

# Creation of Diverse Plant-based Ingredients



Material Issue

 Creation of Sustainable Food Resources

## Governance

The Fuji Oil Group's Sustainability Committee\*<sup>1</sup> is an advisory body to the Board of Directors that is chaired by the President and CEO. It deliberates on and monitors the material ESG issue\*<sup>2</sup> of Creation of Sustainable Food Resources from a multi-stakeholder perspective, and recommends the results to the Board. The Chief Technology Officer (CTO) oversees the progress of initiatives for Creation of Diverse Plant-based Ingredients, a priority action in this material issue.

\*1 Governance, Strategy, Metrics and Targets, Risk Management > Governance

[https://www.fujioilholdings.com/en/sustainability/sustainability\\_management/](https://www.fujioilholdings.com/en/sustainability/sustainability_management/)

\*2 Governance, Strategy, Metrics and Targets, Risk Management > Strategy, metrics and targets

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## Strategy

Since its early days, our Group has been considering the future problem of food resources caused by the growing global population. We have explored the possibilities of soy and developed plant-based protein ingredients that can complement animal protein sources. With the world population expected to reach 9.7 billion by 2050, providing solutions to the problem of food scarcity by developing healthy plant-based protein ingredients with lower impact on the global environment has been our Group's mission since the company was founded. Our products are created from a variety of plant-based proteins, fats and oils, as well as combinations of these ingredients, and provide greater options to help create a world where everyone can truly enjoy their meal. We believe these activities not only help solve social issues, but also lead to improved corporate value.

In recent years, there has been growing global interest in physical and mental health, global environmental problems, uneven distribution of food resources, and other social issues. Instead of merely replacing animal-based food with plant-based ones, we aim to provide delicious plant-based foods that resonate with consumers and consider the health of people and the planet in order to help solve these social issues. By combining our plant-based ingredients with our many processing technologies, we will provide plant-based foods that cater to diverse dietary cultures.

## Risk management

The R&D Division engages in the following in order to quickly gain understanding of the many social issues that are changing day by day, and create opportunities to address them.

- Exchange the latest information through a voluntary, cross-departmental discussion group
- Raise awareness of plant-based foods through industry-government-academia collaboration

## Metrics and targets

○ At least 90% complete △ At least 60% complete ✕ Less than 60% complete

FY2023 Goals	FY2023 Results	Self-assessment
Develop next-generation soy meat ingredients that provide new value	Expanded the Prime Soy Meat* series, marketing three new types	○
Develop plant-based ingredients other than soy meat to help our customers and address social issues, and expand the market for such foods	Marketed seven products, including plant-based whipped cream, chocolate, and dashi (Japanese soup stock)	○

\* Prime Soy Meat is a delicious soy-based meat alternative that offers both an authentic meat-like fibrous texture and a melt-in-the-mouth quality.

## Analysis

To realize our vision, “Together with our stakeholders, we will co-create a sustainable future for food, based on plant-based ingredients that are both delicious and healthy,” as stated in the Fuji Oil Group Management Philosophy, we have leveraged the technologies for combining flavors and textures that we have developed over many years to develop new plant-based ingredients with better quality than ever before. The meat-like texture and flavor of the ingredients themselves have been well received by our customers and are used in various products.

## Next steps

It is important to create an enjoyable experience with food and to help keep people and the planet healthy, rather than simply offering plant-based ingredients as alternatives to animal-based products. To address this issue, we set the following goals for FY2024.

- Develop new plant-based ingredients that cater to diversifying values
- Provide sustainable plant-based protein sources

## Specific initiatives

### GOODNOON: A flagship initiative towards the vision stated in Fuji Oil Group Management Philosophy

We launched our flagship plant-based food products initiative GOODNOON\*<sup>1</sup> in July 2022 to fulfil the vision\*<sup>2</sup> stated in our Fuji Oil Group Management Philosophy, and started to work on expanding the market for Plant-Based Foods (PBF). GOODNOON products are specially selected out of Fuji Oil Group plant-based foods as meeting five conditions: amazingly delicious, unique, easy to understand, healthy for people and the planet, and a solution to social issues. Combining our Group’s unique ingredients and technologies, we will make it possible to create surprisingly delicious foods more quickly and in more creative ways, helping to address social issues.



\*1 <https://www.goodnoon.jp/> (in Japanese)

\*2 Revised in April 2023 to: “Together with our stakeholders, we will co-create a sustainable future for food, based on plant-based ingredients that are both delicious and healthy.”

## Next-generation plant-based protein ingredients developed by combining years of technological innovation

Our Group strives to develop products that bring out the flavor of plant-based food ingredients to help solve food insecurity and global environmental challenges. These products harness the development technologies of oils and fats and soy protein ingredients we have cultivated over many years.

In FY2023, we added three new types to the Prime Soy Meat series, a product line pursuing a superior, delicious taste to dispel preconceptions about soy meat. By applying oil, fat, and protein processing technologies, we have reduced the bean-like flavor and achieved an elastic and fibrous meat-like texture and pleasant mouthfeel.

