

Securing and Developing Human Resources



Material Issue

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Policy

In line with the Fuji Oil Group Management Philosophy^{*1} and the Fuji Oil Group Human Rights Guidelines formulated in March 2023,^{*2} we established new Human Resource Strategy Management Policies^{*3} in FY2023. The goal of our human resource strategy is to achieve sustainable growth for our employees as well as for the Group, and thereby enhance our corporate value as a global food manufacturer.

*1 Fuji Oil Group Management Philosophy

<https://www.fujioilholdings.com/en/about/constitution/>

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

*3 See "Strategy" below.

Governance

GRI:3-3

The Fuji Oil Group's Sustainability Committee^{*1} 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^{*2} of Securing and Developing Human Resources from a multi-stakeholder perspective, and recommends the results to the Board. The Chief Administrative Officer (CAO) oversees the progress of initiatives for Securing and Developing Human Resources, a priority action within this material issue.

*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

In recent years, we have been expanding our business through M&As in the world, growth investing in new markets, and transferring operations and assets to enhance capital efficiency. All these strategies aim to contribute to the world's food supply as a global food manufacturer and to sustainably increase our corporate value.

In undergoing these changes, we believe that the key to achieving our mission, as outlined in the Fuji Oil Group Management Philosophy, and to sustainably growing the Group, lies in harnessing the abilities and growth of each member of the Group. We need to foster a healthy corporate culture, which includes improving the work environment, and to provide equitable opportunities for growth (human resource development and information sharing through employee relations), so that our diverse human resources can bring out their individual strengths, actively pursue challenges, and work as a team to enhance our corporate value. We also need to create an environment that encourages taking on challenges and a culture that ensures DE&I as the foundation of our organization. As a company whose business contributes to people's well-being, it is essential that our own employees also have a high sense of well-being. Providing growth opportunities through experience within the Group enhances workplace attractiveness, which can help create an organization full of talents over the long term.

The Group operates four different businesses in the manufacturing industry, requiring a wide range of skills and types of work for corporate growth. Given the increasing global mobility of human resources and declining interest in working in the manufacturing industry, failing to create an attractive workplace for diverse talents could pose a risk to our business continuity and hinder the realization of our vision. Accordingly, we added Securing and Developing Human Resources to our material ESG issues in FY2023, and began intensifying Group-wide initiatives for our human resource development initiatives, which we had been working on at the company level until FY2022.

Fuji Oil Holdings Inc. continues to implement the Next-Generation Management Talent Development Committee launched in FY2020 to

develop candidates for global management positions. Concurrently, Fuji Oil Holdings Inc. and Fuji Oil Co., Ltd. conduct talent development committee meetings that follows the Next-Generation Management Talent Development Committee to define the requirements and select successor candidates for posts.

Leading the way in this initiative, Fuji Oil Co., Ltd. established a new human resource development section in FY2023, to enhance effectiveness by providing a streamlined system for hiring and training. Using the following three concepts, we have begun rolling out training programs available to eligible employees regardless of their employment status.

1. Provide opportunities for acquiring a diverse range of expertise
2. Support self-directed career development
3. Foster a culture in which supervisors seriously consider their subordinates' careers and support them

Fuji Oil Group's Human Resource Strategy



Risk management

Employee engagement

In Japan, Fuji Oil Holdings Inc. and Fuji Oil Co., Ltd. have conducted an annual employee satisfaction survey until FY2022. However, in FY2023, we switched to an engagement survey* to gauge our employees' job satisfaction. Conducted twice annually, it numerically visualizes nine areas: work, personal growth, health, support, human relations, recognition, philosophy and strategy, organizational culture, and work environment. We then identify and assess company-wide and organization-specific issues, and prioritize them for improvement. To help support independent improvement in each organizational unit, we have also introduced a system that makes survey results available immediately so that the heads of each organization can swiftly confirm and respond to the situation.

* For details, see the Integrated Report 2024.
Integrated Report

Dialogue between labor and management

GRI:2-30, 407-1

The dialogue between labor and management is important for Fuji Oil Co., Ltd. since employees and the company should support each other. The HR Department serves as the company's contact point for dialogue with the Fuji Oil Workers Union, which represents the employees. The workers union was established at the same time as the company. Both entities have worked hard for 70 years to create a comfortable work environment for employees. The dialogue between labor and management takes place in a monthly forum consisting of representatives of the Human Resource and Administration Division of the Company and the executive committee members of the workers union. The aim of this forum is to encourage employees to maximize their potential, improve themselves and play active roles.

