Human Rights Management

Policy

In April 2017 the Fuji Oil Group established the Fuji Oil Group Human Rights Policy, which lays out our basic approach to human rights. In March 2023, we established the Fuji Oil Group Human Rights Guidelines to serve as specific principles that guide the shared recognition for respect for human rights in all employees.

Fuji Oil Group Human Rights Policy (PDF,388KB) 📜

Fuji Oil Group Human Rights Guidelines (PDF,300KB)

Governance

GRI: 3-3

The Group's Sustainability Committee,*1 an advisory body to the Board of Directors of Fuji Oil Holdings Inc., deliberates on and monitors the Group's responses to environmental and social issues including human rights, and recommends and reports the results to the Board. Chaired by the President and CEO, the committee is composed of chief officers with voting rights, other executive officers, heads of each business division, outside directors, and the ESG advisor, and meets at least twice a year. Under the ESG Division Officer, the Sustainability Development Group supervises relevant divisions and identifies Group-wide human rights risks. Key human rights risks are incorporated into our material ESG issues,*2 and cross-departmental responses for human rights issues within the Group and within the supply chain are led by the Chief Administrative Officer (CAO) and the Chief Strategy Officer (CSO), respectively. Under this committee, the Subcommittee on Group Significant Risks discusses and manages human rights-related risks and opportunities as the Group, and reports the results to the Management Committee Meeting and Board of Directors for approval at least once a year.

- *1 Governance, Strategy, Metrics and Targets, Risk Management > Governance https://www.fujioilholdings.com/en/sustainability/sustainability_management/
- *2 Governance, Strategy, Metrics and Targets, Risk Management > Strategy, metrics and targets https://www.fujioilholdings.com/en/sustainability/sustainability_management/

Strategy

GRI: 2-24

Human rights are the rights that all people are born with to live freely and with dignity. As stated in the Policy section above, we have established the Fuji Oil Group Human Rights Policy and the Fuji Oil Group Human Rights Guidelines, and in the Group Management Philosophy,* one of our principles declares that we will respect the diversity and individuality of Fuji Oil Group employees. Therefore, we aim for corporate management that emphasizes diversity, equity and inclusion (DE&I). Respect for human rights forms the foundation of these ideas.

Failure to address human rights issues will increase risk of discrimination based on attributes such as nationality, race, age, sexual orientation and gender identity, personality, or disability. Conversely, addressing human rights issues in detail throughout the Group will be an opportunity to conduct fair evaluations, provide equitable opportunities, and improve employee engagement.

As a Group with a global supply chain, we also recognize our responsibility to respect the human rights of all stakeholders, including those working in the supply chain (focusing on working conditions, occupational health and safety, non-discrimination and equal opportunity, forced and child labor, and land rights at plantations) and consumers, in addition to our employees. We will thus strive to fulfill this responsibility, embodying our commitment to "work for people" as declared as one of the Values that inform our actions in the Group Management Philosophy.

^{*} https://www.fujioilholdings.com/en/about/constitution/

Human rights due diligence

Overview

The UN Guiding Principles on Business and Human Rights^{*1} clearly state that businesses also have the responsibility to respect human rights. They require that businesses understand the social and moral significance of respecting human rights in fulfilling this responsibility, and doing so consists of three components: policy commitment, conducting human rights due diligence,^{*2} and establishing a process that enables remediation. Our Group conducts human rights due diligence as part of the "implementation of the responsibility to respect human rights" specified in the Group's Human Rights Policy.

- *1 A set of international standards unanimously endorsed by the UN Human Rights Council in 2011.
- *2 The act of identifying human rights risks in a company's business throughout the supply chain, and explaining and disclosing information on the effectiveness of initiatives and approaches towards preventing and reducing those risks.



