

Sustainability

Sustainable Procurement of Soybeans

Focus SDGs



Management information

Relation between themes and business activities

Soybeans are cultivated in a wide range of areas. From cool temperate zones to the tropics. There are concerns in soybean production areas about issues such as deforestation for farmland cultivation and soil contamination due to spraying of pesticides. Fuji Oil Group has been at the forefront of companies pursuing the potential of soybeans as a food ingredient since 1957, with the conviction that soybeans will relieve the global food supply crisis. Our soybean processing and ingredients business uses soybean-derived raw materials such as defatted soybeans, whole soybeans, and soybean protein. In our vegetable fats and oils business, we use about several percent of soybean oil on a weight basis. We see the importance of promoting soybean procurement with attention of environmental and social impacts.

Basic approach

We will work to collect information and organize our basic approach, toward the sustainable procurement of soybeans.

Promotion system

We promote sustainable soybeans procurement initiatives under the supervision of the Chief Strategy Officer (CSO). Moreover, the ESG Committee*, which is an advisory body to the Board of Directors, confirms the progress and results of these initiatives as a priority theme for ESG management.

* Refer to the URL below for details of the ESG Committee.

▸ <https://www.fujioilholdings.com/en/csr/approach/>

Objectives / Results

FY 2019 objectives

- Grasp social trends and formulate our basic approach.

FY 2019 results

We had interviews with related organizations, such as the Round Table on Responsible Soy (RTRS), and our suppliers. In Brazil the objective is to avoid using soybeans from deforested areas expressed in the announcement of the Soy Moratorium declaration by the Brazilian Oilseed Processors Association. We collected information needed that will be the basis of our basic approach. Since the survey and current supply chain assessment was more time consuming than initially expected, the basic approach could not be finalized this year.

Next Step

The Fuji Oil Group will continue to work on the sustainable procurement of soybeans through initiatives such as dialogue with suppliers. The objective for FY 2020 is to establish the outline for our policy on the sustainable procurement of soybeans. In May 2020, we joined the Round Table on Responsible Soy (RTRS) as a member. We will continue to collect information to formulate the policy.

Specific initiatives

Procurement of non-genetically modified soybeans

The Fuji Oil Group's soybean processing and ingredients business procures only soybean raw materials from North America, China, and Japan, all of which are non-genetically modified soybeans. In North America, both GM soybeans* and non-GM soybeans are distributed in large quantities. Therefore, we conduct strict controls on soybeans produced in North America to ensure that non-GM soybeans shipped to us are cultivated, transported and stored separately from GM soybeans.

In China, which is a major source of soybeans for us, the cultivation of GM soybeans is prohibited. In recent years, however, GM soybeans grown outside China have been imported as raw materials for oil extraction. Therefore, it becomes increasingly important to manage non-GM soybeans through the strict separation from GM soybeans. Regarding the procurement of soybeans from China, we continue to respond to strict management requirements through close cooperation among Group companies while adopting management know-how from Fuji Oil Co., Ltd.

* Genetically modified (GM) soybeans: Soybeans that have been engineered through gene recombination to produce a more stable yield by adding functions such as herbicide resistance.