

Securing and Developing Human Resources



Material Issue

Human Capital and Occupational Safety

✓ Policy ✓ Governance ✓ Strategy ✓ Risk management ✓ Metrics and targets ✓ Specific initiatives

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.fujioil.co.jp/en/about/constitution/>

^{*2} Fuji Oil Group Human Rights Guidelines

https://www.fujioil.co.jp/en/sustainability/policy/human_rights_guideline/

^{*3} See "Strategy" below.

Governance

GRI: 3-3

The Fuji Oil Group has established the Sustainability Committee^{*1} as an advisory body to the Board of Directors that is chaired by the President and CEO. From a multi-stakeholder perspective, the committee deliberates on and monitors Securing and Developing Human Resources, a priority action to address material ESG issues,^{*2} and makes recommendations to the Board. The Group implements related initiatives under the oversight of the Head of Human Resources & Administration Headquarters, the Chief Financial Officer (CFO), the Senior Executive Officer.

^{*1} Governance, Strategy, Risk Management, Metrics and Targets > Governance

https://www.fujioil.co.jp/en/sustainability/sustainability_management/#governance

^{*2} Governance, Strategy, Risk Management, Metrics and Targets > Metrics and targets

https://www.fujioil.co.jp/en/sustainability/sustainability_management/#index

Strategy

As a result of business expansion through large-scale mergers and acquisitions in recent years, around 70% of our Group's total consolidated employees are now employed outside of Japan.

In light of these changes, we created the Fuji Oil Group Human Resource Strategy in FY2023, in the belief that the key to achieving the vision 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.

Fuji Oil Co., Ltd. continues to implement the Next-Generation Management Talent Development Committee, launched by the former Fuji Oil Holdings in FY2020, to develop candidates for global management positions. Concurrently, we hold Post Management Committee meetings that follow this committee to define the requirements for management posts and select potential successors. Training programs are available to eligible employees regardless of their employment status, based on the following three concepts.

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

The Fuji Oil Group systematically manages risks and opportunities related to Human Capital and Occupational Safety, an area of sustainability matters that address the material ESG issues, in alignment with group significant risks.

Group significant risks

Risk type: Disasters and accidents/ Environment and human rights/ Procurement/ Labor and human resources

https://www.fujioil.co.jp/en/ir/policies_and_systems/risk/

Employee engagement

At the Fuji Oil Group, we began conducting employee engagement surveys in FY2023.

For employees of Fuji Oil Co., Ltd., surveys are conducted twice annually, numerically visualizing nine key drivers measuring employees' job satisfaction in order to identify and assess company-wide and organization-specific issues. The four surveys conducted to date have indicated that the company's strengths are "interpersonal relationships" (represented by "interdepartmental cooperation," one of the elements of "organizational culture") and "a culture of delegation" (as indicated by the high scores for "decision-making authority," one of the elements of "work"). We believe these strengths form the foundations for "team-driven results" and "co-creation" which are two of the goals of the new system, showing that we have a strong culture on which to base our efforts to create value through fusing technologies and working with customers to solve issues. Meanwhile, one company-wide issue that has been identified is the low score for "philosophy and strategy." Additionally, our FY2023 scores for "culture of challenge" and "providing career opportunities" (two elements of "organizational culture") were lower than average for the food industry. This indicates that the spirit of challenge, which should be part of our DNA, may not be fully ingrained in our company culture. We recognize this as an issue that needs to be addressed as a priority.

We also conduct an annual global engagement survey for employees of Group companies outside Japan. Based on the survey results, each Group company creates an action plan for improvements, aiming to boost HATARAKIGAI or job satisfaction. The results of the two surveys conducted to date have indicated strengths including collaboration and teamwork which show that our solid foundation for team-driven results, which is a strength of our Group as a whole, including Japan.