Impact assessment process

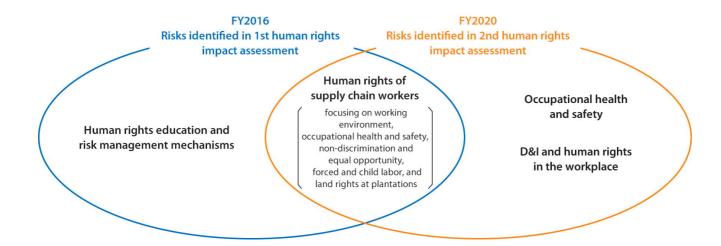
Our Group conducts human rights impact assessments following the process advocated by the UN Guiding Principles on Business and Human Rights with guidance from outside experts in order to identify and evaluate the possible adverse impacts of our business activities on human rights and to identify priority issues. We conducted our first assessment in FY2016, and second assessment in FY2020, and identified our human rights risks as described below. During the second assessment in FY2020, we received guidance from BSR, a third-party expert on business and human rights.

In the first stage, we identified human rights risks based on the nature of the Group's business and our operating locations using the expertise of BSR.

In the second stage, we conducted interviews with relevant in-house parties to incorporate as much information from our actual operations as possible. In this stage, done in collaboration with BSR, we identified six categories where our business can have a human rights impact: 1) Occupational health and safety, 2) Human rights of supply chain workers, 3) Diversity and inclusion (D&I) and human rights in the workplace, 4) Food safety, 5) Governance, risk, and compliance, and 6) Climate impact on human rights.

In the third stage, following expert guidance, we selected three categories of human rights risks to address as priority issues: 1) Occupational health and safety, 2) Human rights of supply chain workers, and 3) D&I and human rights in the workplace. These identified risks have been reported to our executive team.

In the medium-term we will work to reduce identified risks in these three categories and share details of our progress through this report (in sections according to theme, such as human rights management, promotion of DE&I and sustainable procurement).



Progress in addressing human rights risks based on views from stakeholders

Since our first human rights impact assessment in FY2016, we have been addressing human rights risks by taking into account views from stakeholders such as experts in the field of business and human rights. For our FY2023 progress on the human rights risks identified in our second assessment, see the "Metrics and targets" section.

Human rights risk management mechanisms

- Established the Fuji Oil Group Human Rights Policy and began conducting human rights due diligence (April 2017)
- Conducted second human rights impact assessment (2020)
- Established the Fuji Oil Group Human Rights Guidelines (March 2023)

Initiatives for supply chain worker human rights

- Established the Responsible Palm Oil Sourcing Policy (March 2016)
- Established and announced a palm oil grievance mechanism (May 2018)
- Published the Palm Oil Mill List (June 2018)
- Established the Responsible Cocoa Beans Sourcing Policy (August 2018)
- Revised the palm oil grievance procedures (April 2020)
- Published the Fuji Oil Group Supplier Code of Conduct (April 2021)
- Established the Responsible Soybeans and Soy Products Sourcing Policy (June 2021)
- Established the Responsible Shea Kernels Sourcing Policy (June 2021)
- Revised the Fuji Oil Co., Ltd. CSR Procurement Guidelines (3rd Edition) (November 2021)
- Established the Fuji Oil Group Policy on Biodiversity (March 2023)

Grievance mechanisms

GRI: 2-25, 26

Whistleblowing system

We have established a whistleblowing system* for employees (including retired employees) of Group companies in and outside Japan and employees of some cooperating companies.

* Fair Business Practices > Whistleblowing system https://www.fujioilholdings.com/en/sustainability/compliance/

Grievance mechanism for our supply chains

In May 2018, we established a grievance mechanism* based on our Responsible Palm Oil Sourcing Policy. This mechanism provides a way to raise concerns about environmental or human rights issues within the Group's palm oil supply chain. We set up a grievance mechanism webpage in English on our Group website to announce the mechanism and its progress.

Fuji Oil Group Human Rights Guidelines

Based on the Fuji Oil Group Human Rights Policy, we established the Fuji Oil Group Human Rights Guidelines in March 2023 to address human rights issues related to Group workplaces and employees. The guidelines have been translated into nine languages so that all employees can understand them.