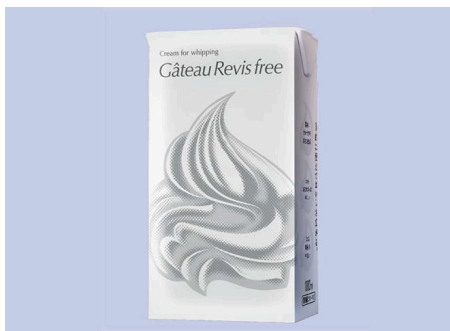


Prime Soy Meat block WN1



Example of use: Plant-based braised pork belly

There is also Gateau Revis free, our newly developed whipped cream made with no animal-based ingredients. It is delicious itself but also enhances the flavors of the ingredients it is combined with, and has a clean mouthfeel and plain taste that works in any preparation.



Gateau Revis free

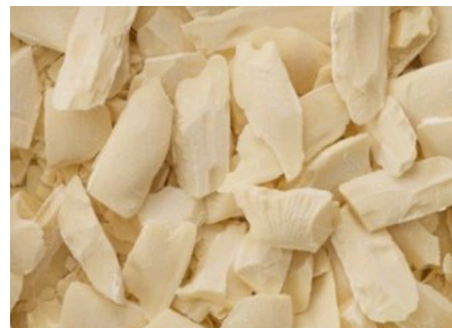


Example of use: Tropical mousse (PBF)

Sales growth in products with no animal-based ingredients is predicted even in the chocolate market. By merging our Group's unique ingredients and technologies, we have developed a chocolate that is dairy-free yet has a milky texture. Both milk-flavored and white types have a mild flavor that enhance the taste of the ingredients they are combined with.



Plant-based chocolate, milk flavored



Plant-based chocolate, white



Example of use: Tablet chocolate



Example of use: Matcha mousse

## Proposing new value to consumers

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Fuji Oil Holdings Inc. and Fuji Oil Co., Ltd. will leverage our expertise to provide “surprisingly delicious foods,” giving consumers more choice by making PBF an everyday food option. Aiming to expand the market for PBF, we are working with our customers to create new products, starting from the PBF strategy presentation in July 2022, when we announced the scheme of the flagship GOODNOON initiative.

### Delicious PBF available to everyone

#### New Otani Co., Ltd.

The Hotel New Otani, operated by New Otani Co., Ltd., offers several dishes on its restaurant menu using soy protein products and soy milk-related products made by our Group.



PBF dishes available at the hotel restaurant: Soy Meat and Tomato Stew, Healthy Soy Milk Pudding, Soy Milk Basque Burnt Cheesecake, from left to right (images from Hotel New Otani's website)

#### cotta Inc.

We have entered into a capital and business alliance with cotta Inc., which operates one of the largest websites for confectionery and baking ingredients in Japan.

The cotta tomorrow\* website was jointly launched in May 2023 to provide healthy products and information, and became Japan's largest e-commerce media platform focusing on PBF. Through it, we promote our products and share recommended recipes, creating opportunities to raise the profile of PBF and encourage purchases. For example, Soy lait Beurre butter made from soy milk cream is a healthy product free from animal-based ingredients, and has been steadily gaining repeat customers.

\* <https://www.cotta.jp/tomorrow/> (in Japanese) 





cotta tomorrow website (2D code)



Products in the Soy lait Beurre series (image provided by cotta)

### FamilyMart Co., Ltd.

FamilyMart's Blue Green Project promotes the value of making incremental contributions to the global environment. In April 2024, it featured breads, desserts and other products made with plant-based ingredients and developed with taste in mind. Products created with our plant-based ingredients and designed to taste great provide consumers with new options.



Tiramisu created from plants (images provided by Family Mart)



Soy danish (cinnamon apple and raisin) (images provided by Family Mart)

\* The above products are currently not available.

### Kadohama Gomatohu Sohampo Co., Ltd.

Established in 1927, Kadohama produces and sells sesame tofu Koyasan in Wakayama Prefecture. In November 2023, they began offering "Kadohama-style Koyasan Noodle", which were created in collaboration with Nankai Electric Railway Corporation, Ryukishin Co., Ltd. and Fuji Oil Co., Ltd.

The dish features a ramen soup made using the liquid from pressed Kadohama sesame tofu and a plant-based soup base created by Ryukishin utilizing MIRACORE™. Together with gluten-free noodles made from rice flour, it is a dish befitting Koyasan's traditional vegetarian cuisine that will delight visitors to Japan.



Kadohama-style Koyasan Noodle - tonkotsu flavor (three dishes currently available at their shop in Odawara area near Koyasan)

## MIRACORE™: the technology behind plant-based foods with satisfaction

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Led by the Fundamental Seasoning Business Development Department established in FY2023 (renamed to Fundamental Seasoning Business Division in FY2024), we are aiming to utilize MIRACORE™\* to develop business in new markets, such as the inbound tourism market where demand for PBF is high.