On the other hand, Group-wide results indicate that at management level, there is a lack of the skills and attitudes required of new leaders today, such as respecting individuals and supporting their growth. The ability of leaders to communicate our mission, vision, policies and strategies also appears to be insufficient — a trend which is seen throughout the Group. We understand that changing our culture through leadership training is a major challenge for our Group as a whole.

Using the engagement survey results, we will step up our efforts to promote DE&I and build a working environment that improves employees' job satisfaction so that our employees can find value in being a part of the Fuji Oil Group and take pride in their work, enabling both individuals and the Group to grow and develop.

* For details, see the Integrated Report 2025.

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 Human Resources Division 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 75 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 FY2024, we introduced a system that allows non-employment-based side jobs through discussions in response to the union's demands.

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

FY2024 Goals		FY2024 Results	Self-assessment
Securing human resources	[Fuji Oil Co., Ltd.] Review hiring methods for new graduates	<ul style="list-style-type: none"> Secured new employees by hiring for separate courses KPI: System course: 2 people, (Result) 2 people KPI: Sales course: 4 people, (Result) 7 people KPI: Staff course: 5 people, (Result) 4 people	○
	[Fuji Oil Co., Ltd.] Improve retention rates of new full-time employees	<ul style="list-style-type: none"> Maintained a 94.9% retention rate for new full-time employees (including new graduates and mid-career hires) hired in the last 3 years, exceeding of 91.5% target 	○
	[Group-wide] Manage posts for employees posted to Group companies outside Japan	<ul style="list-style-type: none"> Temporarily suspended post management due to organizational and systems changes following the business integration Confirmed status of employees posted to Group companies outside Japan and conducted questionnaires and individual interviews for candidates interested in international postings 	△
Developing human resources	[Group-wide] Develop the next generation of management talent	<ul style="list-style-type: none"> Achieved mid-term target for the size of the next-generation management talent pool 	○
	[Fuji Oil Co., Ltd.] Develop management personnel (manage posts for department and section managers)	<ul style="list-style-type: none"> Temporarily suspended post management due to organizational and systems changes following the business integration 	—
	[Fuji Oil Co., Ltd.] Develop global talent (develop candidates for posts outside Japan, select and develop executive candidates for Group companies outside Japan)	<ul style="list-style-type: none"> Selected the second batch of trainees and started the International Human Resource Development Training Program 	○
		<ul style="list-style-type: none"> Dispatched new global trainees 	△
		<ul style="list-style-type: none"> Selected and developed executive candidates for Group companies outside Japan 	✕
	[Outside Japan] Invest in employee skills development and career development	[Blommer Chocolate Company (U.S.)] <ul style="list-style-type: none"> Introduced new training content allowing employees to gain relevant and important skills Implemented manager training for effective performance evaluation KPI: Career development progress	○
		[Southeast Asia]	○

FY2024 Goals		FY2024 Results	Self-assessment
		<ul style="list-style-type: none"> Implemented training recommended by local labor authorities KPI: Participation rate in training programs	
		[China] <ul style="list-style-type: none"> Invested in employee skills development and career advancement KPI: Implementation of management training	○

Analysis

For securing human resources, we have reviewed our hiring methods for new graduates in Japan to avoid mismatches between job expectations and actual assignments. In light of the recent tendency for students to be more career-oriented, we have changed from the previous unified screening process for general administrative career-track positions to a system where candidates are informed of their prospective initial assignments — systems course, sales course, or staff course — from the screening stage. Additionally, for both new graduates and mid-career hires, job details are explained fully at the screening stage. As well as avoiding hiring mismatches, this will help to improve retention rates.

For developing human resources, we have gradually introduced new programs in Japan in line with the three basic concepts established in FY2021. We are enhancing our global trainee program, including an expanded range of language training opportunities and a training program based in Japan for those planning to take on international positions in future, to develop human resources who can perform globally.