In FY2023, we held over 50 briefings at our business sites for union members and their supervising managers (about 1,350 participants

in total) to deepen their understanding of the new personnel system for union members to be launched in FY2024. Going forward, when implementing a new system or revising labor systems, we will continue to actively listen to the opinions of union members at each business site nationwide and make sure to increase the frequency of dialogues as necessary. The Fuji Oil Workers Union adopted a union shop system, and the participation rate of the Company's regular employees other than managers and executive officers is 100%.

Metrics and targets

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

FY2023 Goals	FY2023 Results	Self-assessment
[Japan] Securing human resources Review hiring methods for new graduates	Changed career-track administrative personnel hiring into separate hiring courses for sales and staff. This makes it possible to hire personnel who match the line of work they will be assigned to and reduces the risk of skills mismatch	○
[Japan] Securing human resources Avoid skills mismatch by reviewing hiring methods for production workers	<ul style="list-style-type: none"> Made workplace tour at the final interview mandatory, and had employees in each department explain the job details at the work site. After introducing these processes, turnover at an early stage was zero Held business knowledge seminars for recent mid-career hires once every three months to help understand the Group's overall business beyond their department 	○
[Japan] Developing human resources Introduce new education programs	Introduced a cafeteria-style training program FUJI Learning Café to help employees to develop study habits (with several programs to choose from, including an app for business book summaries and an online video learning service). 866 participants over the fiscal year	○
[Group-wide] Developing human resources Develop the next generation of executive talent	Selected candidates from across the entire Group and expanded pool of human resources in a development program for the next generation of executive talent launched in FY2020	○
[Japan] Developing human resources Post management	At the talent development committee, defined the requirements and selected successor candidates for the posts of division managers, department managers, and section managers at Fuji Oil Holdings Inc. and Fuji Oil Co., Ltd.	○
[Japan] Developing human resources Develop global talent through our global trainee program	<p>Sent one trainee from Japan on an international assignment</p> <ul style="list-style-type: none"> Held language and on-the-job trainings Finished selection of candidates for FY2024 	○
[Japan] Developing human resources Train key personnel for international assignments	Launched the international human resource development training available in Japan, in consideration of employees who find it difficult to go on international assignments for long periods of time. Conducted a program that includes short business trips for understanding international operations and mindset training for potential international assignments. Four participants in the first fiscal year	○

Analysis

For securing human resources, we have worked on avoiding skills mismatch when hiring by reviewing our hiring methods for new graduates and for production workforce. In light of recent trends in which students have become more career-oriented, we changed our hiring process for new graduates from FY2023. Instead of the previous screening for a single career-track administrative position, we now indicate their initial job assignments, either sales or staff course, before conducting the screening. This change is expected to improve the retention rates of new graduate hires. For production workers, we revised our process to include a detailed presentation of the work involved during the screening and a mandatory workplace tour before screening.

For developing human resources, we have gradually introduced new programs in line with the three basic concepts established in FY2021. In particular, we launched the international human resource development training in FY2023 with the goal of developing talents who will play key roles in expanding our businesses outside Japan. The training began with four candidates. Along with the global trainee program launched in FY2021, we are focusing our efforts on developing talents who can successfully work globally. In Japan, we launched the FUJI Learning Café, a new cafeteria-style educational program, to provide learning opportunities to all employees, regardless of their employment status. We will continue to implement timely initiatives aligned with our business strategies, in order to ensure that our diverse workforce can make the most of their skills, grow, and actively work together on the global stage. We are also committed to securing and developing the human resources who will lead the Fuji Oil Group's sustainable growth.

Next steps

We set the following goals for FY2024.

Securing human resources

- Japan: Review hiring methods for new graduates
- Japan: Improve retention rates of new full-time employees
- Group-wide: Manage posts for employees posted to Group companies outside Japan

Developing human resources

- Group-wide: Develop the next generation of management talent
- Japan: Develop management personnel (manage posts for department and section managers)
- Group-wide: Develop global talent (develop candidates for posts outside Japan, promote and develop executive candidates for Group companies outside Japan)

Specific initiatives

Development of human resources to support global business management

GRI:404-2

To keep up with the accelerating pace of our global strategies, we conduct initiatives to recruit, promote, and develop human resources that can demonstrate their capabilities globally.

