its operation in 2027).</div> <div>• Created new NURA centers, health checkup centers focused chiefly on cancer, in India (Gurugram and Mumbai).</div> <div>• Promoted to tackle with tuberculosis control initiatives in developing countries.</div> <div>• Opened FUJIFILM Mediterrace Yokohama as a health checkup facility for employees, as part of our health and productivity management.</div> <div>• Selected for the Health and Productivity Stock Selection Program for third consecutive year.</div> <div>• Deployed products and services utilizing medical AI technology (93 countries and regions).</div>
<div>Daily Life</div>	<div>1. Contribute to creating a safe and secure society.</div> <div>2. Contribute to enriching humanity and relationships between people.</div>	<div>• Develop and disseminate technology for products and services contributing to development of an ICT society.</div> <div>• Offering opportunities to enjoy photos that give forms to memories.</div>	<div>• Introduced CMP slurry production facilities and quality assessment equipment in the Kyushu plant of FUJIFILM MATERIAL MANUFACTURING Co., Ltd. for startup in January 2024, as a step to reinforcing the supply chain in semiconductor industry from the standpoint of economic security assurance, in addition to responding to the growing demand for new semiconductors as a result of advances in AI, IoT and 5G technologies.</div> <div>• Launched the flagship mirrorless digital camera with its high-speed continuous shooting, high-quality auto focus, video shooting and other features.</div> <div>• Held online exhibition of the entire collection of works in The Heart to Heart Communication—"PHOTO IS" Photo Exhibition.</div>
<div>Work Style</div>	<div>1. Create environments that lead to motivated workplace (provision of solution services).</div> <div>2. Develop and utilize diverse human resources.</div>	<div>• Create environments that lead to motivated workplace (provision of solution services).</div> <div>• Develop and utilize diverse human resources.</div>	<div>• Acquired Smart Messaging Services Pty. Ltd., the digital messaging service company.</div> <div>• Acquired the IT service company, MicroChannel Services Pty. Limited for full-scale global expansion of the business launched in January 2022, namely, sales and implementation support for core systems focused on Microsoft Dynamics 365.</div> <div>• Increased ratio of female managers (from16.1% in FY2021 to 16.5% in FY2022).</div>
<div>Supply Chain</div>	<div>Strengthen CSR foundations across the entire supply chain including factors of the environment, ethics, and human rights.</div>	<div>• Promote sustainable procurement.</div>	<div>• CSR self-check Requesting companies and sites/ Response rate: 774 companies and 1,236 sites (92%); Percentage of companies that reached 90% compliance: 70%.</div> <div>• Response rate in conflict minerals to the survey / percentage of RMAP-conformant smelters: 99% / 50%.</div> <div>• Percentage of suppliers who satisfy all of our paper procurement regulation standards: 100%.</div>
<div>Governance</div>	<div>Improve and maintain governance structures by further disseminating an open, fair and clear corporate culture.</div>	<div>• Improve compliance awareness across the entire global Group and reinforce risk management.</div>	<div>• Implemented training programs organized globally, including anti-corruption training for compliance with laws and regulations of various countries, as well as for the Fujifilm Group Charter for Corporate Behavior and Code of Conduct.</div> <div>• Organized drills on first response at a cyberincident with participation of executive officers and managers of business divisions who are responsible for information security.</div> <div>• Implemented globally the Fujifilm Group Employee Engagement Survey that consolidated the past compliance awareness surveys to cover all executive officers and employees.</div>

Appraisals and Awards

Credit ratings (As of November 2, 2023)

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

Note: " — " indicates no credit rating available.

Main Initiatives

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)












[The main Initiatives FUJIFILM Business Innovation Corp. participates]

- Responsible Business Alliance
- Responsible Minerals Initiative

Adoption of socially responsible investment (SRI)

<div>FTSE4Good</div> <div>FTSE4Good Global Index</div>	<div>FTSE Blossom Japan</div> <div>FTSE Blossom Japan Index</div>	<div>FTSE Blossom Japan Sector Relative Index</div> <div>FTSE Blossom Japan Sector Relative Index</div>	<div>S&amp;P/JPX Carbon Efficient Index</div> <div>S&amp;P/JPX Carbon Efficient Index</div>
<div>2024 CONSTITUENT MSCI JAPAN ESG SELECT LEADERS INDEX</div> <div>MSCI Japan ESG Select Leaders Index</div>	<div>2024 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)</div> <div>MSCI Japan Empowering Women Index (WIN)</div>	<div>2024 CONSTITUENT MSCI NIKONKABU ESG SELECT LEADERS INDEX</div> <div>MSCI Nihonkabu ESG Select Leaders</div>	

Appraisals from external organizations

<div>CDP Climate Change A List 2023</div> <div>CDP Climate Change A List</div>	<div>CDP Supplier Engagement Leader 2023</div> <div>CDP SUPPLIER ENGAGEMENT</div>	<div>JPX-NIKKEI 400</div> <div>JPX Nikkei Index 400</div>	<div>2024 Health and Productivity Stock</div> <div>2024 Health and Productivity Stock</div>
<div>2024 Health and Productivity Management Outstanding Organization 2024</div> <div>Health and Productivity Management Outstanding Organization 2024</div>	<div>Digital Transformation Certification</div> <div>Digital Transformation Certification</div>	<div>2023 Somo Sustainability Index</div> <div>Somo Sustainability Index</div>	<div>EcoVadis Sustainability Rating 2023: Platinum for FUJIFILM Business Innovation</div>
<div>NIKEI Smart Work 2024</div> <div>Five Stars, seventh NIKKEI Smart Work Management Survey</div>	<div>NIKEI SDGs Management Survey 2023</div> <div>Nikkei SDGs Management Survey 2023</div>	<div>SPORTS YELL COMPANY 2024</div> <div>Sports Yell Company 2024</div>	

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 BI HK, recognizing our role and responsibilities at the forefront of sustainability, we have incorporated 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.

This report was prepared in response to the local demands for the disclosure of our business development plans and latest goals and initiatives. This is our 14<sup>th</sup> 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 environmental, social, and governance (ESG) impacts related to our operations between 1 April 2022 and 31 March 2023 (i.e. FY2022) in the following locations:

- Hong Kong and Macau offices
- Logistics and Warehouse in Hong Kong and Macau

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 is in accordance with:

- The internationally recognized Global Reporting Initiative (GRI) Standards 2021
- 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 Recommendations

► External Assurance

This report was prepared in accordance with the GRI standards with respect to the extent of coverage and the information provided. FUJIFILM BI HK 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

The Fujifilm Group’s approach to Corporate Social Responsibility (CSR) contributes towards the sustainable development of the society by manifesting its Corporate Philosophy through sincere and fair business practices. As such, FUJIFILM Holdings Corporation developed the long-term SVP 2030 with the same target year as the Paris Agreement and the UN SDGs.

As a company operating overseas, FUJIFILM BI HK 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 report in accordance 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 SVP 2030, FUJIFILM BI HK undertakes a new materiality assessment 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 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. About 58% of our external stakeholders and 78% of the responding employees thought that our performance and the transparency of our ESG disclosures were “Good” or “Excellent”. From the feedback collected, we identified that the current FUJIFILM BI HK was described as “keep low profile in the market”. We learnt from this and will work with various functions for the improvement.

• Materiality Matrix

From the feedback collected this year, we turned them into a materiality matrix to reflect the importance of material issues raised by various stakeholders. 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"><li>• Product and Service Quality</li><li>• User-friendly Design</li><li>• Cost Effectiveness of Services</li><li>• Responsiveness of Services</li><li>• Information Security</li></ul>	<ul style="list-style-type: none"><li>• Customer Satisfaction Survey</li><li>• ISO/IEC 27001 Information Security Management System Audits</li><li>• Website</li><li>• Press Releases</li><li>• Social Media Platforms</li></ul>
Employees	<ul style="list-style-type: none"><li>• Safe and Fair Working Environment</li><li>• Benefits and Welfare</li><li>• Career Development</li><li>• Employee Satisfaction</li></ul>	<ul style="list-style-type: none"><li>• Employee Relation Activities</li><li>• Newsletters</li><li>• Communication Meetings</li><li>• Managing Director’s Message</li><li>• Occupational Health and Safety Assessment</li></ul>
Suppliers and Transaction Partners	<ul style="list-style-type: none"><li>• Economic Stability</li><li>• CSR Performance Management</li><li>• Business Ethics</li><li>• Fair Trade</li></ul>	<ul style="list-style-type: none"><li>• Code of Conduct</li><li>• Ad Hoc Meetings</li><li>• Letters</li><li>• Supplier Assessments</li></ul>
Future Generations, NGOs and Local Communities	<ul style="list-style-type: none"><li>• Low Carbon Office</li><li>• Eco Product Lifecycle</li><li>• Sustainable Procurement</li><li>• Business-School Partnership Program</li><li>• Mentoring</li></ul>	<ul style="list-style-type: none"><li>• Various Audits (ISO 14001 Environmental Management System, ISO 50001 Energy Management System, FSC™ Chain of Custody, etc.)</li><li>• Volunteering</li><li>• CSR and Fundraising Events</li><li>• Student Design Competitions</li></ul>

► 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

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 our 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 has been implemented to enhance job satisfaction, strengthen bonding, promote workplace diversity, and provide learning and development opportunities.



Engagement with Suppliers and Transaction Partners

FUJIFILM BI HK 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 benefits for the public. Through frequent dialogues with NGOs and charitable groups, we work together to address social and environmental issues and partner with academic institutions to offer students exciting opportunities to adopt information and communications technology (ICT) in their daily lives.





FUJIFILM BI HK is a trusted Business Innovation Partner. Established in 1964, the company is committed to providing leading-edge information and communications technology specializing in document management consultancy to every industry through a full range of solutions and services – from multifunction devices with comprehensive functions of copy, print, fax, and scan; production printing systems; document management and workflow software; to enterprise print services, document supply chain management, and business process services. With close to 1,000 employees\* in Hong Kong, we commit to enhancing our customers’ productivity and competitiveness and addressing their business challenges.

