








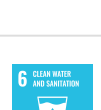
















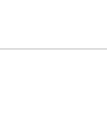

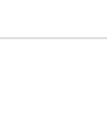
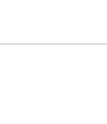



FY2024 material ESG issues and FY2023 targets and results

Theme	Material ESG issues/Impact	Priority action/ Chief officer in charge/ SDGs we aim to support/ Our vision, medium- to long-term goal	FY2023 Goals	FY2023 Results	
Dietary and healthiness	<b>Product safety and quality</b>  As a food manufacturer, placing top priority on ensuring safe and quality food products is a prerequisite in our business. Our Group provides safe, reliable and sustainable products to all of its customers to in turn provide better food choices to consumers.  <b>Negative impacts to be reduced</b> Health damage, violation of food laws and regulations	<b>Ensuring Product Safety and Quality Control</b> ESG Division Head  <b>Our vision, medium- to long-term goal</b> Ensure that the Fuji Oil Group is never a cause for complaints for any of the products it manufactures	 No serious quality-related complaints* * Incidents concerning food products that are harmful to health or violate the law, and require a recall.	No serious quality-related complaints received	
	<b>Health and nutrition</b>  Amid concerns about health issues increasing as people transition to new life stages or adopt different dietary and lifestyle habits, there is a need to create a society in which they can lead purposeful lives free from disability. We help ensure that health and well-being remains balanced with the enjoyment of food. We do this by expanding the options for foods that help promote health and well-being and prevent cognitive decline in older people, and by reducing the use of substances that do not comply with quality requirements.  <b>Creating positive impacts</b> • Achieve people's lifelong well-being • Achieve both deliciousness and healthiness	<b>Solutions for Healthy and Well-being</b> CTO  <b>Our vision, medium- to long-term goal</b> Create a society in which people can lead purposeful lives with both mental and physical health, in the face of increasing health issues arising from changes in life stages and from dietary and lifestyles  <b>Reduction of Process Contaminants in Oils and Fats</b> CSO * Trace elements that are introduced or formed during the production process.  <b>Our vision, medium- to long-term goal</b> Reduce process contaminant levels in line with market expectations	 Conduct a comparative study of PRORARE® (fresh DHA) and general oil (general DHA) using easy-to-ingest soft capsules for an internal proof of concept  Aim to identify one or more oxidation markers to bring out the effects of antioxidant treatment in humans (establish differentiated advantages)	Conducted a volunteer study with healthy subjects using PRORARE® (POV* = 0.5) and general DHA oil (POV* = 1.2, within the Food Sanitation Act limit). There were 21 participants each for the PRORARE® and general oil groups, with an intake period of 2 months. * Feculae value (POV) indicates the degree of deterioration due to storage conditions and autooxidation  Comparisons before and after taking PRORARE® showed improved nutritional status (increase in serum albumin) and enhanced bone metabolism markers.	
	<b>Creation of sustainable food resources</b>  There are growing concerns about shortages of protein sources, increase in environmental impacts and uneven food distribution due to population growth. We work on the development of plant-based proteins with low environmental impact in order to curb the environmental deterioration caused by increased food production. Moreover, we are increasing food choices and contributing to a healthy diet by responding to the diverse needs of each country and region, such as food traditions and values, preferences and allergies.  <b>Creating positive impacts</b> • Provide an abundance of food settings with diverse food options • Help eliminate uneven distribution of food resources and improve health through a sustainable supply of protein sources • Reduce environmental impact by increasing consumption of plant-based food ingredients (reduce CO <sub>2</sub> emissions and water consumption)	<b>Creation of Diverse Plant-based Ingredients</b> CTO  <b>Our vision, medium- to long-term goal</b> Make plant-based foods widely and readily available and increase dietary choices to help address food supply problems and broaden new business fields	 Develop next-generation soy meat ingredients that provide new value	Expanded the Prime Soy Meat* series, marketing three new types * Prime Soy Meat is a delicious soy-based meat alternative that offers both an authentic meat-like texture and a melt-in-the-mouth quality.	
