

KnowTheChain 2022 ICT Benchmark

Additional Disclosure

Company Name: FUJIFILM Holdings Corporation

Date: 7th August, 2022

Please note that the additional information is indicated in blue text.

Guidance:

- Please add any additional information you wish to provide under the relevant indicator elements below.
- We welcome examples of leading practices.
- Unless you are sharing leading practices, please limit the information to indicators for which KnowTheChain could not yet identify sufficient information on your website.
- Note KnowTheChain has already undertaken a review of your website. Should you wish to include links to existing disclosure, please specify the page number / section you are referring to.

INDICATOR 1: SUPPLIER CODE OF CONDUCT AND CAPACITY BUILDING

1.1 has a supplier code of conduct that requires suppliers to respect the ILO core labour standards, which include the elimination of forced labour; and requires suppliers to cascade/implement standards that are in line with the company's supplier code of conduct; and

In response to the following comment:

(1) "While suppliers are required to notify their suppliers, it is not clear their suppliers are required to comply with the guidelines. [In the company's sustainability report it states that "we ask our suppliers to request adherence to the supplier code of conduct by its own employees and subcontractors" but this language is not included in the guideline.]

We have the following additional information which has been uploaded on our website after June, the initial review period.

➔ [Fujifilm Group Sustainable Procurement Guidelines for Suppliers Ver.2 \[English Version\]](#)
The relevant information on request to suppliers is written on the following two pages in the Guidelines:

- Page 5: [2\) Request to Suppliers](#)
- Page 25: [2. Notification of the Importance of Promoting CSR](#)

The above Guidelines has been revised and renamed in March 2022 and its English version became available on the following FUJIFILM Holdings website in July 2022:

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

1.2 engages in capacity building to enable its suppliers to cascade its supply chain policies that address forced labour to their own supply chains and/or trains suppliers below the first tier on such policies, and measures the effectiveness of capacity building.

INDICATOR 2: MANAGEMENT AND ACCOUNTABILITY

2.1 has a committee, team, program, or officer responsible for the implementation of its supply chain policies that address forced labour; and discloses how incentives for staff (e.g. bonuses, part of employee performance reviews) are tied to improvements in working conditions in supply chains;

2.2 discloses how it trains relevant decision-makers within the company on risks and policies that address forced labour; and

2.3 has tasked a board member or board committee with oversight of its supply chain policies that address forced labour, and describes how the experiences of affected workers or relevant stakeholders (such as civil society, unions, and workers or their representatives) informed board discussions.

INDICATOR 3: TRACEABILITY AND SUPPLY CHAIN TRANSPARENCY

3.1 the names and addresses of first-tier suppliers;

3.2 the names and locations of below-first-tier suppliers (this does not include raw material suppliers); and

3.3 the sourcing countries of at least three raw materials at high risk of forced labour.

In response to the following comment:

(3) Not disclosed. Fujifilm states that it traces the origin of minerals in its supply chains through monitoring, verifying the results and following procedures identified by the Responsible Minerals Initiative. [The company does not disclose whether it is a member.] It does not disclose further detail on its tracing processes.

We would like to update on the membership information.

Please see attached the PDF of the latest FUJIFILM Holdings Sustainability Report 2022*.

The relevant information is referred to on the following two pages in 2.5 Supply Chain Management:

- Page 62: (4) in the table of “Fujifilm Group Efforts”

- Page 64: 2.5.11 Collaboration with Initiatives in the Supply Chain Area

*About the FUJIFILM Holdings Sustainability Report 2022

We have published the Japanese version of the latest Sustainability Report 2022 in July at

<https://holdings.fujifilm.com/ja/sustainability/report/2022>.

Its English version is scheduled to be published by the end of September 2022, in line with the revision of the already published Japanese version. Thus, for your reference, we have attached the corresponding pages (PDF), Section 2.5 Supply Chain Management, of the English report.

The content of this section is already finalized, but its page numbers may still change due to the contents currently being added in other sections.

The URL of the FY2022 site, which will open at end of September, should be as follows:

<https://holdings.fujifilm.com/en/sustainability/report/2022>

INDICATOR 4: RISK ASSESSMENT

4.1 details on how it conducts human rights supply chain risk or impact assessments that include forced labour risks or assessments that focus specifically on forced labour risks, including through engaging with relevant stakeholders (such as civil society, unions, and workers or their representatives) in countries in which its suppliers operate;

4.2 details on forced labour risks identified in different tiers of its supply chains; and

4.3 how it has consulted with relevant stakeholders (such as civil society, unions, and workers or their representatives) in steps taken to address the risks identified.

INDICATOR 5: DATA ON SUPPLY CHAIN RISKS

5.1 the percentage or number of supply chain workers who are women;

5.2 the percentage or number of supply chain workers who are migrant workers' and

5.3 the percentage or number of supply chain workers that are being paid a living wage.

INDICATOR 6: PURCHASING PRACTICES

6.1 commits to responsible buying practices in its contracts with suppliers;

6.2 describes how it has adopted responsible purchasing practices in the first tier of its supply chains, which includes planning and forecasting, and how it ring-fences labour costs; and

6.3 discloses two quantitative data points demonstrating that it has responsible purchasing practices in place that address the risk of forced labour.

INDICATOR 7: RECRUITMENT-RELATED FEES

7.1 requires that no worker in its supply chains should pay for a job—the costs of recruitment-related fees should be borne not by the worker but by the employer ("Employer Pays Principle");

7.2 provides detail on the implementation of the Employer Pays Principle in its supply chains by demonstrating how it works to prevent the charging of fees to supply chain workers in different supply chain contexts; and

7.3 in the event that it discovers that fees have been paid by workers in its supply chains, provides evidence of re-payment of recruitment-related fees to workers. The company describes how it engages with affected workers in the remediation process.