\* 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.



## ► Striving for Excellence

We strive to excel in every aspect. We were honored to receive around 20 recognitions in FY2022 from leading local and regional organizations. These accolades underlined our commitment to upholding the highest standard in every process, product, solution or service.

 <p>Hong Kong Green Organization by Environmental Campaign Committee</p>	 <p>Carbon Reduction Certificate by Environmental Campaign Committee</p>	 <p>Wastewise Certificate by Environmental Campaign Committee</p>	 <p>Carbon Reduction Charter by Environmental Protection Department</p>
 <p>Green Office Award for over 7 consecutive years by World Green Organisation</p>	 <p>Eco-Healthy Workplace by World Green Organisation</p>	 <p>BEC Low Carbon Charter by Business Environment Council</p>	 <p>Pioneering Organization in Net-Zero Contribution – Achievement of Net-Zero by Hong Kong Quality Assurance Agency</p>
 <p>The Caring Company for over 20 consecutive years by The Hong Kong Council of Social Service</p>	 <p>Caring Certificate (Enterprise Group) of Industry Cares 2022 by Federation of Hong Kong Industries</p>	 <p>Social Capital Builder Awards 2022 by Community Investment and Inclusion Fund</p>	 <p>Volunteer Movement by Social Welfare Department</p>
 <p>Triple Gold Award - Web Accessibility Recognition Scheme 2022-2023 by Hong Kong Internet Registration Corporation</p>	 <p>Good MPF Employer 5 Years+, e-Contribution, and MPF Support Award by Mandatory Provident Fund Schemes Authority</p>	 <p>Joyful@Healthy Workplace Best Practices Award (Enterprise/Organization Category) – Excellence Award by Department of Health, Labor Department, and Occupational Safety &amp; Health Council</p>	 <p>Mental Health Friendly Supreme Organization Award (Enterprise/Organization Category) – Certificate of Attainment by Department of Health, Labor Department, and Occupational Safety &amp; Health Council</p>
 <p>Super Manpower Developer for 10 consecutive years by Employees Retraining Board</p>	 <p>Family-friendly Good Employer by Labor Department</p>	 <p>Good Employer Charter by Labor Department</p>	 <p>Say Yes to Breastfeeding by Hong Kong Committee for UNICEF</p>

^ 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 that aim at raising awareness of Fujifilm’s commitment to sustained corporate growth and to continuously building on our innovations and expertise as well as pursuing sustainability. Such determination earned us a Pioneering Organization in Net-Zero Contribution – Achievement of Net-Zero at Hong Kong Quality Assurance Agency Recognition Program 2022, which is a recognition to our contribution to supporting Hong Kong’s transformation towards carbon neutrality and undertaking actions in combating the climate crisis. For details, please refer to the “Awards” section on our company website [www.fujifilm.com/fbhk](http://www.fujifilm.com/fbhk).



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

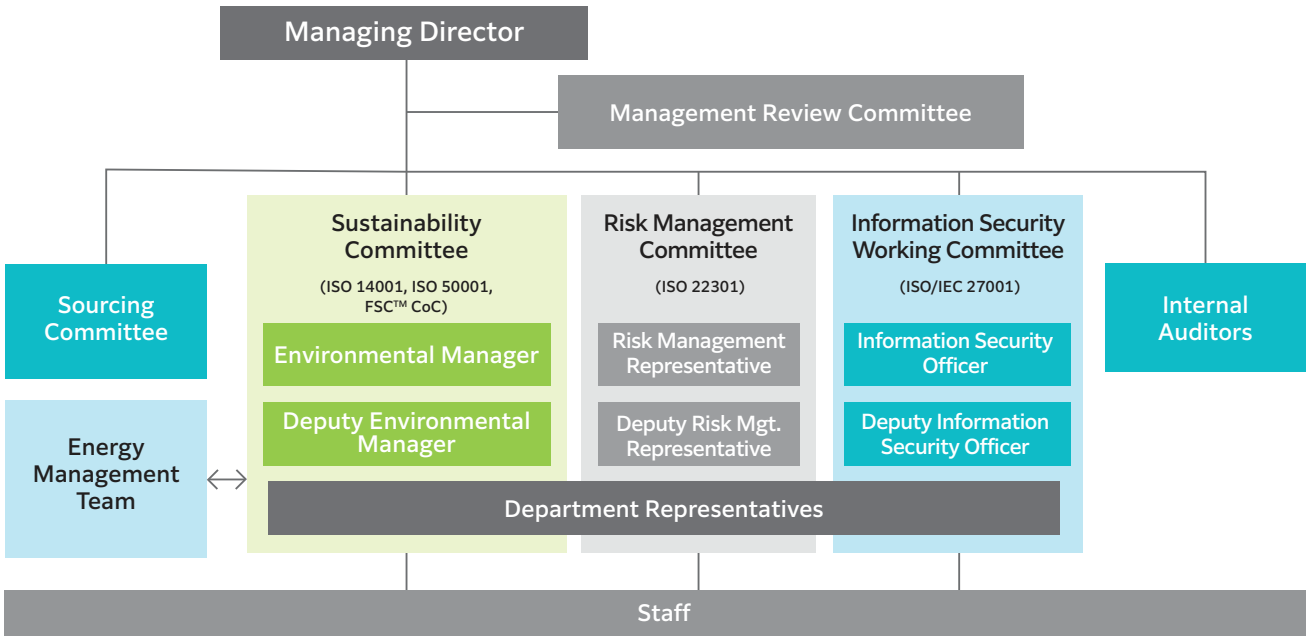
Adhering to the Fujifilm Group’s corporate management philosophy and vision, we strive to foster an open, fair and clear corporate culture and to drive sustainable growth with integrity and good corporate governance.

► Governance and Organization

We regard corporate governance as a primary issue in our business environment. The sole shareholder, the Fujifilm Group, appoints a Board of Directors from management representatives at both corporate and local levels with a dynamic mix of background, competency, age and gender as our highest governance body. It determines basic management policies and strategies and other important matters relating to business execution, as well as supervising the implementation of business affairs.

The Managing Director and six department heads, including five males and two females from different disciplines, meet monthly to discuss and review the operation .

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 and FSC™ Chain of Custody (CoC) Certification. 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 BI HK

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 to 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 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 BI HK.



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 top management team. Their climate-related responsibilities include:</p> <ul style="list-style-type: none"><li>Developing climate-related strategy</li><li>Considering climate-related issues when developing business strategy and risk management policies</li><li>Approval of climate-related disclosures</li></ul> <p>The General Manager, Internal Audit and Sustainability is responsible for overseeing our climate-related governance and coordinating our environmental initiatives. Plans and communications related to climate-related issues are reported regularly to the top management team and the regional persons-in-charge.</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><b>Physical Risks:</b></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.</p> <p><b>Transition Risks:</b></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><b>Opportunities:</b></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 services through innovation. We provide 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. Consequently, these actions can 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 multifunction printers (MFP) 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><b>Climate Scenario Planning:</b></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, 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. 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, aligning with Fujifilm Group’s SVP 2030.</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”. In compliance with ISO 14001:2015 Environmental Management System, ISO 50001:2018 Energy Management System and ISO 20400:2017 Sustainable Procurement - Guidance, 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 CO<sub>2</sub> 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 CO<sub>2</sub> emissions by FY2040.</p> <p>Keeping up with the SVP 2030, FUJIFILM BI HK has been adopting and advocating various sustainability initiatives to address environmental issues, such as implementing the daily “earth hour” during lunch break and zoning lighting devices. In FY2022, we reduced our CO<sub>2</sub> emissions by 1.5% annually and reaffirmed our commitment to being a carbon neutral operation by purchasing 626 tonnes of carbon offsets and supporting renewable energy projects in Asia.</p>





## Transform and Go Beyond for Sustainable Success via Smart Workstyle

### ► Accelerate Business Success with Trusted Innovation Partner

The pandemic has brought new meaning to speed and expectations of digital transformation (DX), where employees are seeking hybrid working and stakeholders are demanding sustainable profit. Businesses need a trusted partner to speed up creating **Value from Innovation**. Aiming to help businesses to tackle critical challenges and empower their full potential, we are dedicated to continuously creating value from innovation with Smart Workstyle. This concept comprises three technology enablers.

- **Hyperautomation:** This is the concept of automating everything in an organization that can be automated, aiming to streamline processes across their business using technologies to run without human intervention. Hyperautomation means the technology can cope with different source of information (no matter inbound or outbound; digital data, website, email, attachment or even paper base / image file), convert it into accurate data with auto data massage and hence fit into process insight for business operation details. Cognitive Learning, process insights, and line of business integrations are the trends to enhance automation efficiency. It is important to note that hyperautomation is not meant to entirely replace humans. Rather, through automation, humans are freed from repetitive and low-value tasks to focus on ones that are of a higher-value to the organization. Together, automation and human involvement help organizations to provide superior customer experiences while reducing operational costs and boosting profitability.

- **Total Experience:** This is based on the idea that no experience operates in silo. Employee experience impacts customer experience. User experience impacts employee experience, and so on. They are interconnected and interdependent. Total experience is about bringing all these experiences together as one. The critical success factor is to adopt a Unified Communication Strategy that connects customer and employee. This is the concept of automating everything in an organization that can be automated, aiming to streamline processes across their business using technologies to run without human intervention. Together as one, it can help to eliminate data silos, speed up data collection, sharing and analysis so to turn data into insight and intelligence; enable straight through process to save time and resources, therefore taking action immediately to address market change.

- **Cybersecurity Mesh:** This is a concept to help companies move past siloed security to a more collaborative and flexible approach to security through Cybersecurity Mesh Architecture (CSMA). CSMA is designed to make security more composable and scalable by modularizing security functions and enabling them to interoperate through a set of supportive layers. By making security more cohesive and collaborative, CSMA enables an organization to achieve better security with fewer resources.

