

## 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. In addition to the existing use in Asia, the Supplier Guidelines have now been adopted by FUJIFILM Group companies in North America as part of their supply chain management systems. The next step is to introduce the Supplier Guidelines to FUJIFILM Group companies in Europe.

In August 2017 FUJIFILM Holdings Corporation announced the adoption of its Sustainable Value Plan 2030 (SVP 2030) in which its stated goal is to become a corporation that promotes social revolution through innovation involving all employees and action on social issues from a long-term perspective. In connection with the 15 priority issues established in the four areas of the environment, health, daily life and work style, enhancing management of the entire supply chain from the viewpoint of Corporate Social Responsibility has been established as a particular priority area.

### 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 or from FUJIFILM companies in North America (if any), procurement staff in those companies 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
- Whistleblowing 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 or from FUJIFILM companies in certain other parts of Asia and in North America (if any), suppliers of those products are requested to commit to the ethical business principles set out in the Supplier Guidelines. Further, those FUJIFILM companies aim to reflect those standards in cooperation agreements with suppliers and business partners. The Fujifilm Supplier CSR Checklist that is used to assess compliance with the Supplier Guidelines is based on the CSR standards issued by the United Nations Global Compact and the Responsible Business Alliance (RBA) and is revised in response to changes in legal regulations and social demands. Use of the Fujifilm Supplier CSR Checklist in FUJIFILM Corporation and the FUJIFILM group companies within China has resulted in some suppliers being required to submit corrective action plans resulting in improvements in CSR standards at those suppliers. In relation to North America a survey of 90% of North American suppliers was undertaken. By the end of March 2018, FUJIFILM companies in North America had achieved a 72% response rate. This remains an ongoing process.

For products that we source ourselves and for services, all our suppliers receive a statement within their terms of business 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 published its [Human Rights Statement](#) in June 2018. This applies to all personnel in the FUJIFILM Group and all business partners associated with the provision of any products and services of any FUJIFILM Group company are also expected to comply with the Statement. Its publication will bolster awareness of the importance of human rights issues within the FUJIFILM Group through internal and external communication and further dissemination of the Statement. At the same time, FUJIFILM Group companies will be

encouraged to cooperate with its partners and suppliers in conducting a more comprehensive assessment of the impact of potential human rights risks in each business field and to strengthen prevention and mitigation measures. As previously stated, it is also planned that FUJIFILM companies in Europe will start utilising the Supplier Guidelines during the current financial year.

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

- Continue to 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 2018.



Ian Wilkinson  
Chief Operating Officer  
FUJIFILM Speciality Ink Systems Limited  
Date: 30<sup>th</sup> September 2018

This statement was approved by the Board of Directors of FUJIFILM Speciality Ink Systems Limited on 17 September 2018.