	<b>Climate change</b>  Climate change is an urgent issue for the sustainability of our businesses, which rely on agricultural products for most of our raw materials. We contribute to mitigating climate change by cutting CO <sub>2</sub> emissions not only within our business operations but also throughout our supply chain.  <b>Negative impacts to be reduced</b> CO <sub>2</sub> emissions across the supply chain	<b>CO<sub>2</sub> Emissions Reduction</b> ESG Division Head  <b>Our vision, medium- to long-term goal</b> Environmental Vision 2030 Scope 1 and 2: 40% reduction (absolute) Scope 3 (Category 1): 18% reduction (absolute) Achieve both by 2030 (based year: FY2016) Note: Approved by the Science Based Targets initiative (SBTi)	 Promote energy conservation efforts, renewable energy use and other initiatives	• Raised awareness through environmental audits of seven Group companies • Explained internal carbon pricing system at Group companies outside Japan ahead of FY2024 introduction • Began energy conservation patrols at Fuji Oil Co., Ltd. to enhance conservation efforts and make them more autonomous • Installed solar panels on the rooftop and carports at Fuji Oil Co., Ltd.'s Kanto Plant • Installed solar panels for the first time at Fuji Oil (Zhaoqing) Co., Ltd. (China) • Installed solar panels at Blommer Chocolate Manufacturing (Shanghai) Company Ltd.	
	<b>Water resources</b>  Water is widely used as a raw material as well as in the manufacturing process. We enhance the sustainability of limited water resources by reducing the amount of water used and proper water management at each process in our business operations.  <b>Negative impacts to be reduced</b> • Water resource depletion • Water resource pollution	<b>Water Use Reduction</b> ESG Division Head  <b>Our vision, medium- to long-term goal</b> Environmental Vision 2030 20% reduction in water use (intensity) by 2030 (base year: FY2016)	 Promote continuous reduction and raise awareness levels	Raised awareness within the company through environmental audits at seven Group companies	
	<b>Circular economy</b>  Effectively using food resources without generating waste is essential to achieving a circular economy. The entire Group is committed to reducing waste and developing upcycling technologies.  <b>Negative impacts to be reduced</b> Consumption of excess energy and food resources	<b>Waste Reduction</b> ESG Division Head  <b>Our vision, medium- to long-term goal</b> Environmental Vision 2030 10% reduction in waste (intensity) by 2030 (base year: FY2016)	 Continuously promote waste reduction and further enhance awareness	Raised awareness within the company through environmental audits at seven Group companies	
Sustainable Food Value Chain	<b>Biodiversity</b>  While benefiting from rich natural ecosystems, the business activities of the Fuji Oil Group affect biodiversity as well as climate change. We are working to conserve and restore biodiversity, in order to help create a society in harmony with nature.  <b>Negative impacts to be reduced</b> Loss of natural ecosystems	<b>Biodiversity Conservation and Restoration</b> ESG Division Head  <b>Our vision, medium- to long-term goal</b> Build a nature-positive value chain	 Investigate and assess our Group's dependencies and impacts on nature and ecosystem services connected with palm oil and cocoa	Carried out assessments of our dependencies and impacts on nature and ecosystem services, as well as nature-related risk analysis, in palm oil and cocoa producing countries	
	<b>Sustainable procurement</b>  There are pressing issues that need to be addressed in the regions that produce the key and strategic raw materials used in our businesses. These are deforestation and destruction of natural ecosystems due to plantation developments, forced labor and child labor. We conduct our business activities based on our Supplier Code of Conduct and responsible sourcing policies as part of securing sustainable procurement for the future. Going forward, we will continue to work on reducing our environmental impact and addressing human rights issues in production regions.  <b>Negative impacts to be reduced</b> • Human rights violations due to outdated labor practices • Poverty of farmers • Child labor, forced labor • Exploitation of indigenous peoples, local residents and workers • Destruction or loss of natural ecosystems • Land use conversion • Pollution from improper waste disposal	<b>Sustainable Procurement of Palm Oil</b> CSO  <b>Our vision, medium- to long-term goal</b> Medium- to long-term goal Achieve "No Deforestation, No Peatland Development, No Exploitation (NDPE)" Sustainable procurement commitment • Achieve 100% traceability to plantation (TTP) by 2030 • Implement the Labour Transformation Programme (LTP) at all direct suppliers by 2030  <b>Sustainable Procurement of Cocoa</b> CSO  <b>Our vision, medium- to long-term goal</b> Medium- to long-term goal Restoration, elimination of child labor Sustainable procurement commitment • End child labor by 2030 • Plant one million trees on cocoa-growing regions by 2030	 