### • Smart Workstyle as the Next Frontier

Throughout the year, we have had different opportunities to showcase the technologies around Smart Workstyle and our commitment to innovation. One of them is FUJIFILM Business Innovation Day 2022.

Distinguished guests include Ms. Lillian Cheong, JP, Under Secretary for Innovation, Technology and Industry Bureau, and Hon. Duncan Chiu, Legislative Council Member, Functional Constituency – Technology and Innovation. They officiated the event launch and delivered opening keynotes.

Renowned speakers and technology leaders also took part in a series of panel discussions to share their views on creating value from innovation and building a better Hong Kong with a Smart Workstyle. One of the highlighted panel discussions was on the topic of “Innovation that Accelerates Business Success.” At the panel, experts talked about talent as the key to business success. On top of supporting talents with flexible working patterns, more businesses are realizing the importance of providing them with the right tools and nurturing a collaborative culture. These tools include modernizing legacy systems to create a platform that fosters human collaboration and systems integration to enable knowledge sharing and data discovery. The newfound data brings new insights and meanings to customer understanding. Data analytics tools have also become key components to empower innovation. These tools together with motivated talents, modernized systems, and collaborated corporate culture, businesses will be able to reposition themselves to take advantage of the home-grown and patent-protected inventions for their next wave of innovation.



▲ (From left to right) Mr. Jon Chung, Former Sales Director of FUJIFILM BI HK; Mr. Tatsuya Nakamura, Chairman of FUJIFILM BI HK; Ms. Lillian Cheong, JP, Under Secretary for Innovation, Technology and Industry Bureau; Hon. Duncan Chiu, Legislative Council Member for Functional Constituency – Technology and Innovation; and Mr. Alan Chan, Managing Director of FUJIFILM BI HK celebrated the kick-off of FUJIFILM Business Innovation Day 2022.



▲ (From left to right) Mr. Alan Chan, Managing Director of FUJIFILM BI HK; Hon. Duncan Chiu, Legislative Council Member for Functional Constituency – Technology and Innovation; Dr. Lucas Hui, Chief Technology Officer of ASTRI; Mr. Wilfred Wah, Senior Principal, Cloud Value Advisory of Google Cloud Asia Pacific; and Mr. Bong Chan, Technology, Media and Telecommunications Industry Leader, Southern Region of Deloitte China exchanged insights on how innovations can accelerate the long-term success of Hong Kong business.

Furthermore, the event featured an immersive experience with Hong Kong's first-ever metaverse contract signing ceremony. Defined by Meta, the metaverse is a set of digital spaces to socialize, learn, play and more. It is the next evolution in social connection, like the internet but more immersive. Striving to realize our vision of accelerating innovations in Hong Kong, FUJIFILM BI HK signed two new contracts with The Hong Kong Management Association (HKMA) and Red Date Technology in the metaverse world.



This immersive experience signifies our vision of accelerating innovations in Hong Kong. Under the new contract, HKMA is adopting FUJIFILM BI HK's AI-powered Managed Security Service to enhance overall security detection and cyber resilience. In addition, the collaboration with Red Date Technology enables us to explore building digital services through its public blockchains for semi-fungible tokens (SFTs), aiming to securely store and tokenize digitally signed documents.



▲ Mr. Tatsuya Nakamura, Chairman of FUJIFILM BI HK completed the first-ever metaverse contract signing ceremony in Hong Kong with Dr. Angela Ng, Academic Dean and Associate Director of The Hong Kong Management Association (left), and Mr. Tim Bailey, Vice President of Global Sales, Red Date Technology (right) respectively.

### • Managing Cyberattacks in the AI World

AI has become a technology sensation with the rise of ChatGPT. But innovation also comes with new challenges. One major challenge is the complication in managing cyberattacks, as AI allows attackers to generate malicious code without much programming knowledge, making it easier to cause more damage.

There are multiple cybersecurity products in the market tackling different challenges. From protecting the network and enforcing access management to enabling cloud security and detecting web application vulnerabilities, these products remain to work in silos and independently. Our AI-powered Managed Security Service goes beyond fragmented security to establish trusted digital connections in this new digital world.

To keep everyone abreast of the latest cybersecurity technology, we organized a seminar "React & Defend – Managing Cyberattacks in the AI World". Furthermore, to help business and technology leaders understand their cybersecurity posture, Mr. John Li from eWalker Consulting shared his experience in making cybersecurity assessments and defending against cyberattacks.



▲ Industry experts, like Mr. Otto Lee, Head of Hong Kong Computer Emergency Response Team Coordination Centre (HKCERT) and Dr. Jacky Ng, Chairperson of Internet Society Hong Kong, joined a panel discussion to share cybersecurity trends in Hong Kong and to offer advice on reacting to and defending against cyberattacks.

### ► Tackling Your Business Challenges with Innovation

The economy is bouncing back, and it is happening fast and furious with the borders reopening. To help businesses capture these opportunities, we have been exploring the metaverse and all related technologies to expand our portfolio of offerings.

### • Public Blockchains to Empower Document Management and Process Automation

Metaverse was the talk of the town last year. Despite all the excitement in the market, very few have developed business applications that are practical for enterprises. Riding on our specialty and expertise in document management, we partnered with Red Date Technology to explore the use of public blockchain technologies to drive process automation for business. This partnership was also sealed by signing a contract in the metaverse world.

Our collaboration aims to help Hong Kong enterprises to tackle the document authenticity challenge and automate processes with Blockchain-based Service Network (BSN) Spartan. Together with the support of digital payments capabilities from The Hongkong and Shanghai Banking Corporation Limited (HSBC), a new proof of concept (PoC) in document tokenization through public blockchains is completed. This first-of-its-kind PoC enables HSBC to exercise the payment process automatically and securely using SFTs minted from FUJIFILM BI HK's smart contracts that are supported by BSN Spartan.



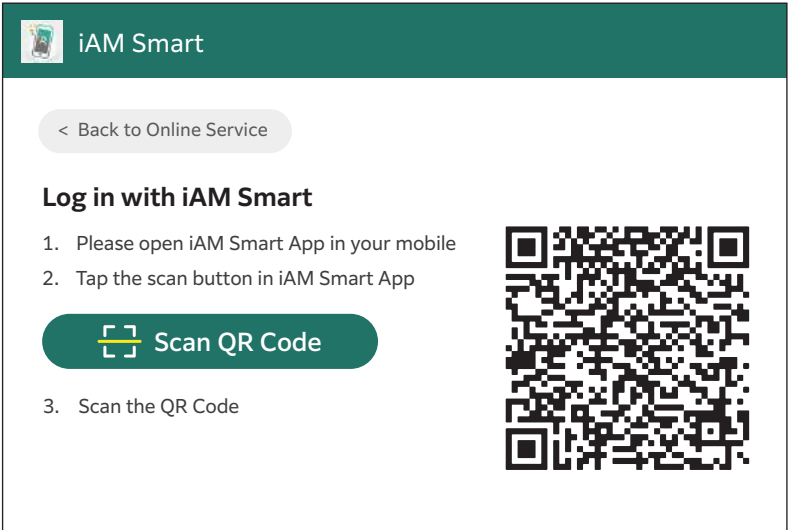
This completed PoC demonstrated the power of automation in payment execution, payment notification, and contract termination. This application, when available to the market, is expected to bring businesses significant benefits in information security, process efficiency, and transaction costs.

• Digital Signing for Secure Authentication

In the fast-growing post-COVID Hong Kong, enterprises are looking for different ways to speed up business operations. Many of the new practices adopted during the pandemic have become critical to support a speedy business recovery. Digital signing service is a great example.

Aiming to support contactless document signing during the pandemic, we are the first ICT vendor in Hong Kong to adopt the government's "iAM Smart" platform. It facilitated the digital signing of documents, helping our customers to safeguard the well-being of their employees during the pandemic. Beyond the pandemic, it has become a new normal to increase productivity and mitigate risk.

As a key digital infrastructure to support Hong Kong's smart city development, the "iAM Smart" platform enables users to be authenticated with a single digital identity and access different online services securely anytime and anywhere. Digital Signing Service only involves the relevant signers of the document without involving third-party coordination or support. No personal data is stored after the signing and thus reducing the risk of data leakage and fraud. Through "iAM Smart", our customers have the option of signing legally binding documents online safely and conveniently. It is also an affirmation of our commitment to helping customers achieve their digital transformation strategies.



▲ Digital Signing Service is supported by the digital signing function of "iAM Smart", provided under the Electronic Transactions Ordinance (Cap. 553) with legal backing for handling statutory documents and procedures.

• Collaboration to Realize a Secure and Seamless Smart Workstyle

On top of expanding our service and product portfolio, we have been deepening different partnerships to help Hong Kong enterprises to realize a secure and seamless Smart Workstyle. One of the latest examples is the establishment of Hong Kong's first Cybersecurity Experience Lab in collaboration with Sangfor Technologies (Hong Kong) Limited. Clients can get a hands-on experience through an interactive interface, without complex deployment. For example, AI driven Managed Security Service, Network Detection and Response, Next-Generation Firewall, Endpoint Security, and SASE.

The Cybersecurity Experience Lab is an extension of our partnership with Sangfor Technologies, who awarded FUJIFILM BI HK the best gold partner for three consecutive years. Through collaborating with Sangfor Technologies and other cybersecurity leaders, we strive to become the go-to managed security service provider (MSSP) of our customers.



▲ Mr. Ringo Yiu (third left), Regional General Manager (Hong Kong, Macau, Taiwan & Singapore) of Sangfor Technologies; Mr. Tatsuya Nakamura (third right), Chairman of FUJIFILM BI HK; and respective management team celebrated the launch of Hong Kong's first Cybersecurity Experience Lab at FUJIFILM BI HK's office.



