

MODERN SLAVERY AND HUMAN TRAFFICKING STATEMENT
INTRODUCTION FROM TOMOYUKI HASEGAWA
PRESIDENT & CEO OF FUJIFILM CELLULAR DYNAMICS, INC.

Fujifilm Cellular Dynamics, Inc. (“Cellular Dynamics”), a wholly owned subsidiary of FUJIFILM Holdings America Corporation, is a leading developer and manufacturer of human cells used in drug discovery, toxicity testing, stem cell banking, and cell therapy development. We are a part of the group of companies owned by FUJIFILM Holdings Corporation which has its head office in Japan (“**Fujifilm Group**”).

As a global organisation providing customers with innovative product and service solutions around the world, the Fujifilm Group is involved in the procurement of numerous materials, components and services. In this role the Fujifilm Group acknowledges that it is responsible for ensuring the quality and safety of its product and service solutions and appropriately managing the supply chain of materials, components and services used in their production. The Fujifilm Group is also a significant user of services within its organisation at both a global and local level. In response to ever increasing social demands, the Fujifilm Group is keen to fulfil its social responsibilities across its entire supply chain. The scope of this responsibility covers the global environment, ethics, human rights, health and safety and other labor conditions of those working within the supply chain from a corporate social responsibility perspective. FUJIFILM Holdings Corporation has signed up to United Nations Global Compact, a voluntary initiative that encourages companies to undertake fair operations in the area of human rights, labor, environment and anti-corruption.

Under a partnership with its suppliers based on mutual understanding and trust, the Fujifilm Group aims to build a more robust and sustainable supply chain through socially responsible procurement that reduces business risks in the supply chain and increases the competitiveness and corporate value of all parties in the chain. As part of these activities, the Fujifilm Group continues to improve its 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 Behavior](#) 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. For those of our companies involved in the healthcare sector, the [Fujifilm Group Global Healthcare Code of Conduct](#) must also be complied with.

The [Fujifilm Group Human Rights Statement](#) applies to all personnel in the Fujifilm Group. All business partners associated with the provision of any products and/or services of any Fujifilm Group company are also expected to comply with this Statement. This is driven by a belief that respecting the human rights of workers in the supply chain increases productivity and moral action, which in turn leads to the provision of better products and services, as well encouraging innovation. In addition the [Fujifilm Group AI Policy](#) establishes basic principles for the application of AI technology, such as respect for human rights and fair and appropriate use of the technology, for our various businesses to guide the drive to accelerate the use of technology to resolve social issues.

The Fujifilm Group aims to develop together with its suppliers by encouraging them to take initiatives in CSR activities to spread such positive effects. Recognizing the slavery and human trafficking impact of the conflict minerals issue, the [Fujifilm Group's stance toward the issue of responsible minerals procurement](#) is also made clear in more detail on the Fujifilm global website and Fujifilm Group companies are obliged to undertake the required actions in this area.

As part of the Fujifilm Group's commitment to these principles, FUJIFILM Holdings Corporation continues to develop its Sustainable Procurement Promotion Program that covers (1) dissemination of procurement-related policies (including the newly revised (in March 2022) and renamed Fujifilm Group Sustainable Procurement Guidelines for Suppliers ("**Supplier Guidelines**") which cover items listed in the [Fujifilm Group Charter for Corporate Behavior](#), [Fujifilm Group Code of Conduct](#) and [Fujifilm Group Human Rights Statement](#) that Fujifilm Group companies request their suppliers to follow; (2) risk assessments of suppliers in high risk areas; and (3) requests to improve any supplier facing CSR risks together with offers of support. The program is run cyclically to check on suppliers to ensure improvements have been made. This Sustainable Procurement Promotion Program has been adopted by Fujifilm Group companies in Japan (including FUJIFILM Corporation (a Japanese subsidiary of FUJIFILM Holdings Corporation which owns the group of subsidiary companies to which we belong) and certain Fujifilm Group companies in other parts of Asia, in Europe and in North America. This Sustainable Procurement Promotion Program will continue to be introduced at other Fujifilm Group companies around the world.

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

This report also covers another year during which the world has continued to suffer from the effects of the global COVID-19 pandemic. Due to the success of the global vaccination campaign, certain parts of the world were starting to return to some form of normality by the end of the current year but many issues still remained. Therefore, during the year Fujifilm Group companies continued their activities to help prevent the spread of COVID-19 and to protect the safety and wellbeing of its staff and those of its suppliers and customers. Many Fujifilm Group staff around the world who can work from home continued to do so especially in regions where COVID-19 remained a significant threat and online meetings were still encouraged to reduce travel so far as possible. Although the COVID-19 pandemic continued to affect some of the efforts to visit higher-risk supplier sites to audit their CSR status, all other CSR activities were again unaffected in the year. Fujifilm Group companies will continue to take such actions as are appropriate in this area during the coming year.

ORGANISATION STRUCTURE

Cellular Dynamics has nearly 200 employees and direct operations in the United States.

OUR BUSINESS

FUJIFILM Cellular Dynamics, Inc. (FCDI) is a leading developer and manufacturer of human cells used in drug discovery, toxicity testing, stem cell banking, and cell therapy development. The Company partners with innovators from around the world to combine biologically relevant human cells with the newest technologies to drive advancements in medicine and healthier living. FCDI's technology offers the potential to create induced pluripotent stem cells (iPSCs) from anyone, starting with a standard blood draw, and followed by the powerful capability to develop into virtually any cell type in the human body. Our proprietary manufacturing system produces billions of cells daily, resulting in inventoried iCell® products and donor-specific MyCell® Products in the quantity, quality, purity, and reproducibility required for drug and cell therapy development.