Cultivating management personnel

In FY2020, Fuji Oil Holdings Inc. identified the qualities required of future executive managers and carried out comprehensive discussions on the global and strategic development of executive candidates. We select candidates from the entire Group regardless of their nationality, gender or background, and develop diverse executive managers who can move the Group forward.

Moreover, Fuji Oil Co., Ltd. and Fuji Oil Holdings Inc. have been defining the requirements for the posts of division manager, department manager, and section manager at the Next-Generation Management Talent Development Committee, as well as holding discussions over successor candidates from various perspectives, since FY2021 and FY2023 respectively.

In addition, aiming to develop candidates for future management positions at an early stage, Fuji Oil Holdings Inc. and Fuji Oil Co., Ltd. have been conducting a training program since FY2016. This program incorporates performance assessments and aims at helping candidates to grasp their behavior trends in group and individual situations through group discussions and interview exercises. Sixteen employees underwent the training in FY2023. The program is designed to help the candidates understand what a manager should be like, and objectively identify their own strengths and weaknesses. Moreover, it involves post-training feedback meetings with their

supervisors and HR Department staff, and on-the-job training (from planning to review). We aim to achieve candidates' steady growth by ensuring close involvement of supervisors and other relevant people in the training.

Human resource development to support globalization

At Fuji Oil Holdings Inc. and Fuji Oil Co., Ltd., we place great importance on developing personnel who will lead our Group's global management, as well as personnel who will manage and lead business operations at corporations outside Japan. We consider them as the core management resource for continued growth and development of our business globally.

We conduct self-development and off-the-job training to improve the language skills of employees. We also work to develop their global mindset and have them gain business experience from a global perspective through postings at Group companies outside Japan according to their area of expertise.

In FY2023, Fuji Oil Co., Ltd. conducted training to improve the English speaking skills of selected personnel engaged in work requiring English. In our global trainee program implemented at full scale in FY2021, the trainees receive a six-month foreign language study, followed by on-the-job training and other business training at their assigned Group company. We also started offering the International Human Resource Development Training available in Japan to selected candidates.

We also seek to encourage trainees to develop practical skills for identifying and solving problems as well as the capacity to be immersed in, and adapt to a different cultural environment. We thus work on early-stage development of candidates for future management positions at Group companies outside Japan.

Career support system

GRI:404-2

For employees working at Fuji Oil Holdings Inc. and Fuji Oil Co., Ltd., we provide upskilling support through training programs by job level, and financial assistance for distance learning courses, along with educational support and incentives for getting the proper work qualifications. We also provide employees with the opportunity to share growth and issues with their supervisors during their evaluation feedback. Individual employees also have a meeting with their supervisors once a year based on the Career Advancement Communication Sheet for reviewing the progress made toward their goals and their career aspirations. We endeavor to provide opportunities to foster career development, where employees flourish through suitable job assignments.

In FY2023, we launched the FUJI Learning Café, a cafeteria-style training program for fostering learning habits and a culture of continuous learning, and where employees can discuss with their supervisor and choose a program in line with the career direction they would like to pursue. We create a culture in which employees develop the direction of their own careers with the support of their supervisors. We will also expand the scope of the career training program to include senior and mid-career employees.

Fuji Oil Co., Ltd. (Japan) FY2024 training system for regular employees

Class	Job-level-specific training		Management philosophy	Management program		Program for global talents		Business college (business skills)		DX, IT	Communication and mental skills		Cafeteria	Career design	Finance	
	Mandatory	Selective		Selective or voluntary	Mandatory	Optional										
MG, MSP	Department manager training New manager training		Division training	EMP, MMP						One-on-one						
BO/CO3	BO/CO3 promotion training	Business knowledge seminar for mid-career hires On-the-job training		Training to develop management skills	English speaking training (Advanced class)	Global selective program	Logical thinking training III Financial accounting I: Management Game				Assertive communication training Resilience training		Senior career Career in 40s	Financial planning for seniors	Basic and practical training on investments	
BO/CO2	BO/CO2 promotion training					English conversation app	Global trainee training							Distance learning FUJI Learning Café	Career in 30s	Financial planning by life stage
BO/CO1	New employee training Follow-up training						English speaking training	Logical thinking training II Logical thinking training I							Career in 20s	

Related documents

ESG Data Book (PDF 2.85MB) 