▲ The interface of Cybersecurity Experience Lab's Monitoring System

Last year also marked the 10<sup>th</sup> anniversary of our long-term partnership with Quadient, a leader in driving meaningful customer connections. Our collaboration has resulted in many successful deployments of customer communication management (CCM) solutions, including in the financial services sector where 60% of all customers are international insurance companies.

Besides, we have established a new partnership with Solimar Systems, a leader in production printing and digital communications. Through this partnership, Hong Kong businesses in the transactional and direct mail printing industries, as well as commercial and industrial printing, will be able to utilize the Solimar Chemistry Platform to streamline their production workflows, optimize print files, reduce costs, and shorten job turnaround times.



## • A Testament to Digital Innovation

The success of our customers reflects our commitment to creating Value from Innovation. Throughout the year, we have helped many customers to not only embrace DX, but also accelerate their success by creating value.

One great example is Delicious Chef King Catering Limited (DCK), a catering meal provider for many schools and government agencies. By extending its relationship with FUJIFILM BI HK from being one of its multifunction printer (MFP) providers into an IT infrastructure partner, DCK has re-engineered its production process and shortened its daily production time. In addition, it has eliminated the use of paper to improve food safety, and accurately procured the right amount of ingredients to reduce food wastage. All these changes supported DCK to expand into the new pre-packaged gourmet business, creating values long after our project was completed.



▲ DCK's production environment is improved by installing heavy-duty industrial grade monitors and hence minimizing the use of paper.

Besides, FUJIFILM BI HK is proud to bring together our Smart Workstyle technologies with healthcare expertise to help Insta Medlab MRI Centre transform patient experiences. With our support, Insta Medlab centralized its Clinical Management System (CMS) and deployed our Medical Report Output System (MROS) to optimize clinic workflow and develop high-quality imaging medical reports. These systems build a foundation to fully integrate with the Hospital Authority's Electronic Health Record Sharing System (eHealth), empowering patients to share their medical records seamlessly and securely with their doctors to seek the best medical advice.



▲ Medical Report for Patients

## ► Nurturing Young Designers with Colors and Innovation

### • A Spark of Imagination for Hong Kong's Rising Artists

Riding on the success of last year's RE:ON LIGHT graphic design competition, we have expanded the 2<sup>nd</sup> edition of the FUJIFILM BI HK Design Competition to celebrate the creativity of more young local artists. In collaboration with Hong Kong Design Institute, HKU SPACE, and Hang Seng University of Hong Kong, the competition was open to all current full-time tertiary students from any local higher education institutions listed under the Education Bureau.

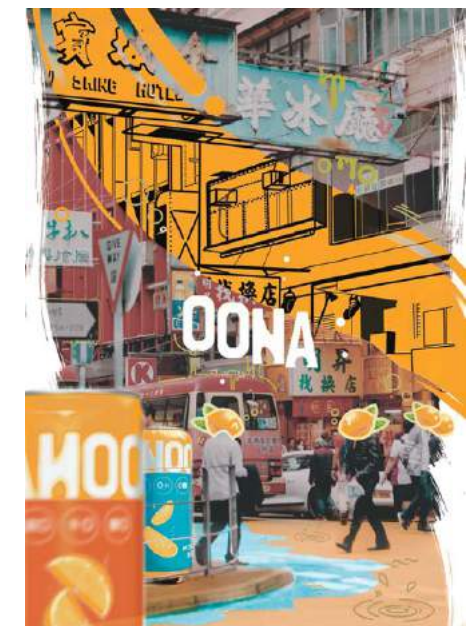
With the theme "Made in Hong Kong: A Spark of Imagination", the competition aimed to interweave nostalgic aspects of unique Hong Kong aesthetics with modern simplicity to revitalize and preserve the city's collective memories. The topic attracted more than 150 students to participate in the pre-competition Design & Print Workshop. Through learning advanced printing technologies like the five specialty colors by Revoria Press™ PC1120, students were inspired by the new tools and latest commercial applications. All entries were printed by our flagship production press and reviewed by a panel of distinguished judges, including local award-winning illustrator Mr. Felix Ip, the creator of Hong Kong Machines, and representatives from brand owners, academics and FUJIFILM BI HK. This year's competition also introduced a new category Product Packaging Design, on top of the Product Poster Design category.



▲ Mr. Felix Ip, a renowned local artist known for his internationally acclaimed comic series "Hong Kong Machines", is invited to design the theme art.



▲ Champion of Product Packaging Design Category: Mr. Szeto Wing Yu (HKU SPACE)



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

• Recognizing Local Creativity and Innovations

Hong Kong is a city filled with creative vibes and energy. To celebrate the local designers and support the printing industry, FUJIFILM BI HK organized different events to foster creativity and innovations. One of them was the Design & Print Workshops organized for the Hong Kong Society of Illustrators (HKSI). Founded in 1999, HKSI is the largest organization of professional illustrators in the city. To support HKSI and its illustrators, we provided technical advice and industry know-how in the production of their illustration books with Revoria Press™ PC1120.

The rising recognition of our flagship series of Revoria production presses has created a local community of artists and designers. Aiming to foster innovation in this community, we introduced the Revoria Club. On top of enjoying extended technical support and accessing business development tools, members can access our Color Centre for a free consultation on color management and take part in our Color Innovation Program to sharpen their color management skills and obtain internationally recognized certification.

Together at the Revoria Club launch ceremony, we celebrated the winner of this year's Innovation Print Awards – Winson Enterprise (H.K.) Limited. The company's submission was recognized among 193 submissions from 10 countries across Asia Pacific and awarded the "Best Innovation Award." It is a true demonstration of Hong Kong's creativity and innovation.



▲ Mr. Alan Chan (first left), Managing Director of FUJIFILM BI HK, presented awards to representatives from Winson Enterprise (H.K.) Limited, Ideastore (HK) Limited, and Fingerprint Limited.



▲ Best Innovation Award Winner of Innovation Print Awards 2022: Winson Enterprise (H.K.) Limited

► Provision of Safe, High-quality Products, Solutions, and Services

Upholding attention to products and services in a safe and responsible manner in Fujifilm Charter for Corporate Behavior and in accordance with the Group's Product Safety Policy and Product Safety Manual, the five priority measures are as follows:

- Compliance with laws and regulations
- Promotion of product safety measures
- Develop a response system for emergencies such as product incidents
- Disseminating product safety information to customers
- Employee education on product safety

As our products with proven quality are delivered, FUJIFILM BI HK will conduct further control processes upon receiving information about these products to ensure they are safe and of the best quality. In addition, on-the-job training are provided in corporate regulatory compliance procedures, preventive measures against product safety incidents, and continual product safety improvements for our employees in order to promote the culture of product safety and raise customers' awareness of safety issues.

► Your Satisfaction is Our Commitment

Customer satisfaction has always been the foundation of our service offering. Our Total Satisfaction Guarantee (TSG) is a perfect example to demonstrate our dedication. The market-exclusive TSG allows customers to replace selected devices with an identical model, or an alternative with comparable features and capabilities at no charge. More than a promise, our guarantee applies for up to a maximum of five years from the equipment installation. With full confidence in the reliability of our products, we put TSG in writing in our agreements.

In addition to the devices and equipment, we commit to bringing customer satisfaction with our services. From pre-sales consultation and project implementation to device maintenance, our services team is guided by our Service Pledge, which focuses on achieving an excellent satisfaction level. During the most challenging times of COVID-19, we remained committed to our onsite service pledge. Despite social distancing measures, we continued to provide onsite recovery service within 3.77 hours on average, exceeding our commitment of 4-hour assurance. For the upcoming year, amid the new normal of hybrid workstyle among our customers, we have also enhanced our remote support solutions. On top of the onsite support, we are dedicated to providing our customers with smooth maintenance service, no matter where they work.

We continue to deliver our commitment to quality management and customer satisfaction. With a proven history of reliability and service excellence, we often anticipate customers' needs and provide high standards of customer support. By taking care of the details, our customers can focus on developing new opportunities to transform and go beyond for sustainable success.





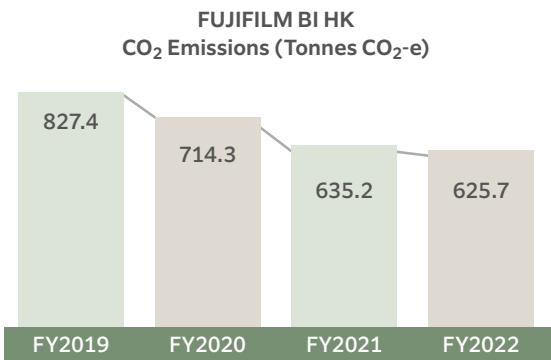
Contributing to a Green Community through Engagement and Innovation

FUJIFILM BI HK is committed to promoting the development of 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.


► The Way to Sustainable Operation

Adhering to the Fujifilm Group’s SVP 2030, FUJIFILM BI HK has been actively exploring ways to improve our environmental performance, such as benchmarking against sustainability pioneers and international standards, with an aim to achieve the climate action targets set by the group. We are committed to reducing our CO<sub>2</sub> emissions across the entire product life cycle by 50% (compared to FY2019 levels) by FY2030.


With the Environmental Management System introduced in 2003, FUJIFILM BI HK has adopted the system for the past 20 years and we became the first company in Hong Kong to receive the ISO 14001:2015 certification in FY2015. Meanwhile, we were certified the ISO 50001 Energy Management System in 2012 and upgraded it to the 2018 version in 2019. For the paper business, we have obtained the Forest Stewardship Council™ Chain of Custody certification since 2007. Through a series of interrelated processes, all these systems functioned as a coherent system that delivered more consistent and predictable results effectively and efficiently. Besides, we managed our supply chain guided by the sustainable procurement principle. FUJIFILM BI HK was verified against the ISO 20400 Sustainable Procurement - Guidance in 2017, underlining our commitment to fostering strong supplier relationships that would create long-term, sustainable value. Well integrated into our strategic planning process, procurement, and operations, the above-mentioned systems helped us reduce approximately 25% of our total CO<sub>2</sub> emissions across the operation in FY2022 compared with FY2019.