OUR SUPPLY CHAINS

Our supply chains include products and services sourced from both domestic and foreign suppliers. To assist in the development and manufacturing of our product, we source a wide range of products and services from our suppliers, including raw materials, packaging and other services. Our current foreign suppliers are located in regions all around the world.

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 Behavior](#), [Fujifilm Group Code of Conduct](#), and [Fujifilm Group Human Rights Statement](#) 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 to prevent and mitigate any human rights abuses.

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 Behavior](#), [Fujifilm Group Code of Conduct](#), and [Fujifilm Group Human Rights Statement](#) in order to ensure that all Fujifilm Group companies exhibit and promote ethical business activities.

FUJIFILM Holdings Corporation conducts annual screening of priority risk issues (including potential ones) in business processes at all Fujifilm Group companies. All Fujifilm Group companies identify priority risk issues, plan and execute necessary measures to address those issues, and manage their results. Priority issues for the Fujifilm Group as a whole, based on the review results for each Fujifilm Group company, and the results of action implemented are reported to, and deliberated on by, the FUJIFILM Holdings Corporation ESG Committee and reported to the Board of Directors of FUJIFILM Holdings Corporation. This includes human rights issues. Human rights are specified explicitly as one of the perspectives requiring attention at each Fujifilm Group company in review of our priority risk issues. If a Fujifilm Group company has identified any human rights risk, it is required to develop and implement preventive and mitigating measures.

For the products that we sell that are ultimately sourced from FUJIFILM Corporation or from certain Fujifilm Group companies in other parts of Asia, Europe and North America (if any), procurement staff in those companies are expected to operate the Sustainable Procurement Promotion Program in order to seek to establish that 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 by obligating suppliers to permit and cooperate with any regulatory inspections of their facilities relating to the supplied products and/or services, or their production. Additionally, our suppliers warrant that all goods and services sold to us have been produced, sold, delivered and furnished in strict compliance with all applicable laws and regulations.

SUPPLIER ADHERENCE TO OUR VALUES AND ETHICS

The Fujifilm Group promotes actions to ban slavery and human trafficking from its supply chain mainly with the framework of ethical procurement.

For the products that we sell that are ultimately sourced from FUJIFILM Corporation or from Fujifilm Group companies in certain other parts of Asia and in North America (if any), suppliers of those

products 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 labor, child labor and inhumane treatment (including in the context of conflict minerals) as set out in the Supplier Guidelines.

More and more Fujifilm Group companies also use the Fujifilm Group Supplier CSR Checklist to assess suppliers' compliance with the Supplier Guidelines where considered necessary. As a result of suppliers completing these Checklists, primary suppliers in Japan, Europe and the USA have been assessed as a low CSR risk. These Fujifilm Group companies continue to extend the request to complete these Checklists to other suppliers in Japan, Europe and the USA. In cases where significant risk is identified, Fujifilm Group companies conduct on-site CSR audits. A significant number of suppliers in China and Vietnam were audited during the year resulting in requirements in certain cases to correct some employee rights issues (including overtime hours and annual holidays used). As a result of these activities and those carried out in the previous year, the requested improvements have been confirmed in most cases.

For products that we source ourselves and for services, our suppliers warrant that all goods and services sold to us have been produced, sold, delivered and furnished in compliance with all applicable laws and regulations.

Cellular Dynamics is committed to ethical behavior. We adhere to our internal Standards of Business Conduct and Compliance with Law Program which outlines the legal and ethical standards each employee has a personal obligation to uphold with each other, customers, vendors and the general public. Employees must operate as good corporate citizens, and comply with all federal, state and local laws and regulations applicable to their respective businesses, including: requiring those with whom we do business to conduct themselves in accordance with applicable laws and regulations; remaining alert and sensitive to situations that could result in any fraudulent, illegal, unethical, improper actions by any employee, agent or representative; and upholding the principles and practices of equal employment opportunity, non-discrimination and workforce diversity.

As part of the Fujifilm Group, we also share in the Corporate Social Responsibility (CSR) commitment to contribute to the sustainable development of society by putting into practice the [Fujifilm Group's Corporate Philosophy](#), and realizing its vision through sincere and fair business activities. The CSR Promotion system consists of a committee at the highest level to ensure that the systems are implemented and adhered to. The following systems under the CSR program are used for compliance with supply chain transparency laws and regulations:

- [Fujifilm Group Charter for Corporate Behavior](#)
- [Fujifilm Procurement Policy](#)
- Fujifilm Standards of Business Conduct and Compliance with Law Program (US)

FURTHER STEPS

To combat human rights risks within the supply chain, Fujifilm Group companies will continue to promote actions with the framework of ethical procurement. There is a clear focus within FUJIFILM Holdings Corporation on finding ways to improve the sustainable procurement activities of Fujifilm Group companies and this should lead to further initiatives in the future which will be reported in future statements.

Following a review of the effectiveness of the steps we have taken in FY2022 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: adopt and support all corporate policies related to business ethics and respect for basic human rights, and periodically review our policies and procedures to help maintain compliance with internal policy and external laws.

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 Cellular Dynamics for the financial year ending 31 March 2022.



Tomoyuki Hasegawa
President & CEO
Fujifilm Cellular Dynamics, Inc.

Date: September 30, 2022

This statement was approved by the Board of Directors of FUJIFILM Cellular Dynamics, Inc. on September 30, 2022.