INDICATOR 8: RESPONSIBLE RECRUITMENT

- 8.1 discloses information on the recruitment agencies used by its suppliers; and
- 8.2 provides details of how it supports responsible recruitment in its supply chains (e.g. by collaborating with relevant stakeholders to engage policy makers to strengthen recruitment standards).

INDICATOR 9: FREEDOM OF ASSOCIATION

- 9.1 works with independent local or global trade unions and/or other legitimate worker representatives to improve freedom of association in its supply chains;
- 9.2 discloses that it is party to a global framework agreement that covers its supply chains and/or an enforceable supply chain labour rights agreement with trade unions or worker organisations; and
- 9.3 discloses the percentage of supply chains covered by collective bargaining agreements.

INDICATOR 10: GRIEVANCE MECHANISM

- 10.1 takes steps to ensure a formal mechanism to report a grievance to an impartial entity regarding labour conditions in the company's supply chains is available to its suppliers' workers and their legitimate representatives across supply chain tiers; and

In response to the following comment:

(1) [...] Fujifilm discloses a contact form on its website which it states can be used "to contact us regarding our Sustainability policy, including comments and questions on...human rights, and supply chain." There is an option for sending anonymous comments. It is not clear that this is intended to operate as a legitimate grievance mechanism for supply chain workers and their representatives (e.g. there is no indication that the mechanism is operated by an impartial entity). The contact form is described as an enquiry form as opposed to a grievance mechanism.

At present, our contact point is limited to an online form, as noted in the KTC's comment. There is a minor update, however, that we have included this contact information in the revised Supplier's Guidelines this year.

➔ **Fujifilm Group Sustainable Procurement Guidelines for Suppliers Ver.2 [English Version]**

Page 25: [Inquiry Regarding Sustainability Activities](#)

Please visit the website below to provide your opinions or make queries about sustainability-related matters at the Fujifilm Group including the environment, ethics, compliance, human rights and supply chain. <https://holdings.fujifilm.com/en/contact>

- 10.2 discloses data about the practical operation of the mechanism, such as the number of grievances filed, addressed, and resolved; and
- 10.3 takes steps to ensure that its suppliers' workers or their legitimate representatives are involved in the design and/or performance of the mechanism, to ensure that the workers trust the mechanism.

INDICATOR 11: MONITORING

11.1 its methodology for monitoring the implementation of its supply chain policies addressing forced labour;

11.2 the findings of monitoring reports, including details regarding any violations revealed in relation to forced labour and indicators of forced labour, across supply chain tiers; and

In response to the following comment:

*(2) Not disclosed. The company discloses that issues identified during visits to suppliers in China and Vietnam included physical examinations for women during employment procedures, overtime hours, and annual leave, **but does not disclose whether any findings concern forced labour**. It states that it has verified improvements by 51 suppliers (as of the end of FY2020).*

We would like to update on the onsite audit information.

Please see attached the PDF of the FUJIFILM Holdings Sustainability Report 2022*.

The relevant information is referred to in 2.5 Supply Chain Management on the following page:

- Page 59: (3) Request/support for supplier's improvement activities

As a result of risk assessments, we identified issues with overtime hours, the labor/human rights management system (response to child labor, elimination of discrimination, etc.), and deficiencies in the management of chemicals and toxic substances.

*Please see the comment in INDICATOR 3.3 regarding the English version of the FUJIFILM Holdings Sustainability Report 2022.

11.3 the use of worker-driven monitoring (i.e., monitoring undertaken by independent organisations that includes worker participation and is guided by workers' rights and priorities).

INDICATOR 12: REMEDY AND RESPONSE TO ALLEGATIONS

A(1) a process for responding to potential complaints and/or reported violations of policies that address forced labour and how it engages affected stakeholders as part of this process; and

A(2) at least two examples of outcomes of its remedy process in practice, covering different supply chain contexts, for its suppliers' workers.

In addition, where an allegation is identified in a company's supply chains:

B.1.1 that it engages in a dialogue with the stakeholders reportedly affected in the allegation(s)

B.1.2 outcomes of the remedy process in the case of the allegation(s); and

B.1.3 evidence that remedy(ies) are satisfactory to the victims or groups representing the victims.

Where an allegation is identified in the company's supply chains, but is denied by the company:

B.2.1 a description of what actions it would take to prevent and remediate the alleged impacts; and

B.2.2 as part of this process, it would engage with affected stakeholders and their representatives.

Reporting Legislations

UK Modern Slavery Act: Where applicable, the company discloses at least one statement under the UK Modern Slavery Act.

Yes/No. Please provide link to a publicly available statement.

One more Group company, FUJIFILM Diosynth Biotechnologies UK Limited, discloses the statement at the [Modern Slavery Act Statement](#) site, in addition to the following subsidiaries:

Fujifilm UK Limited, Fujifilm Speciality Ink Systems, Fujifilm Europe GmbH, Fujifilm Europe B.V., and Fujifilm Electronic Imaging Europe (<https://www.fujifilm.com/uk/en/modern-slavery-act>)

California Transparency in Supply Chains Act: Where applicable, the company has a disclosure under the California Transparency in Supply Chains Act.

Yes/No. Please provide link to a publicly available statement.

Australia Modern Slavery Act: Where applicable, the company discloses at least one statement under the Australia Modern Slavery Act.

Yes/No. Please provide link to a publicly available statement.

High Risk Sourcing

Please indicate whether your company sources from China or Malaysia. Note where a company does not provide this information, KnowTheChain will review the company's website as well as third party sources to identify relevant information.