Apart from various low-carbon initiatives, we have been investing in carbon offset projects since FY2014 to become a carbon neutral operation. In FY2022, we neutralized 626 tonnes of CO<sub>2</sub> emissions, which is more than our scope 1 and 2 emission combined, by purchasing carbon credits under a Verified Carbon Standard (VCS) program from a hydropower project in China. With our dedicated efforts, we were honored to receive the Pioneering Organization in Net-Zero Contribution - Achievement of Net-Zero from the HKQAA Recognition Program 2022.




Upgrade server systems




Zone lighting devices




Use real-time energy tracking system



Implement “earth hour” during lunch break every day



Adopt energy efficient lighting devices and electrical appliances in offices



Conduct “computer-off” checks



▲ Ms. Katherine Lau, General Manager, Internal Audit & Sustainability of FUJIFILM BI HK, shares our sustainability journey in a video.



▲ FUJIFILM BI HK received the Pioneering Organization in Net-Zero Contribution - Achievement of Net-Zero from the HKQAA Recognition Program 2022.

In the first quarter of FY2023, FUJIFILM BI HK revamps our Visible Green Initiatives. For every survey reply we received, we will purchase a carbon offset of no less than 50 kg in support of renewable energy on top of our current carbon offset initiatives. It will expand our ongoing efforts to reduce our environmental footprint, contributing towards a greener planet and sustainable environment for future generations. Yet, we still need more insights to determine the actions required to lower CO<sub>2</sub> emissions further. One of the key moves in FY2023 will be using the PrintReleaf Reforestation Service, the world’s first platform that automatically converts paper use into actual trees.

Besides, we acknowledge our responsibilities to promote environmentally conscious products to our customers and other stakeholders. In FY2018, the Fujifilm Group introduced the “Green Value Products” certification program in compliance with ISO 14021 Environmental Labels and Declarations to certify its products and services across all business segments, ensuring that they would meet the specific criteria for environmental consciousness.



The environmental value of each product will be evaluated through an environmentally conscious design assessment. Based on their total scores, the selected products will be further reviewed and approved by the Group Certification Council and finally certified as Fujifilm Group's "Green Value Products" that fall into one of the three categories below.



Level	Certification Criteria
Diamond	Products and services that use their respective industries' innovative technologies to substantially contribute to reducing environmental impact
Gold	Products and services that reduce environmental impact at their respective industries' highest level
Silver	Products and services that reduce environmental impact at a higher level than their respective industries' standard

Under this program, several "Silver" products were launched in Hong Kong in FY2022, such as ApeosPrint C4030 / C3530, Apeos 5330, ApeosPrint 4830 and ApeosWide 6050/3030.

Supporting Green Campaigns

As a devoted supporter of sustainable development in Hong Kong, FUJIFILM BI HK proactively supports green campaigns initiated by different NGOs. During the Chinese New Year in January 2023, we supported the Lai See Packets Reuse and Recycling Program 2023 initiated by Greeners Action. While we have maintained our daily "Earth Hour" during lunch hour since FY2009, we joined the Earth Hour event organized by World Wide Fund for Nature (WWF) in March 2023.



Used Lai See packets were collected for reuse and recycling.

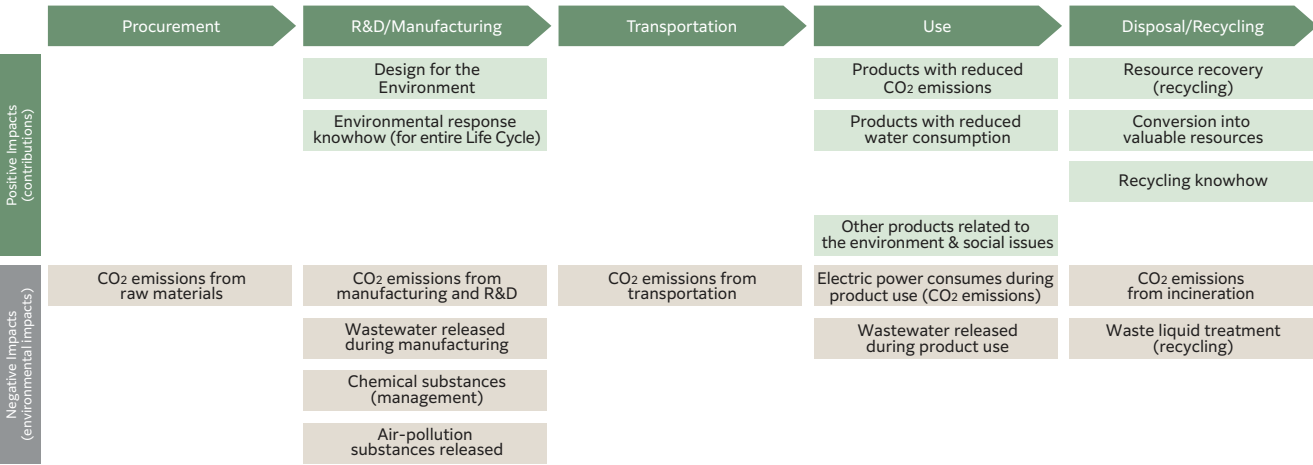


We pledged to support Earth Hour 2023.

Internally, we promote different environmental messages via our Sustainability Newsletter, email messages on Earth Day, World Environment Day, and other key environmental events, and campaigns aiming to encourage colleagues to adopt a green lifestyle by saving energy and water, and practicing the 3R principle (reduce, reuse and recycle).

Managing Green Supply Chains

Adhering to its corporate direction, FUJIFILM BI HK tackles the environmental challenges along its value chain and fully leverages its strong business model to create value for customers and other stakeholders. We endeavor to reduce CO<sub>2</sub> emissions across the entire lifecycle of products by promoting the wider use of our low-carbon products, solutions, and services.



Impact on Business Processes along the Value Chain

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, usage, and end-of-life disposal. The risk levels of suppliers are assessed and reviewed by the procurement team regularly.

Advocating "Circular Economy"

Waste Electrical and Electronic Equipment (WEEE) is one of the major environmental challenges worldwide. Striving to realize "Zero Landfill", FUJIFILM BI HK 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 2018. Since 2004, we had been collecting end-of-life MFPs, along with spare parts and consumables, to the Fujifilm Group's regional remanufacturing factory in Thailand. As international laws about cross-border shipment of waste tightens over the past decade, we initiated a partnership with a local recycler in December 2018. This is instead of moving the used products to Thailand, which reduces carbon emissions from the cross-border transfer of WEEE.

Since then, regulated used printers, monitors, and scanners have been sent to the appointed recycler under the Environmental Protection Department, for recycling, whereas unregulated used MFPs, used consumables, including waste toner cartridges, and spare parts have been transferred to our licensed recycler which was selected under a stringent assessment process by our onsite auditors sending from the group.



## Boosting Corporate Strengths with Diverse Workstyles

The sustainable growth of FUJIFILM BI HK relies on its devoted workforce committed to value creation and social contribution.

### ► Employee Engagement

Work Smart, Play Hard and Live Healthy are core of our employee engagement strategy. These three components are equally important as we do not only regard employees as assets, but also treat them as family members. In recent years, we have put more focus on “Live Healthy” as we believe that happiness is one of the cornerstones of being “Healthy”. By creating a joyful and healthy workplace that promotes work-life balance, we help nurture the physical, mental and emotional health of our people.

In FY2022, we launched the theme “LIFE” aiming to support our colleagues to boost their health and wellbeing.

#### • L - Love

The relationships with family and friends play a crucial role in finding inner satisfaction and maintaining emotional health. Our wellness policies and programs have taken both our colleagues and their family members into consideration. For instance, we show our care by presenting marriage gift and newborn baby gift. In FY2018, we launched the “Blissful Leave”, allowing colleagues to have another 25 days every year to enjoy every precious moment with their family and friends, such as vehicle/home purchase, wedding anniversary, extended maternity/paternity leave, children graduation, children wedding, newborn grandchild and pet healthcare. The slogan “Blissful Leave Blissful Life” and our “Blissful Life Road Map” show how much we care about our colleagues. Believing that helping those in needs will offer greater joy and benefit our emotional health, we also encourage our people to spread their love to the community by joining various social contribution activities.

#### • I - Interest

Another good way to relax and recharge is to join various interest and leisure classes, such as the Handmade Beeswax Workshop, Candle for Valentine’s Day Workshop, Coffee Culture Sharing, and Decluttering Workshop for Chinese New Year we organized. Indeed, most of these classes were initiated and proposed by our colleagues, supported by our newly launched FUJIFILM BI HK Fun Fund that allows our colleagues to organize and enjoy their favorite activities.

#### • F - Fitness

In order to “Live Healthy”, we must be healthy and fit physically, mentally and emotionally. In FY2022, we launched the “Healthier, Happier Gamified Wellness Program”, which consists of health challenges and a series of workshops and events to help our employees improve their health in terms of “5Ws”: Eat Well, Exercise Well, Feel Well, See Well and Sleep Well.

#### • E - Enjoyment

In order to create an enjoyable work environment, we organized the Chinese New Year Bazaar and Healthy Food Fiesta in our office, allowing colleagues to enjoy the fun of shopping during office hours. We also hosted various “Appreciation Days”, such as the Low-Fat Gelato and Sorbetto Day, and Fresh Fruit Ice-Pop Day. Leisure area and pantries are also available for employees to take a break. Meanwhile, we extended the “Asia Employee Wellbeing Week” to a whole month to promote the messages of “leave-on-time” and “move-your-body” through various sports and cultural activities such as movie screening and drama performance.