The Guidelines are a part of our response to the "human rights in the workplace (harassment, forced labor)" risks identified in our second human rights impact assessment, and aim to ensure that human rights are respected consistently across all Group companies, in our efforts to establish a comprehensive human rights management system. This was a point raised in our dialogue with BSR in FY2021.

Fuji Oil Group Human Rights Guidelines (PDF,300KB) 🏌

Education, awareness raising

We designated the week of December 10, International Human Rights Day, as Fuji Oil Group Human Rights Week. During this period, leadership statements on business and human rights are shared with all Group employees, and e-mail messages are sent to draw attention to the event. In FY2023, we also shared information on understanding respect for human rights from a corporate perspective on our internal communication site in Japanese, English, Chinese, and Portuguese to raise awareness within the company.



A leadership statement posted on our internal communication site (Japanese, English, Chinese, and Portuguese)

Business and human rights e-learning video (Shared in the 2019 Fuji Oil Group Human Rights Week)



Risks identified in 2nd human rights impact assessment in FY2020	Special points to confirm/consider (recommended by experts)	Actions	FY2023 Results
Occupational health and safety Relevant stakeholder group: Employees	 Prevent spread of infection during COVID-19 pandemic Strengthen management system by third-party assessment 	Continue applying strict measures to prevent infection in the workplace Continue to improve our occupational health and safety management system by incorporating perspectives of third-party organizations	Conducted joint on-site audits of five individual companies with safety officers from each regional headquarters
Human rights of supply chain workers (focusing on working environment, occupational health and safety, non-discrimination, and equal opportunity, forced and child labor, and land rights on plantations) Relevant stakeholder group: Supply chain workers	 Establish supplier code of conduct that applies to all suppliers and expand grievance mechanisms Palm oil and cocoa: Implement measures based on sourcing policies and medium-to-long-term targets Soy: Formulate sourcing policy and establish monitoring system 	 Ensure suppliers are well informed of supplier code of conduct Evaluate effectiveness of revised palm oil grievance mechanism Monitor human rights due diligence trends in the EU and apply to the supply chain in a timely manner For child labor risks in West Africa, conduct traceability and mapping, promote the Child Labour Monitoring and Remediation System (CLMRS), and participate in educational assistance program Establish and disclose responsible sourcing policy and KPIs for soybeans and soy products Establish and disclose responsible sourcing policy and KPIs (especially to empower women) for West African shea kernels 	 Supplier Code of Conduct was agreed on by 70% of suppliers (as of January 2024) Achieved 100% CLMRS coverage for farmers groups within our Group's direct procurement supply chain (Côte d'Ivoire, Ghana) Ensured 83% traceability to primary collection point for soybeans Continued the Tebma-Kandu shea kernel sustainability program in Ghana, resulting in 19% of shea kernels being procured from women's cooperatives

Risks identified in 2nd human rights impact assessment in FY2020	Special points to confirm/consider (recommended by experts)	Actions	FY2023 Results
D&I and human rights in the workplace (harassment, forced labor) Relevant stakeholder group: Employees	Strengthen system for promoting D&I globally Strengthen harassment prevention measures Identify and reduce forced labor risks	Promote diversity, equity and inclusion (DE&I) globally Consider possible mechanisms/systems for identifying and addressing human rights issues in the workplace	 See "Promotion of DE&I" page for more information on diversity, equity and inclusion Designated a Human Rights Week every December at Fuji Oil Holdings Inc. and Fuji Oil Co., Ltd. Sent daily newsletters on preventing harassment over the five days to all employee email addresses, and also posted them on our internal communication site to provide opportunities to deepen understanding of human rights Strengthened harassment prevention measures by making viewing the videos on anti-harassment and raising awareness of the whistleblowing hotline a compulsory part of FY2023 division training (planned and conducted annually in each division for all employees regardless of employment status)

Related documents

ESG Data Book (PDF 2.85MB) 👢