Traceability to palm oil mills (TOM): 100%  Traceability to plantation (TTP): 85%  Continue constant monitoring using satellite images to identify, observe, verify and eliminate deforestation in the palm oil supply chain  Implement LTP at suppliers of Palmaju Edible Oil Sdn. Bhd. (Malaysia): 70%  Plant 130,000 trees across our direct supply chain (Côte d'Ivoire)  Expand our Group's direct supply chain for cocoa beans  Complete GPS mapping of 90% of farms in our Group's direct supply chain to further improve traceability  Provide GAP* training/coaching to farms across our Group's direct supply chain * Good Agricultural Practices  Promote agroforestry  Deliver on our commitment in the Cocoa & Forests Initiative (CFI)  Assess deforestation related to the supply chain using data provided by Satelliteimg and conduct deforestation risk assessment for over 140,000 hectares of land  Establish Child Labour Monitoring and Remediation System (CLMRS) in all farmer groups across our direct supply chain* * In West Africa  Implement effective and sustainable child protection and human rights due diligence (HRDD) system to assess and address child labor or over 90% of farms across our direct supply chain  Provide support for women's empowerment in 173 communities across our direct supply chain (Côte d'Ivoire, Ghana, and Ecuador)	TTM:100%  TTP: 95%  Continued conducting constant monitoring using satellite images  LTP implementation rate to suppliers of Palmaju Edible Oil Sdn. Bhd. (Malaysia): 74%  Planted 145,748 trees across our direct supply chain in Côte d'Ivoire (315,748 trees in total)  73% of the Group's cocoa beans sourced from our direct supply chain (Côte d'Ivoire, Ghana and Ecuador)  93% of farm plots across our direct supply chain mapped (Côte d'Ivoire, Ghana and Ecuador)  31,827 farmers participated in the GAP training program (Côte d'Ivoire, Ghana and Ecuador)  Developed cocoa agroforestry on 91,391 hectares of land across our direct supply chain (Côte d'Ivoire, Ghana)  372,067 multipurpose trees distributed for off-farm and on-farm planting by Blommer directly or on behalf of customers (Côte d'Ivoire, Ghana)  Completed deforestation risk assessment for 139,394 hectares of land across our direct supply chain (Côte d'Ivoire, Ghana and Ecuador)  100% of farmer groups across our direct supply chain covered by CLMRS (Côte d'Ivoire, Ghana)  60% of farms across our direct supply chain covered by effective and sustainable child protection and HRDD system that assesses and addresses child labor (Côte d'Ivoire, Ghana)  Over 90 communities benefited from community development activities that support women's empowerment (Côte d'Ivoire, Ghana)	
	<b>Sustainable procurement of soybeans</b> CSO  <b>Our vision, medium- to long-term goal</b> Medium- to long-term goal No deforestation, no exploitation Sustainable procurement commitment Ensure traceability to the community level by 2030, or 100% procurement of RITS* certified products or products certified to equivalent standards * Round Table on Responsible Soy Association	 Better engagement with suppliers based on self-assessment results from suppliers  At least 80% traceability achieved to primary collection points	 Traceability to palm oil mills (TOM): 100%  Traceability to plantation (TTP): 85%  Continue constant monitoring using satellite images to identify, observe, verify and eliminate deforestation in the palm oil supply chain  Implement LTP at suppliers of Palmaju Edible Oil Sdn. Bhd. (Malaysia): 70%  Plant 130,000 trees across our direct supply chain (Côte d'Ivoire)  Expand our Group's direct supply chain for cocoa beans  Complete GPS mapping of 90% of farms in our Group's direct supply chain to further improve traceability  Provide GAP* training/coaching to farms across our Group's direct supply chain * Good Agricultural Practices  Promote agroforestry  Deliver on our commitment in the Cocoa & Forests Initiative (CFI)  Assess deforestation related to the supply chain using data provided by Satelliteimg and conduct deforestation risk assessment for over 140,000 hectares of land  Establish Child Labour Monitoring and Remediation System (CLMRS) in all farmer groups across our direct supply chain* * In West Africa  Implement effective and sustainable child protection and human rights due diligence (HRDD) system to assess and address child labor or over 90% of farms across our direct supply chain  Provide support for women's empowerment in 173 communities across our direct supply chain (Côte d'Ivoire, Ghana, and Ecuador)	TTM:100%  TTP: 95%  Continued conducting constant monitoring using satellite images  LTP implementation rate to suppliers of Palmaju Edible Oil Sdn. Bhd. (Malaysia): 74%  Planted 145,748 trees across our direct supply chain in Côte d'Ivoire (315,748 trees in total)  73% of the Group's cocoa beans sourced from our direct supply chain (Côte d'Ivoire, Ghana and Ecuador)  93% of farm plots across our direct supply chain mapped (Côte d'Ivoire, Ghana and Ecuador)  31,827 farmers participated in the GAP training program (Côte d'Ivoire, Ghana and Ecuador)  