To achieve the goal of “Live Healthy”, we do not only plan well, but have also implemented different arrangements based on the actual situation to ensure that our colleagues could “Stay Healthy” and “Stay Safe”. For example, during the pandemic, we implemented staggered working hours, work-from-home arrangement and the special two-day COVID-19 vaccination leave.

We understand that we must listen to the voices of our employees so as to retain our engaged workforce. Therefore, we set up various channels for our people to express their views, such as the employee engagement survey, the open door policy for department heads, and designated whistle-blower email box that is only accessible by Managing Director. Their opinions will be taken seriously. Besides, we conduct employee demographic analysis to identify employees’ needs and characteristics periodically. These initiatives have helped us to shift from pursuing work-life balance to work-life harmony/integration, a more holistic approach that focuses on physical, mental and emotional health as well as financial wellbeing.

Through these employee engagement activities, we have built an engaged team with a strong sense of belonging, teamwork and collaboration, enabling us to maintain a positive work environment and attract new talents.



## ► Learning & Development

### • From Personal Digital Maturity to Organizational Digital Transformation

The pandemic has given rise to a new way of working. Being a “Business Innovation Partner” committed to the Smart Workstyle, we expect our employees to be competent in using technologies and ICT tools to promote business DX and operations DX. As such, we launched the “Digital Maturity” project in FY2021 that covers four levels:

- Level 1 – Mass learning to equip our employees with essential skills in using no/low code platforms to drive internal DX;
- Level 2 – Team champion nomination to nurture a capable team champion;
- Level 3 – Departmental center of excellence formation to build a departmental special ICT squad; and
- Level 4 – DX for business impact to engage various capable teams in our DX Contest.

In FY2022, we supported 20 projects and achieved a reduction of 14.78 man-days per month. The champion of the DX Contest came from the Managed Service team that led the “profit & loss dashboard automation” project. The project did not only achieve 58% man-day saving and a report error rate less than 1%, but also created a centralized database that could help improve data visualization and provide trend view.



▲ The champion of FY2022 Digital Transformation Contest received the certificate from our Chairman, Mr. Tatsuya Nakamura (first left).

### • From Trainee to Professional

Two young talents were recruited in FY2022 under the Biz-Tech Talent Program, which aimed to nurture talents with logical mindset and problem-solving skills. The targets of the program were those who did not major in IT but were interested in becoming IT professionals. The program helped the trainees to master the essential knowledge of coding and automation, and to obtain two ICT qualifications in Project Management Methodology respectively. It also facilitated their personal development through project rotation guided and advised by line management, and ongoing career and professional support.



▲ On-boarding training for Biz-Tech Talent Program trainees

## ► Community Engagement

With an aim to innovate for a healthier world and a more sustainable society, FUJIFILM BI HK has been exploring and meeting needs in spite of the disruptions caused by the pandemic in the past few years.

We have been supporting the Amity Foundation’s “Walk for Living Water” campaign since 2017. This annual campaign of Climate Ready@Hong Kong responds to the UN World Water Day’s call for public awareness and tangible action. In light of the social distancing measures during the pandemic, we organized a virtual “walk” in the summer of 2022 to raise funds for the construction of water and sanitation systems in rural and water-deprived regions in Nepal, Myanmar and Sri Lanka. The participants could choose the time to start their walk freely from 18 July to 21 August 2022. With the 600,000 steps taken by 50 colleagues of our company, we received the Top Walker Group Award. The event did not only inspire our colleagues to develop a healthy habit of walking, but also showed the next generation the importance of water conservation. We are very excited that Walk for Living Water 2023 will resume its original format, challenging participants to complete the designated route while carrying water buckets and experiencing the hardships of people living in areas with limited access to water.

On 7 January 2023, we collaborated with A Plastic Ocean Foundation to organize a coastal clean-up activity at Ha Pak Nai, our first physical activity in 2023. FUJIFILM BI HK Volunteer Team collected nearly 50 kg of rubbish, including foam pellets, bottles and construction waste, from the coast. The activity also gave them the opportunity to learn more about the problem of marine refuse, such as how microplastics could jeopardize biodiversity and our food-chain. After the event, the participants were determined to make behavioral changes to reduce waste at the source, keep beaches clean and protect the ocean.



▲ Coastal clean-up at Ha Pak Nai

In February 2023, we joined the “Excursion with Water Save Dave” Visiting Program of the Water Supplies Department, and visited the Plover Cove Reservoir and Tai Tam Group of Reservoirs on two Saturdays. Apart from learning more about the historical background and significance of the waterworks facilities, the participants also gained a better understanding of water resources and the importance of conserving fresh water around the globe, particularly in Hong Kong.





▲ Guided tour to the Plover Cove Reservoir



▲ Guided tour to the Tai Tam Group of Reservoirs

In late October 2022, FUJIFILM BI HK donated 41 notebooks, 13 LCD monitors, 135 DVD drives, 1 projector and 14 boxes of computer accessories to Caritas Computer Workshop to support students from low-income families in e-learning during the pandemic, creating positive social impact. This Caritas program has benefited over twenty thousand families in the past five years. We will continue to actively contribute to the society and identify more resources to be invested in the community.

Due to the public health and safety concerns during the pandemic, we hosted outdoor volunteer activities only in the last quarter of FY2022, and recorded 109 participants and 384 service hours throughout the year. In FY2023, we will seize every opportunity to show our care for the society and environment, building a better and sustainable future together.



As a non-listed private organization, FUJIFILM BI HK 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	FY2020	FY2021	FY2022
1	Nitrogen Oxides (NOx) Emissions (kg) <sup>*1</sup>	19.6	16.4	15.5
2	Sulphur Oxides (SOx) Emissions (kg) <sup>*1</sup>	0.4	0.3	0.3
3	Particulate Matter (PM) Emissions (kg) <sup>*1</sup>	1.4	1.2	1.1
4	Gasoline Consumption by Vehicle (Litres) <sup>*2</sup>	26,920	23,360	22,053
5	Energy Consumption Equivalent to Gasoline Consumption (GJ) <sup>*2, 3</sup>	889	771	728
6	Electricity Consumption (kWh) <sup>*4</sup>	928,299	827,538	818,339
7	Energy Consumption Equivalent to Electricity Consumption (GJ) <sup>*3, 4</sup>	3,342	2,979	2,946
8	A3 Paper Consumption (Sheets/No. of Staff) <sup>*5</sup>	98	116	114
9	A4 Paper Consumption (Sheets/No. of Staff) <sup>*5</sup>	1,064	1,078	973
10	Recycled Paper/Environmental Paper Consumption (Sheets/No. of Staff) <sup>*5</sup>	1,173	1,197	1,088
11	Total Water Discharges (Tonnes) <sup>*6</sup>	2	1	1
12	Direct CO2 Emissions (Tonnes CO2-e) <sup>*2</sup>	63.5	55.1	52.0
13	Indirect CO2 Emissions (Tonnes CO2-e) <sup>*4</sup>	649.8	579.3	572.8
14	Other Indirect CO2 Emissions (Tonnes CO2-e) <sup>*5, 6, 7</sup>	1.0	0.8	0.8
15	Total CO2 Emissions (Tonnes CO2-e) <sup>*2, 4, 5, 6, 7, 8</sup>	714.3	635.2	625.7
16	Paper Recycled (Tonnes) <sup>*9</sup>	29.91	27.71	13.14
17	Aluminum Recycled (Tonnes) <sup>*9</sup>	0.05	0.07	0.09
18	Plastic Recycled (Tonnes) <sup>*9</sup>	0.09	0.18	0.14
19	Waste to Landfill or Incineration (Tonnes) <sup>*9</sup>	44.78	32.75	23.09
20	Total Number of Spills	0	0	0
21	Total Volume of Spills (m <sup>3</sup> )	0	0	0
22	Chemical Waste Produced (Tonnes) <sup>*10</sup>	0.04	0.07	0.07
23	Waste Electrical and Electronic Equipment (WEEE) Recycled (Tonnes) <sup>*11</sup>	1,340	1,157	951
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	FY2020	FY2021	FY2022
1	Number of Staff <sup>*12</sup>	931	852	769
2	Male : Female	597 : 334	537 : 315	477 : 292
3	Local : Non-local <sup>*13</sup>	925 : 6	846 : 6	764 : 5
4	Full Time : Part Time	913 : 18	835 : 17	760 : 9
5	Male (Permanent : Temporary) <sup>*14</sup>	-	-	450 : 27
6	Male (Full Time : Part Time) <sup>*14</sup>	-	-	475 : 2
7	Female (Permanent : Temporary) <sup>*14</sup>	-	-	270 : 22
8	Female (Full Time : Part Time) <sup>*14</sup>	-	-	285 : 7
9	Local (Permanent : Temporary) <sup>*14</sup>	-	-	716 : 48
10	Local (Full Time : Part Time) <sup>*14</sup>	-	-	755 : 9
11	Non-local (Permanent : Temporary) <sup>*14</sup>	-	-	4 : 1
12	Non-local (Full Time : Part Time) <sup>*14</sup>	-	-	5 : 0
13	Manager (Male : Female)	83 : 33	79 : 33	72 : 32
14	Non-Manager (Male : Female)	514 : 301	458 : 282	405 : 260
15	Hong Kong : Macau	855 : 76	776 : 76	700 : 69
16	Age Below 30	132	93	87
17	Age 30-50	577	527	458
18	Age Above 50	222	232	224
19	Voluntary Staff Turnover	15.0%	26.0%	23.3%
20	Staff Turnover Rate – Female	21.6%	27.0%	28.4%
21	Staff Turnover Rate – Male	19.6%	26.0%	30.1%
22	Staff Turnover Rate – Age Below 30	35.4%	70.1%	49.1%
23	Staff Turnover Rate – Age 30-50	16.3%	23.7%	29.0%
24	Staff Turnover Rate – Age Above 50	21.5%	10.9%	22.8%
25	Staff Turnover Rate – Hong Kong	19.8%	26.2%	30.0%
26	Staff Turnover Rate – Macau	24.7%	27.5%	23.8%
27	Retention Rates After Parental Leave	100%	100%	100%
28	Staff Injuries	7	5	3
29	Staff Fatalities Resulted from Work-related Injury	0	0	0
30	Accident Rate Per 1,000 Workers <sup>*15</sup>	7.52	5.87	6.50
31	Lost Days Due to Work Injury	88	43	33
32	Total Training Hours <sup>*16</sup>	20,680	19,980	12,198
33	Employee Trained – Male : Female (%) <sup>*17</sup>	64.2 : 35.8	61.9 : 38.1	61.6 : 38.4
34	Employee Trained – Manager : Non-Manager (%) <sup>*17</sup>	11.4 : 88.6	10.9 : 89.1	12.0 : 88.0
35	Average Training Hours – Female (per employee) <sup>*18</sup>	16.74	19.31	16.53
36	Average Training Hours – Male (per employee) <sup>*18</sup>	20.28	17.62	13.79
37	Average Training Hours – Manager (per employee) <sup>*18</sup>	27.35	17.72	12.80
38	Average Training Hours – Non-Manager (per employee) <sup>*18</sup>	17.93	18.33	15.12
39	Staff Training Cost Year-On-Year Growth <sup>*19</sup>	5.96%	-48.71%	44.25%
40	Convicted Cases of Corruption	0	0	0
41	Anti-corruption Learning Participation Rate <sup>*20</sup>	100%	100%	100%
42	Code of Conduct Learning Participation Rate <sup>*21</sup>	100%	100%	100%
43	Volunteering Hours <sup>*22</sup>	381.5	626	384
44	Number of Volunteer <sup>*22</sup>	120	237	109
45	Monetary Value of Significant Fines and Total Number of Non-Monetary Sanctions for Non-Compliance with Laws and Regulations (HK\$)	0	0	0
46	Human Rights Review <sup>*23</sup>	100%	100%	100%
47	Number of Grievances Related to Human Rights	0	0	0