At the G7 Hiroshima Summit held in May 2023, we exhibited in the international media center presentation corner together with Chikaranomoto Holdings Co., Ltd., and offered international media representatives with plant-based ramen created using MIRACORE™. In September 2023, we released our fourth plant-based soup stock product in a bonito-style seafood flavor. Souhonke Sarashina Horii, a traditional soba restaurant that has been operating since 1789 during the Edo period, uses the new bonito-style soup stock, in their monthly vegan menu. Initiatives such as these have shown that MIRACORE™ can become a technology that supports the global spread of Japanese cuisine.



MIRA-Dashi™ C400 (bonito dashi type)



Sarashina Horii's vegan offering: soba with seasonal vegetables

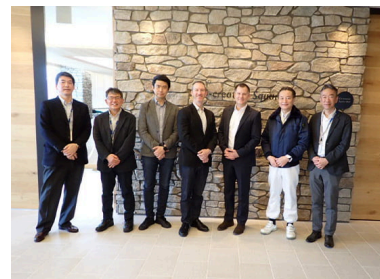
\* MIRACORE™ is a new technology brand that helps plant-based foods provide the same satisfaction as animal-based products.  
<https://www.miracore.jp/> (in Japanese) 

## Investing in a major Dutch fund dedicated to food technologies

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In FY2021, Fuji Oil Holdings Inc. invested in Unovis NCAP Fund II through its subsidiary. This is a major fund dedicated to food technologies based in the Netherlands. Unovis Asset Management B.V., which manages the fund, is a pioneer in the field of alternatives to animal-based protein, finding food technology businesses seeking to build new food systems at an early stage and helping them grow. The company also has specialists with extensive experience in the field of ESG who constantly monitor their portfolio companies from an ESG perspective. Aiming to create a sustainable world through plant-based ingredients, the Fuji Oil Group positioned this investment as an initiative linking the Group's wide range of unique technologies with solutions to the world's food issues. Through ongoing communication with the fund management company and the food tech portfolio companies around the world, we will move forward to enter a wider range of alternative protein business sectors and build our business based on consumer needs, using the market-in approach.

In FY2023, senior executives from Unovis Asset Management B.V. visited Fuji Oil Holdings Inc. to share cutting-edge information on global food technology and report on the companies it invests in, and we went into partnership on individual projects where co-creation is possible.



Unovis Asset Management B.V. senior executives visit Fuji Oil Holdings Inc.

## Partnering with other companies on sustainable food

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As a founding member of the Plant Based Lifestyle Lab (P-LAB)\*, we are working to raise awareness of and promote PBF in collaboration with companies from a range of business domains.

In FY2023 we once again participated in the World King of Chefs Summit held on Awaji Island (November 11-13, 2023, with P-LAB as a special sponsor), and in collaboration with member companies provided PBF dishes that garnered great interest from visitors. Continuing from the previous fiscal year, P-LAB general meetings were also held on September 11, 2023 and March 27, 2024. Lectures on PBF markets around the world and group work on the spread of PBF in Japan were held in September, while in March details and results were reported for the annual fixed-point survey of general consumers on the awareness and spread of PBF. In addition, introduction and tasting sessions for member companies' PBF products became a regular feature, and provided opportunities to expand relations between companies.

Going forward, as well as stepping up activities to serve as a communication hub of PBF information, we will continue to promote value creation by collaborating with member companies to develop new PBF products and dishes.

\* Founded in March 2021 with 15 member companies, and became a general incorporated association in October 2021. Currently has 53 member companies (as of March 2024)

<https://pbl-lab.net/> (in Japanese) 



P-LAB display at the World King of Chefs Summit



Group work session at a P-LAB general meeting

## Developing a soy business to improve nutrition and increase female farmers' income in Burkina Faso

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Fuji Oil Ghana Ltd. imports most of the shea kernels it uses from the neighboring Burkina Faso. Many of the women who harvest shea kernels in the region are also engaged in soybean cultivation. Since 2019, our Group has been conducting a business feasibility study on the procurement of soybeans and the development, manufacturing and sale of soy meat in Burkina Faso. The aim is to improve the nutrition of local consumers and increase local farmers' income. This study was selected as a 2018 Survey on Businesses to Address Developing Country Issues (SDG Business)\* by the Japan International Cooperation Agency (JICA). Within the JICA framework, the contribution of this project to achieving specific SDG targets was also examined.

In FY2023, we conducted surveys on nutrition and the acceptability of products and prices. While we were able to confirm potential for higher incomes for women farmers and a certain level of demand for our products, we decided to forego business development in light of how long it would take to become profitable, and the changing security and investment environments in the area.

Information gained from these surveys on the market environment, partner companies, and soybean supply chain environment proved to be valuable insight for medium- and long-term consideration of future business in the area.

\* JICA provides financial assistance of up to 50 million yen per proposal for a maximum of three years for Japanese companies planning to start a business that will contribute to the attainment of the SDGs in developing countries.