Developed cocoa agroforestry on 91,391 hectares of land across our direct supply chain (Côte d'Ivoire, Ghana)  372,067 multipurpose trees distributed for off-farm and on-farm planting by Blommer directly or on behalf of customers (Côte d'Ivoire, Ghana)  Completed deforestation risk assessment for 139,394 hectares of land across our direct supply chain (Côte d'Ivoire, Ghana and Ecuador)  100% of farmer groups across our direct supply chain covered by CLMRS (Côte d'Ivoire, Ghana)  60% of farms across our direct supply chain covered by effective and sustainable child protection and HRDD system that assesses and addresses child labor (Côte d'Ivoire, Ghana)  Over 90 communities benefited from community development activities that support women's empowerment (Côte d'Ivoire, Ghana)	
	<b>Sustainable procurement of shea kernels</b> CSO  <b>Our vision, medium- to long-term goal</b> Medium- to long-term goal Forest conservation, support for women's empowerment Sustainable procurement commitment • Deforestation prevention and peatland protection: Plant 6,000 trees/year until 2030 • Traceability to the regional level: 75% by 2030 • Procurement of shea kernels from Tebma-Kandu program: 50% by 2030 • Percentage of shea kernels crushed and fractionated (separated) in West Africa: 100% • Non-fossil fuel energy* used by Fuji Oil Ghana Ltd. (for steam generation): 100% • Percentage of Group-donated warehouses being used to generate alternative income for Tebma-Kandu cooperatives: 80% <sup>1)</sup>  <sup>1)</sup> Shea olein created as a byproduct when fractionating shea butter is used as biomass fuel. <sup>2)</sup> A new RFP set in FY2024 after achieving our RFP for regional value creation of "Permanent, direct employees at Fuji Oil Ghana Ltd., 50% increase (base year: 2017)* as of FY2022. This is the percentage of shea kernel storage warehouses donated by Fuji Oil Ghana Ltd. that are being used to generate income by storing other harvested products in vacant space or during periods outside of the shea season.	 6,000 trees planted/year  Traceability to the regional level, including procurement from Tebma-Kandu program*: 50% * Cooperatives registered in the Tebma-Kandu program  Procurement of shea kernels from Tebma-Kandu program*: 15% * RFP changed from "Direct procurement of shea kernels from Tebma-Kandu cooperatives" to "Procurement of shea kernels from Tebma-Kandu program." We now include procurement volumes from partners that have agreed to the goals of the program in addition to the cooperatives we have been working with based on the philosophy of the Tebma-Kandu program.  Percentage of shea kernels crushed and fractionated (separated) in West Africa: 100%  Non-fossil fuel energy* used by Fuji Oil Ghana Ltd. (for steam generation): 100% * Shea olein created as a byproduct when fractionating shea butter is used as biomass fuel.	9,364 trees/year  88% achieved  19% achieved  100% achieved  97.6% achieved		
	Business Foundations	<b>Occupational health and safety</b>  Employee safety is the foundation of our business activities. If a serious accident or serious property damage accident occurs, it will have a huge impact on employees, their families, local communities and on greater society, and will also affect production activities. We create a safe and secure workplace by ensuring the health and safety of our employees, based on the idea that safety comes first.  <b>Negative impacts to be reduced</b> • Serious accidents or serious property damage accidents • Work-related injury, illness, or poor physical health • Outbreak of infectious disease in the workplace	<b>Reducing Occupational Accidents and Property Damage</b> ESG Division Head  <b>Our vision, medium- to long-term goal</b> Place top priority on safety and respect for humanity. Keep all Group companies accident free by creating safe and comfortable workplaces	 Zero serious accidents* * Accidents resulting in death, permanent disability to limbs or other body parts or long-term hospitalization (90 days or more)	Zero serious accidents occurred
		<b>DE&amp;I</b>  Creating a workplace that accepts diverse values and encourages individuality is crucial for innovation and for responding to diversifying customer needs and values. We respect the diversity of our employees and practice our Fuji Oil Group Management Philosophy to "Work for people" so that all our human resources can make the most of their abilities. * Diversity, equity and inclusion  <b>Creating positive impacts</b> • Provide equitable opportunities and fair evaluations • Promote decent work • Leverage the creativity of diverse and highly specialized teams  <b>Negative impacts to be reduced</b> Discrimination based on nationality, gender, race, age, sexual orientation, character, or disability	<b>Promotion of DE&amp;I</b> CAO  <b>Our vision, medium- to long-term goal</b> • Equity: Remove barriers experienced by people from disadvantaged communities, provide equitable opportunities and conduct fair evaluations • Inclusion: Build a corporate culture that fosters feelings of belonging among all employees • Diversity: Harness diversity for business model and value creation * A term encapsulating the concepts and practices of providing equitable opportunities and evaluations and developing and leveraging diverse talent through inclusive management.	 