Economic

Item	Data Summary	FY2020	FY2021	FY2022
1	Revenue/Selling General & Administrative Expense	4.13	3.92	4.06
2	Human Resources Productivity (Revenue/Total HR cost)	4.14	3.59	3.90
3	Environmental Expenditure Year-On-Year Growth <sup>*24</sup>	-10%	-3%	-8%

- Remarks:
- \*1 The calculation was based on “How to Prepare an ESG Report - Appendix 2: Reporting Guidance on Environmental KPIs” issued by SEHK.
  - \*2 Per the report verifier's advice in August 2019, we have included the consumption data of the Managing Director's car in the calculation from FY2019 onwards.
  - \*3 The conversion ratio refers to the GRI Sustainability Reporting Guidelines Version 3.1.
  - \*4 Per the report verifier's advice in August 2019, we have included the consumption data of the Macau office in the calculation from FY2019 onwards.
  - \*5 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.
  - \*6 Water consumption of our head office was excluded as it was included in the calculation of the building management fee.
  - \*7 Per the report verifier's advice in August 2018, we included the amount of paper recycled in the data of Other Indirect CO<sub>2</sub> Emissions. Hence, the calculation included the total of (1) CO<sub>2</sub> emissions from the disposal of paper waste (i.e., the amount of paper consumed minus the amount of paper recycled) and (2) CO<sub>2</sub> emissions from total water discharges (i.e., CO<sub>2</sub> emissions from electricity used for freshwater processing by Water Supplies Department plus CO<sub>2</sub> emissions from electricity used for sewage processing by Drainage Services Department).
  - \*8 We have included Other Indirect (Scope 3) CO<sub>2</sub> Emissions in the calculation from FY2020 onwards. Hence, the total CO<sub>2</sub> emissions included Direct (Scope 1), Indirect (Scope 2), and Other Indirect (Scope 3) CO<sub>2</sub> Emissions but excluded CO<sub>2</sub> emissions from logistics management activities conducted by on-site contractors, refrigeration, air-conditioning, and fire extinguishers. CO<sub>2</sub> is the main greenhouse gas (GHG) produced by FUJIFILM BI HK. 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.
  - \*9 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.
  - \*10 Chemical waste excluded the amount generated by activities of off-site contractors..
  - \*11 The figure of FY2021 was adjusted as per verified worksheet.
  - \*12 Included all permanent and contract staff.
  - \*13 “Local” employees refer to those whose employment terms and conditions meet the labor requirements of the Hong Kong Special Administrative Region (HKSAR) and Macau Special Administrative Region. The “Non-local” employees are from Japan, Germany, Singapore, and Spain respectively.
  - \*14 New indicator adopted from FY2022 onwards.
  - \*15 The calculation of the accident rate per 1,000 workers was referenced to the definition of the Labor Department of HKSAR.
  - \*16 The decrease in training hours in FY2022 due to the focus shift from classroom training to new training delivery mode (i.e. function-based DX training and project support, or self-paced learning in particular those delivered by external resources).
  - \*17 The calculation was based on the total number of employees trained.
  - \*18 The calculation was based on the total number of employees in the specified category trained.
  - \*19 The significant drop in staff training cost in FY2021 is due to the minimized number of certificates issued after review of training need. Whereas the recovery in FY2022 is due to the DX Contest Award and cost reallocation from regional to us.
  - \*20 The calculation included active staff only.
  - \*21 All new employees joining FUJIFILM BI HK are required to complete the “Code of Conduct” training within three months of commencement of employment. For existing employees, regular reviews and/or training will be conducted according to the annual review of scope and content.
  - \*22 The decrease in volunteering hours and number of volunteers in FY2022 was caused by team restricting with less focus in this area.
  - \*23 Human rights review was conducted in the annual business risk assessment under ISO 22301 Business Continuity Management System.
  - \*24 The data included end-of-life management costs only.





Statement of use







FUJIFILM Business Innovation Hong Kong has reported the information cited in this GRI content index for the period 1 April 2022 to 31 March 2023 in accordance with the GRI Standards.

GRI used

GRI 1: Foundation 2021



General Disclosures


GRI 2: General Disclosures 2021		Cross-reference	SEHK ESG Guide Reference	Global Goal(s)	Page
The organization and its reporting practices					
2-1	Organizational details	Company Profile; Reporting Scope and Approach; Corporate Governance			14 – 15, 10 – 13, 16 – 19
2-2	Entities included in the organization's sustainability reporting	Top Commitment; Reporting Scope and Approach			2 – 3, 10 – 13
2-3	Reporting period, frequency and contact point	Reporting Scope and Approach; Email: shm-fbhk-sustainability@fujifilm.com			10 – 13
2-4	Restatements of information	For the Environmental Indicator - Item 11 Total Water Discharge (Tonnes) in CSR Indicators, meter reading resumed normal in FY2022 - Item 15 Total CO <sub>2</sub> Emissions (Tonnes CO <sub>2</sub> -e) in CSR Indicators, we have included Other Indirect (Scope 3) CO <sub>2</sub> Emissions in the calculation from FY2020 onwards. Hence, the Total CO <sub>2</sub> Emissions include Direct (Scope 1), Indirect (Scope 2) and Other Indirect (Scope 3) CO <sub>2</sub> Emissions			N/A
2-5	External assurance	Reporting Scope and Approach; Verification			10 – 13, 49

Activities and workers					
2-6	Activities, value chain and other business relationships	Company Profile; Reporting Scope and Approach; Environmental; FBHK website – <a href="#">Explore Our Services</a>	KPI B5.1		14 – 15, 10 – 13, 30 – 33
		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.	KPI B5.2		
2-7	Employees	CSR Indicators -Social	KPI B1.1		40
2-8	Workers who are not employees	The total number of contractor staff as of 31 Mar 2023 is 141.			N/A
Governance					
2-9	Governance structure and composition	Corporate Governance			16 – 19
2-10	Nomination and selection of the highest governance body				
2-11	Chair of the highest governance body	The chair of the highest governance body will be a senior executive from the corporate. This arrangement follows the basic approach as stated in <a href="#">FUJIFILM Holdings Corporation Sustainability Report</a> .  To avoid conflicts of interest, the director was appointed with the receipt of a letter of declaration of interest from the director. This is pursuant with Sections 536 to 538 of the Companies Ordinance and article 98 of the Company's articles of association, a letter of declaration of interest from the director.			N/A
2-12	Role of the highest governance body in overseeing the management of impacts	Top Commitment; Corporate Governance			2 – 3, 16 – 19
2-13	Delegation of responsibility for managing impacts	Corporate Governance			16 – 19
2-14	Role of the highest governance body in sustainability reporting	Top Commitment; Corporate Governance			2 – 3, 16 – 19
2-15	Conflicts of interest	Besides signing declaration of conflict of interest, the company implements internal Whistle-blowing Guideline and manage respective incidents as per the Group's established mechanism. Due to FUJIFILM BI HK being a private organization, we do not disclose the information to external parties.			N/A

2-16	Communication of critical concerns	For critical concerns, the local management team will handle and escalate to respective corporate functions. We will further report formally during the half-yearly board of directors' meeting. Due to FUJIFILM BI HK being a private organization, we do not disclose the information to external parties.			N/A
2-17	Collective knowledge of the highest governance body	We leverage the implementation of ISO 14001, ISO 50001, ISO 22301 and ISO/IEC 27001.			N/A
2-18	Evaluation of the performance of the highest governance body	The performance of local Board of Directors will be evaluated by the corporate Board of Directors. For related details, please refer to <a href="#">FUJIFILM Holdings Corporation Sustainability Report</a> .			N/A
2-19	Remuneration policies	Due to FUJIFILM BI HK being a private organization, we do not disclose the information to external parties.			N/A
2-20	Process to determine remuneration	Due to FUJIFILM BI HK being a private organization, we do not disclose the information to external parties.			N/A
2-21	Annual total compensation ratio	Due to FUJIFILM BI HK being a private organization, we do not disclose the information to external parties.			N/A

