FUJI OIL HOLDINGS INC.

News Release

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Promoting two initiatives to protect and restore forests

in cocoa supply chain in West Africa

Fuji Oil Holdings Inc. (Osaka, Japan; President and CEO: Mikio Sakai) and its group company, Blommer Chocolate Company (US), have started two initiatives to protect and restore forests in line with the Fuji Oil Group's "Responsible Cocoa Bean Sourcing Policy" and 2030 Sustainable Procurement Commitment.

Sustainable Procurement Commitment (released June 4th , 2020)

Mid-to-long term target		2025	2030	Final Goal
Cacao	Child labor	Zero WFCL*	Zero Child labor	Eliminate child labor, eradicate deforestation
	Reforestation	500,000 tree planting	1 million trees planted	

Ghana and Cote d'Ivoire, located in West Africa, are major producers of cocoa beans, producing about 70% of the world's cocoa beans. While the demand for chocolate is increasing around the world, the production system, which is mainly run by small-scale farmers, is facing various social issues. In Côte d'Ivoire, about 60% of the forest cover has been lost in the last 30 years. This is partly due to the expansion of agricultural commodities including cocoa. However, the degradation of the natural environment has had a negative impact on yields, has been a contributor to climate change, and consequently poses a major threat to farmers' livelihoods. The Fuji Oil Group, which operates chocolate businesses in 10 countries around the world, and its core company, Blommer, have entered two-partnerships with companies specializing in forest conservation and restoration, using satellite images and AI to manage farmland and planting trees to restore the forest cover.

Forest monitoring

We have partnered with *Satelligence*, a world leader in forest monitoring, to assess and address deforestation risks in Cote d'Ivoire, Ghana and Ecuador, using satellite imagery, AI-based algorithms and ancillary data about the farms.

■ Tree-planting

In partnership with *Agromap*, a Côte d'Ivoire-based company specializing in nature-based solutions, we will plant approximately 300,000 trees by 2025. The tree planting will promote agroforestry and reforestation in and around the farms in our direct supply chain by planting multipurpose trees and fruit trees.

In addition, we will conduct tree planting activities with an emphasis on improving soil health to generate income and diversify farmers' income, thereby contributing to CO2 absorption and biodiversity protection as well as reforestation.

Sustainability and Commitment to responsible production

The Fuji Oil Group has embraced a 2030 Vision: "Together with our stakeholders, we will cocreate a sustainable future for food, based on plant-based ingredients that are both delicious and healthy". Sustainability of raw materials is essential to achieve this Vision, and we are proud to be able to contribute to cocoa-producing regions and farmers, and we believe that working with farmers to solve their problems will contribute to the growth of our group.



*WFCL: Worst Forms of Child Labor