Increase diversity on executive teams	[Group-wide] Diversity in Management Committee Meeting members decreased (foreign nationals and women) from 45% (as of April 1, 2023) to 40% (as of April 1, 2024). Continued working to increase diversity  [Japan] Actively appointed women as outside directors and outside corporate auditors at Group companies in Japan, to foster female executive managers by building engagement and participation in management. Percentage of women increased from 13% (as of April 1, 2023) to 15% (as of April 1, 2024)  Japan: Conduct employee engagement survey  Japan: Encourage diverse work styles  Japan: Ensure equity  Japan: Support long-term, meaningful employment of people with disabilities
<b>Securing and developing human resources</b>  Securing the human resources that create new value and developing the skills and competence expected of each individual are required for growth of both the Group and its employees, and for enhancing our business competitiveness. We will continue to carry out measures and foster an organizational culture that encourages employee independence and engagement.  <b>Creating positive impacts</b> • Improve employee engagement • Leverage the creativity of diverse and highly specialized teams		<b>Securing and Developing Human Resources</b> CAO  <b>Our vision, medium- to long-term goal</b> • Further increase number of specialists in every field, with many of our talents contributing to increasing corporate value in the face of changes in and outside Japan • Inclusion: Build a corporate culture that fosters feelings of belonging among all employees • Diversity: Harness diversity for business model and value creation * A term encapsulating the concepts and practices of providing equitable opportunities and evaluations and developing and leveraging diverse talent through inclusive management.	 Zero serious property damage accidents* * Explosions, fires, or physical accidents resulting in an order from a public authority to shut down the entire site.	Zero serious property damage accidents occurred	
<b>GR&amp;C</b>  In a highly uncertain business environment, building resilience and conducting risk-proof business management is vital. We aim to enhance corporate value by strengthening Group governance through initiatives to minimize chance of risk occurrence and impact in case of occurrence, such as by strengthening the Business Continuity Plan (BCP) and information security and by conducting fair business practices. * Governance, risk, and compliance (GR&C) includes corporate governance and internal control perspectives, but issues involving internal control are monitored by the Sustainability Committee. Corporate governance is monitored by the Board of Directors.  <b>Negative impacts to be reduced</b> • Damage to society or human life • Destruction or loss of natural ecosystems • External damage or loss caused by information leaks • Corruption, bribery, anti-competitive behavior, and other violations of laws and regulations		<b>Risk Management System</b> ESG Division Head  <b>Our vision, medium- to long-term goal</b> Earn the trust of society by demonstrating high reliability and risk management capability.  <b>Information Security Management</b> CTO  <b>Our vision, medium- to long-term goal</b> Sustainably develop the Group through construction of systems and strengthening of measures to counter IT security risks that have significant impact on business management.	 Strengthen risk management in the Fuji Oil Group  Properly disclose information on the financial implications of climate-related risks based on the TCFD recommendations  Prepare for appropriate information disclosure regarding biodiversity based on the TNFD framework  Prevent serious security incidents across the entire Group  Continue conducting security evaluations by CSIRT, which include internal security audits (FY2023 plan: IT evaluation for six companies; OT evaluation for four companies)	• Conducted Group-wide discussion of risks in the Subcommittee on Group Significant Risks (10 times) • Performed new risk assessments at regional headquarters and Group companies, and held risk management meetings based on the results  • Compiled and examined the latest information on FY2024 changes in TCFD disclosure in annual securities reports • Discussed information to be disclosed in the Subcommittee on Group Significant Risks to add objectivity and validity  Conducted qualitative evaluation of the business impact of biodiversity issues connected to Group operations according to the LEAP approach recommended in the TNFD framework  No major incidents that impacted business continuity occurred  Conducted internal IT security audits at a total of six companies according to plan, and OT security assessments at all security of all companies, exceeding what was planned.	