We have also enhanced the FUJI Learning Café, a cafeteria-style educational program launched in FY2023 to stimulate employees' ambitions to grow and develop. This system encourages employees to take ownership of their own learning. The internal recruitment system launched in FY2023 and the system that allows non-employment-based side jobs introduced in FY2024 both apply to all directly employed employees. Through such initiatives, we provide equal opportunities for employees to think about their own career paths, challenge themselves, grow and develop.

Outside of Japan, Group companies in the U.S., Southeast Asia and China have implemented management training. Acting on the results of employee engagement surveys, more leadership training is planned for FY2025 onwards. Based on our group-wide policy, we will support each Group company to continuously provide high-quality training opportunities.

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

As we transition to an operating holding company structure, we will work on initiatives more closely aligned with our management strategy and business strategy.

Stronger links with management strategy

- Stronger governance by the Nomination and Compensation Advisory Committee
- Develop management talent within the Group

Stronger links with business strategy

- Assign human resources business partners (HRBP) from Fuji Oil Co., Ltd. to Business Headquarters
- Appropriate placement of employees posted to Group companies outside Japan
- Develop global talent within the Group

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

With the goal of fostering diverse leadership talent, Fuji Oil Co., Ltd. continues to implement the Next-Generation Management Talent Development Committee established by the former Fuji Oil Holdings Inc in FY2020. This committee defines the qualities required of future managers and discusses the global and strategic development of executive candidates from various perspectives. By selecting candidates from the entire Group regardless of their nationality, gender or background, we aim to develop diverse executive managers who can move the Group forward.

Since FY2021, Fuji Oil Co., Ltd. has also implemented the Post Management Committee, which defines the requirements for the posts of division manager, department manager, and section manager, and discusses potential successors from various perspectives.

In addition, aiming to develop candidates for future management positions at an early stage, our Group has 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. 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 Human Resources 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

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 are boosting our efforts to develop these human resources, starting in Japan.

We support employees' self-development and conduct group training programs to improve language skills. 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.

Fuji Oil Co., Ltd.'s global trainee program, which has been in full operation since FY2021, includes six months of language study, followed by on-the-job training and other business training at a Group company outside Japan. In FY2023, we also started offering International Human Resource Development Training based in Japan to develop human resources who will play leading roles in our growing international business. Ten candidates were selected to take part in the second round of this training program in FY2024. We 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 Co., Ltd., we provide upskilling support through a wide range of training opportunities including job-level-specific training, selective and voluntary training courses and a cafeteria-style training program, as well as financial assistance for distance learning courses. Employees are encouraged and supported to gain qualifications appropriate to their job. We also provide employees with the opportunity to share their strengths and areas for improvement they want to work on 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. Going forward, we will maintain a culture in which employees develop the direction of their own careers with the support of their supervisors.

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

Class	Job-level-specific training	Management philosophy	Management program	Global Program		Business college (business skills)	DX, IT	Communication and mental skills	Cafeteria	Career design	Finance
	Mandatory		Selective	Selective or voluntary		Mandatory		Optional			
Managerial position	Department manager training New manager training	Business knowledge seminar for mid-career hires On-the-job training Division training	EMP, MMP	English speaking training (advanced class) English conversation app GTEC test	Pre-departure training and follow-up after international assignments Global trainee training Global selective program	Logical thinking training III Financial accounting I: Management Game Logical thinking training II Logical thinking training I	DX and IT mindset Selective business skills training	One-on-one Assertive communication training Resilience training	Active listening, line-care training for supervisors FUJI Learning Café Distance learning	Senior career Career in 40s Career in 30s Career in 20s	Financial planning for older employees Financial planning by life stage Investment education for DC plans Basic and practical training on investments
BO/CO course : 3rd grade	BO/CO3 promotion training		Training to develop management skills								
BO/CO course : 2nd grade	BO/CO2 promotion training										
BO/CO course : 1st grade	New employee training Follow-up training										

Related documents

ESG Data Book (PDF 411KB) 