

MODERN SLAVERY AND HUMAN TRAFFICKING

INTRODUCTION FROM THE CHIEF OPERATING OFFICER OF FUJIFILM SPECIALITY INK SYSTEMS LIMITED

FUJIFILM Speciality Ink Systems Limited are a manufacturer and supplier of digital, screen, and narrow web flexo inks, as well as providing screen making and associated products in the graphic arts sector.

We are a part of the group of companies owned by FUJIFILM Corporation (“**FUJIFILM Group**”). Our ultimate parent company is FUJIFILM Holdings Corporation. Both FUJIFILM Holdings Corporation and FUJIFILM Corporation have their head offices in Japan.

The FUJIFILM Group are dedicated to developing mutually beneficial partnership relationships with suppliers. Through our procurement policies and procedures the FUJIFILM Group foster social and environmental responsibility, while encouraging fair trade and free enterprise in international markets.

The FUJIFILM Group are committed to improving our practices to combat any kind of slavery and human trafficking. Companies within the FUJIFILM Group are required to conduct their activities in accordance with the [FUJIFILM Group Charter for Corporate Behaviour](#) and the [FUJIFILM Group Code of Conduct](#) which cover a variety of ethical business principles including the prevention of slavery and human trafficking in the activities of such companies. As part of the FUJIFILM Group’s commitment to these principles, in June 2015 FUJIFILM Corporation adopted the FUJIFILM Corporate Social Responsibility Procurement Guidelines for suppliers (“**Supplier Guidelines**”) under which suppliers to FUJIFILM Corporation are requested to commit to ethical business principles in a number of areas where human rights can be affected. These include the prohibition of forced labour, child labour and inhumane treatment. Whilst progress has been made, the Supplier Guidelines are still in the process of being rolled out to FUJIFILM Group companies outside of Asia. However FUJIFILM Corporation has made further progress in its local CSR Procurement activities and its commitment to respect for human rights as evidenced by the following articles:

<http://www.fujifilmholdings.com/en/sustainability/svp2017/process/policy03/valuechain/01.html>

<http://www.fujifilmholdings.com/en/sustainability/svp2017/process/policy03/cprm/04.html>

ORGANISATION STRUCTURE

FUJIFILM Speciality Ink Systems Limited employs c.300 people in the UK. Whilst our operations are based in the UK, we market and sell our products globally through other FUJIFILM Group companies and directly to customers. We have an annual turnover of £73 million.

OUR BUSINESS

Our business is involved in the research, design, manufacture and supply of digital, screen, and narrow web flexo inks, as well as providing screen making and associated products to the worldwide graphic arts sector.

We are a major employer in the East Kent region. At our plant in Broadstairs we have state-of-the-art research and development and advanced manufacturing facilities supported by quality assurance that ensures that all regulatory and quality requirements are met.

OUR SUPPLY CHAINS

Our supply chains include: the purchase of equipment and services relating thereto, raw materials, resins, consumables and components for use in printing ink research and manufacture. We source these items globally from over 2000 vendors.

OUR POLICIES ON SLAVERY AND HUMAN TRAFFICKING

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. We comply with the [FUJIFILM Group Charter for Corporate Behaviour](#) and [FUJIFILM Group Code of Conduct](#) which reflects our commitment to acting ethically and with integrity in all our business relationships and to implementing and promoting this approach in our supply chains.

OUR PROCESSES TO PREVENT SLAVERY AND HUMAN TRAFFICKING

All FUJIFILM Group staff around the world are required to abide by the [FUJIFILM Group Charter for Corporate Behaviour](#) and [FUJIFILM Group Code of Conduct](#) in order to ensure that all FUJIFILM Group companies exhibit and promote ethical business activities. FUJIFILM Group companies are required to complete an annual checklist which requires them to answer questions on their measures to prevent forced and child labour in connection with their compliance with the [FUJIFILM Group Charter for Corporate Behaviour](#) and [FUJIFILM Group Code of Conduct](#).

For the products that we sell that are ultimately sourced from FUJIFILM Corporation (if any), FUJIFILM Corporation procurement staff are expected to identify and assess potential risk areas in the supply chain and work with suppliers in those areas in order to seek to establish that those suppliers act in accordance with the Supplier Guidelines.

As part of our own initiatives to identify and manage risk for products that we source ourselves and for services, our procurement staff work to mitigate the risk of slavery and human trafficking occurring in our supply chains.

The following policies and procedures are in place at FUJIFILM Speciality Ink Systems Limited:

- Anti-corruption Policy
- Company Values
- Public Interest Disclosure Policy
- Dignity at Work Policy
- Equal Opportunity Policy

SUPPLIER ADHERENCE TO OUR VALUES AND ETHICS

We promote action to ban slavery and human trafficking from our supply chain.

For the products that we sell that are ultimately sourced from FUJIFILM Corporation (if any), suppliers of those products are requested to commit to the ethical business principles set out in the Supplier Guidelines. Further, FUJIFILM Corporation aim to reflect those standards in cooperation agreements with suppliers and business partners. The Fujifilm Supplier CSR Checklist was being used by the suppliers and business partners responsible for over 70% of the total procurement amount for each business division in FUJIFILM Corporation and the FUJIFILM group companies within China by the end of March 2017. During the current financial year FUJIFILM Corporation are following up with suppliers and business partners who have already completed the checklist to confirm their responses against their actual activities. After this work is completed, FUJIFILM Corporation will expand the use of the checklist to other suppliers and business partners.

For products that we source ourselves and for services, all our suppliers receive a statement of our expectation that they, and their own supply chain, are free of slavery, servitude, forced labour and human trafficking. The statement refers to confirmation that our suppliers are deemed to be giving if they continue to supply products and/or services to us.

TRAINING

To ensure an understanding of the risks of modern slavery and human trafficking in our supply chains and our business, we provide training to our procurement staff to ensure they act ethically and with integrity in their interactions with our suppliers and ensure they implement and promote this approach in our supply chains.

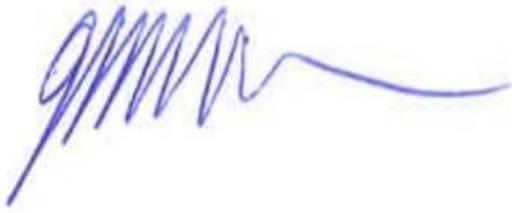
FURTHER STEPS

At a FUJIFILM Group level, FUJIFILM Holdings Corporation are now finalising a Human Rights Policy to strengthen its commitment to important human rights matters such as the elimination of slavery and human trafficking and expect to publish this during the current financial year. In addition it is anticipated that suppliers and business partners to FUJIFILM companies in North America will start utilising the Supplier Guidelines during the current financial year with those to FUJIFILM's European companies to follow later in 2018.

Following a review of the effectiveness of the steps we have taken to ensure that there is no slavery or human trafficking in our supply chains we intend to take the following further steps to combat slavery and human trafficking

- Ensure new suppliers are briefed on what is required from them in order to comply with our Human Rights Policy and that they confirm their adherence in writing.
- To ensure existing professional service providers adhere to our requirement that there is no modern slavery or human trafficking and that they confirm that in writing.
- Adoption of the Supplier Guidelines into our own procurement activities once introduced into Europe by the FUJIFILM Group.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes the slavery and human trafficking statement for FUJIFILM Speciality Ink Systems Limited for the financial year ending 31 March 2017.

A handwritten signature in blue ink, consisting of several loops and a long horizontal tail.

Ian Wilkinson
Chief Operating Officer
FUJIFILM Speciality Ink Systems Limited
Date: 30th September 2017