Strategy, policies and practices

2-22	Statement on sustainable development strategy	Top Commitment			2 – 3
2-23	Policy commitments	Corporate Governance; About the Fujifilm Group			16 – 19, 4 – 9
2-24	Embedding policy commitments	Corporate Governance; About the Fujifilm Group; Economics; Environmental; Social; FBHK website – <a href="#">Sustainability Policies and Guidance Note</a>			16 – 19, 4 – 9, 20 – 29, 30 – 33, 34 – 38
2-25	Processes to remediate negative impacts	Top Commitment; About the Fujifilm Group; Corporate Governance; Social; FBHK website – <a href="#">Sustainability Policies and Guidance Note</a>			2 – 3, 4 – 9, 16 – 19, 34 – 38
2-26	Mechanisms for seeking advice and raising concerns	Social			34 – 38
2-27	Compliance with laws and regulations	No fines and/or non-monetary sanctions for non-compliance with laws and regulations were recorded in FY2022.	A1, B1, B2, B4, B6, B7		N/A
2-28	Membership associations	<ul style="list-style-type: none"><li>• Business Environment Council</li><li>• Hong Kong General Chamber of Commerce</li><li>• Hong Kong Management Association</li><li>• Japanese Chamber of Commerce</li><li>• The Aberdeen Marina Club</li><li>• The Chinese Manufacturers' Association of Hong Kong</li><li>• The Clearwater Bay Golf &amp; Country Club</li><li>• The Hong Kong Japanese Club</li><li>• The Hong Kong Printers Association</li></ul>			N/A


Stakeholder engagement					
2-29	Approach to stakeholder engagement	Reporting Scope and Approach			10 – 13
2-30	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

Materiality assessment

GRI 3: Material Topics 2021

3-1	Process to determine material topics	Reporting Scope and Approach			10 – 13
3-2	List of material topics				


GRI 201: Economic Performance 2016

3-3	Management of material topics	Reporting Scope and Approach; Economic			10 – 13, 20 – 29
201-2	Financial implications and other risks and opportunities due to climate change	Corporate Governance	A4, KPI A4.1		16 – 19



GRI 203: Indirect Economic Impacts 2016

3-3	Management of material topics	Reporting Scope and Approach; Economic			10 – 13, 20 – 29
203-1	Infrastructure investments and services supported	Reporting Scope and Approach; Social	KPI B8.1, KPI B8.2	  	10 – 13, 34 – 38
203-2	Significant indirect economic impacts	Economic; Social		  	20 – 29, 34 – 38

GRI 205: Anti-corruption 2016





3-3	Management of material topics	Reporting Scope and Approach; Social	B7, KPI B7.2		10 – 13, 34 – 38
205-2	Communication and training about anti-corruption policies and procedures	CSR Indicators -Social	B7, KPI B7.1		40
205-3	Confirmed incidents of corruption and actions taken				

GRI 301: Materials 2016






3-3	Management of material topics	Reporting Scope and Approach; Environmental	A3, KPI A3.1		10 – 13, 30 – 33
301-2	Recycled input materials used	We provide FSC™ recycled 100% paper (i.e. Recycled).		 	N/A




**GRI 302: Energy 2016**

3-3	Management of material topics	Top Commitment; Reporting Scope and Approach; Environmental	A2, KPI A2.3		2 – 3, 10 – 13, 30 – 33
302-1	Energy consumption within the organization	CSR Indicators -Environmental	KPI A2.1	   	39







**GRI 305: Emissions 2016**

3-3	Management of material topics	Top Commitment; Reporting Scope and Approach; Economic; Environmental	A1, KPI A1.5		2 – 3, 10 – 13, 20 – 29, 30 – 33
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				
305-3	Other indirect (Scope 3) GHG* emissions				
305-5	Reduction of GHG* emission	Corporate Governance; CSR Indicators -Environmental	KPI A1.5		16 – 19, 39
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	CSR Indicators -Environmental	KPI A1.1		39

**GRI 303: Water and Effluents 2018**

3-3	Management of material topics	Reporting Scope and Approach; Environmental	A1, KPI A1.6		10 – 13, 30 – 33
303-4	Water discharge	CSR Indicators -Environmental	KPI A2.2		39




**GRI 306: Waste 2020**

3-3	Management of material topics	Reporting Scope and Approach; Environmental	A1, KPI A1.6		10 – 13, 30 – 33
306-1	Waste generation and significant waste-related impacts	CSR Indicators -Environmental	KPI A3.1	  	39
306-2	Management of significant waste-related impacts	Environmental			
306-3	Waste generated	CSR Indicators -Environmental	KPI A1.3, KPI A1.4	  	39
306-4	Waste diverted from disposal				
306-5	Waste directed to disposal				




**GRI 308: Supplier Environmental Assessment 2016**

3-3	Management of material topics	Reporting Scope and Approach; Environmental	B5, KPI B5.2 KPI B5.3 KPI B5.4		10 – 13, 30 – 33
308-1	New suppliers that were screened using environmental criteria	We included environmental criteria in all preferred vendors' assessments.	KPI B5.2		N/A



**GRI 401: Employment 2016**

3-3	Management of material topics	Social			34 – 38
401-1	New employee hires and employee turnover	CSR Indicators -Social	KPI B1.2	  	40
401-3	Parental leave				

**GRI 408: Child Labor 2016**

3-3	Management of material topics	Social			34 – 38
408-1	Operations and suppliers at significant risk for incidents of child labor	<u>Fujifilm Group Code of Conduct</u>	KPI B4.1, KPI B4.2	  	N/A

**GRI 409: Forced or Compulsory Labor 2016**




3-3	Management of material topics	Social			34 – 38
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	<u>Fujifilm Group Code of Conduct</u>	KPI B4.1, KPI B4.2	 	N/A

**GRI 403: Occupational Health and Safety 2018**

3-3	Management of material topics	Reporting Scope and Approach; Corporate Governance; Social	B2, KPI B2.3		10 – 13, 16 – 19, 34 – 38
403-9	Work-related injuries	CSR Indicators -Social	KPI B2.1	  	40

**GRI 404: Training and Education 2016**

3-3	Management of material topics	Reporting Scope and Approach; Social			10 – 13, 34 – 38
404-1	Average hours of training per year per employee	CSR Indicators -Social	KPI B3.2	   	40

GRI 405: Diversity and Equal Opportunity 2016					
3-3	Management of material topics	Reporting Scope and Approach; Social			10 – 13, 34 – 38
405-1	Diversity of governance bodies and employees	CSR Indicators -Social	KPI B1.1		40
GRI 417: Marketing and Labeling 2016					
3-3	Management of material topics	Reporting Scope and Approach; Environmental			10 – 13, 30 – 33
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
GRI 418: Customer Privacy 2016					
3-3	Management of material topics	Reporting Scope and Approach; Corporate Governance	B6, KPI B6.5		10 – 13, 16 – 19
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

Remarks:  
\*The main Greenhouse Gas (GHG) emitted by FUJIFILM BI HK is carbon dioxide (CO<sub>2</sub>). In this context, "Greenhouse Gas" refers to CO<sub>2</sub>.



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 2023 (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 2022 to 31 March 2023, as defined in the Report. This is the 14<sup>th</sup> 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 Global Reporting Initiative Sustainability Reporting Standards (“GRI Standards 2021”), the Environmental, Social and Governance Reporting Guide (“ESG Guide”) set out in Listing Rules Appendix 27 of The Stock Exchange of Hong Kong Limited, 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 2021, the ESG 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 GRI Standards 2021 and the ESG Guide;
- The Report illustrated the sustainability performance of FUJIFILM Business Innovation Hong Kong’s 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

K T Ting  
Chief Operating Officer  
October 2023



# Glossary

3R	Reduce, Reuse and Recycle	HSBC	The Hong Kong and Shanghai Banking Corporation Limited
AI	Artificial Intelligence	ICT	Information and Communications Technology
BSN	Blockchain-based Service Network	IEC	International Electrotechnical Commission
CCM	Customer Communication Management	ISO	International Organization for Standardization
CDMO	Contract Development and Manufacturing Organization	IT	Information Technology
CMP	Chemical Mechanical Planarization	IVD	In Vitro Diagnostic
CSMA	Cybersecurity Mesh Architecture	MEMS	Microelectromechanical systems
CMS	Clinical Management System	MFP	Multifunction Printer
CO <sub>2</sub>	Carbon Dioxide	MRI	Magnetic Resonance Imaging
CoC	Chain of Custody	MROS	Medical Report Output System
COVID-19	Coronavirus Disease 2019	MSSP	Managed Security Service Provider
CSR	Corporate Social Responsibility	NGOs	Non-governmental Organizations
CT	Computed Tomography	NOx	Nitrogen Oxides
DCK	Delicious Chef King Catering Limited	PoC	Proof of Concept
DX	Digital Transformation	PM	Particulate Matter
eHealth	Electronic Health Record Sharing System	R&I	Rating and Investment Information
ESG	Environmental, Social, and Governance	RMAP	Responsible Minerals Assurance Process
FSC™	Forest Stewardship Council™	SBTi	Science Based Targets Initiative
FTSE	Financial Times Stock Exchange	SDGs	Sustainable Development Goals
FUJIFILM BI HK	FUJIFILM Business Innovation Hong Kong Limited	SEHK	The Stock Exchange of Hong Kong Limited
FY	Fiscal Year	SFTs	Semi-fungible Tokens
GHG	Greenhouse Gas	SOx	Sulphur Oxides
GRI	Global Reporting Initiative	SRI	Socially Responsible Investment
HKCERT	Hong Kong Computer Emergency Response Team Coordination Centre	SVP	Sustainable Value Plan
HKMA	The 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
HKSI	The Hong Kong Society of Illustrators	VCS	Verified Carbon Standard
HKU	The University of Hong Kong	WEEE	Waste Electrical and Electronic Equipment
		WWF	World Wide Fund for Nature

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