<b>Fair Business Practices</b>  Legal Division Head  <b>Our vision, medium- to long-term goal</b> Earn the trust of all stakeholders by conducting business fairly, transparently, and with integrity.		<b>Fair Business Practices</b> Legal Division Head  <b>Our vision, medium- to long-term goal</b> Earn the trust of all stakeholders by conducting business fairly, transparently, and with integrity.	 No serious compliance violations  Conduct a compliance program including training for the entire Group  Raise employee awareness of compliance	No serious compliance violations affecting our Group's business operations occurred.  Collected information and conducted interviews on the compliance system in place for personal information protection laws at each Group company • Reviewed and enhanced privacy policies of Group companies  Received a 91.3% positive response rate to the question, "Does your workplace have a culture in which compliance is given priority when business and compliance are in conflict?" (1.8% decrease over previous year)	
<b>Group Governance</b> CSO  <b>Our vision, medium- to long-term goal</b> Enhance corporate value through the establishment of an effective Group governance system.		<b>Group Governance</b> CSO  <b>Our vision, medium- to long-term goal</b> Enhance corporate value through the establishment of an effective Group governance system.	 Disseminate our revised vision and enhance awareness of the Fuji Oil Group Management Philosophy  Monitor business execution from the standpoint of our business operations and regional headquarters, in order to strengthen our global operational management	• Distributed posters and other materials designed to inform employees and enhance awareness at major Group companies • Conducted training at Group companies including those in China to disseminate the Management Philosophy • Covered awareness and comprehension of the Management Philosophy at trainings in Japan to promote dissemination and greater understanding • Conducted governance training for employees posted to Group companies outside Japan who are in charge of management, to promote understanding of the Management Philosophy and the Group policies necessary for realizing appropriate Group management based on the Philosophy  Engaged in communication between Fuji Oil Holdings Inc. and Group companies to gain understanding of each company's management execution, progress of measures to improve profitability, and challenges they face. • Addressed issues in each country and region from the standpoint of our business operations across the Group	
<b>Corporate Governance</b> CSO  <b>Our vision, medium- to long-term goal</b> Improve corporate value through appropriate functioning of the Board of Directors	<b>Corporate Governance</b> CSO  <b>Our vision, medium- to long-term goal</b> Improve corporate value through appropriate functioning of the Board of Directors	 Set agendas and conduct more discussions with a medium- to long-term perspective  Strengthen management supervision (monitoring) function by alleviating information asymmetry between internal and outside directors, and gaining proper understanding of current business operations	• Conducted discussions incorporating the diverse perspectives of each director on agendas regarding the Group's sustainability strategy and the direction of and measures for R&D • The Board of Directors effectiveness evaluation found that the Board needs to further promote disclosure and monitoring from a broad perspective focusing on medium- to long-term policies and business strategies, confirming that it is necessary to narrow down future Board agendas through delegation of authority to the executive side, and to conduct monitoring and discussions that utilize the diverse perspectives of outside directors.  Conducted explanatory meetings of our businesses led by personnel in charge, and organized visits to company sites (plants, research institutes) for outside directors to provide them with information conducive to their management supervision. Executive officers also provided briefings regarding progress on our Group's material management issues (multiple times, including during Board of Directors meetings). In the effectiveness evaluation, these efforts helped obtain positive results that the Board is ensuring opportunities to explain and discuss material management issues, and that progress can be seen. • In terms of strengthening the Board's management supervision function, we recognized that it is necessary to further increase opportunities to present and share information on business operations to encourage active discussion.		