

## Fuji Oil Traceability Process

Fuji Oil conducts supply chain traceability for palm materials sourced twice a year. This includes palm and palm kernel material sourcing from 17 Fuji Oil group companies around the world, from two business divisions – Vegetable Oils & Fats, Industrial Chocolate. Fuji Oil’s Supply Chain Management (SCM) team is responsible for consolidating and preparing the traceability reports for Fuji Oil Group and individual group companies. The traceability report consists of traceability scores, sourcing region distribution, RSPO sourcing volume and mill list.

### Process

1. The bi-annual traceability reporting for Fuji Oil begins in January and July of the year. A purchasing data template will be sent to Fuji Oil’s group companies by SCM, to consolidate palm oil material purchasing information for the period, H1 (January – June) or H2 (July – December).
2. Each group company’s data shall be consolidated into an overall Fuji Oil global purchasing data which consists of details on supplier, material supplied, Roundtable Sustainable Palm Oil (RSPO) grade of material, volume, supplying refinery (TTR) location etc.
3. Depending on the purchasing data, there are 3 ways to further trace the purchased materials to mill level (TTM) and plantation level (TTP):
  - i. All RSPO SG materials purchased shall be further traced through RSPO traceability system following the certification requirements.
  - ii. Suppliers who publicly report their traceability data, SCM shall consolidate the data following Fuji Oil traceability requirements as stated in this document. Any missing information from supplying refinery, shall not be considered traceable.
  - iii. Beyond the above, traceability data request along with Traceability Declaration Document (TDD) template shall be sent to suppliers to consolidate the required data. Relevant PIC from group companies shall send traceability request on behalf of SCM, if the latter does not have direct engagement with supplier.
4. The latest [Universal Mill List from Rainforest Alliance](#) is then used to internally verify collected palm oil mill information.
  - For mills that have no UML match, suppliers initially declared data are then referred back to and declared in Fuji Oil’s mill list as is.
5. SCM shall then prepare the traceability report at Fuji Oil Group and Individual Group Company level, which shall consist of:
  - i. TTR

- ii. TTM score (in %)
  - iii. TTP score (in %)
  - iv. RSPO sourcing volume (in %)
  - v. Sourcing region (in %)
  - vi. Sourcing material breakdown (in %)
  - vii. Mill List
6. All traceability documents and reports shall then be approved by management and kept in company's portal for record keeping.

**Traceability Requirement**

<b>Traceability to Mill</b> <i>Minimum information to be able to trace/identify the sourcing palm oil mill.</i>	<b>Traceability to Plantation</b> <i>Minimum information to be able to trace/identify the FFB supply to palm oil mill.</i>
<ul style="list-style-type: none"> <li>• Mill Name</li> <li>• UML ID</li> <li>• GPS coordinates</li> </ul>	<ul style="list-style-type: none"> <li>• FFB Supplier Name</li> <li>• GPS coordinates</li> <li>• Certification/License number</li> <li>• Hectare (Ha)</li> <li>• Sourcing FFB volume %</li> </ul>

**Methodology**

*Fuji Oil Refinery TTM %*

$$= \frac{\text{Supplier's volume to Fuji Oil refinery}}{\text{Total volume of Fuji Oil refinery}} \times \text{Supplier's TTM score}$$

*Fuji Oil Refinery TTP %*

$$= \frac{\text{Supplier's volume to Fuji Oil refinery}}{\text{Total volume of Fuji Oil refinery}} \times \text{Supplier's TTP score}$$

*Sourcing region breakdown*

Volumetric approach

Based on supplier's facility location,

$$\frac{\text{Supplier's volume to Fuji Oil refinery}}{\text{Total volume of Fuji Oil refinery}}$$

Numerical approach

Based on mill country,

$$\frac{\text{\# of mills from a country}}{\text{Total \# of mills from the supplier to Fuji Oil refinery}}$$