

Sustainability

Ensuring Thoroughgoing Food Safety and Quality

Focus SDGs



Management information

Relation between themes and business activities

The Fuji Oil Group recognizes that, as a food ingredient manufacturer, it can have an impact on the safety of food provided to customers and consumers. We believe that it is important for us to ensure thoroughgoing food safety and quality in full consideration of all processes, from product design, through raw material procurement, manufacturing, and shipping, to consumers' consumption of our products.

Basic approach

For the Fuji Oil Group, providing safe and secure products to society is a prerequisite for its business activities as food manufacturer. The Group established the Basic Policy of Quality in order to provide safe products, which customers can use with peace of mind. In accordance with this policy, we produce products by adopting a customer-oriented approach in all processes, from product design to delivery to customers. We recognize that we can contribute to thoroughgoing food safety and quality by enhancing our quality and food safety management based on the Quality Assurance Regulations and promoting continuous activities to raise employees' quality awareness.

Basic Policy of Quality

1. We work in full compliance with laws & regulations and the spirit thereof, and enhance product safety and reliability;
2. We develop creative products, and propose them to customers in a timely manner;
3. We enhance customer satisfaction; and
4. We communicate precisely and cordially, and strive to solve problems.

Promotion system

We promote our initiatives to ensure thoroughgoing food safety and quality under the supervision of the Chief “ESG” Officer (C“ESG”O). 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.

At Fuji Oil Co., Ltd., the sales divisions receive customer grievances, complaints, and inquiries about quality. These are then scrutinized by the quality control department, and verified and investigated by the relevant departments. After that, responses are provided through the quality control department to the sales divisions, which communicate with the customers.

Fuji Oil Group companies collect and analyze data on grievances and complaints filed to them by customers. Fuji Oil Holdings Inc. compiles and analyzes those data, and shares related information with all Group companies.

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

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

Objectives / Results

FY 2019 objectives

- Reviewing and improving quality audit items to raise the levels of quality assurance systems outside Japan
- Establishing a network among quality control managers
- Reviewing and improving the Quality Assurance Regulations and building more widespread employees’ awareness of the Regulations

FY 2019 results

To fulfill the objective of reviewing and improving quality audit items, we revised the quality audit items so that they would be easier for site managers to understand, and have used the revised items since the October 2019 audits. To establish a network among quality control managers, the Production Productivity Management Group launched information sharing initiatives. Information about quality accidents and trends in food regulations is collected around the world and shared with Group companies. Moreover, as a measure to review and improve the Quality Assurance Regulations and build more widespread awareness, we distributed materials that explain “quality assurance activities,” which the Regulations provide for.

Next Step

To achieve the goal of “ensuring that no customer complaints are filed against problems caused by the Fuji Oil Group about any of our products ,” we will continue to ensure thoroughgoing food safety and quality by conducting educational activities to raise employees’ quality awareness and by acquiring certifications.

Our objectives in FY 2020 are to (1) raise employees’ quality awareness to achieve zero serious quality complaints, and (2) promote the establishment of a quality network centered around Fuji Oil Holdings Inc. To fulfill the objectives, we will survey the current status of collective education, review our way of regularly collecting quality data, and promote other activities.

Specific initiatives

Risk management and countermeasures

Quality management system

In the Fuji Oil Group, each Group company has a quality management system, to ensure that the Fuji Oil Group Basic Policy of Safety, Quality and Environment is applied to its business activities. In addition, the Group established the Safety and Environment Management Regulations and the Quality Assurance Regulations. Based on these regulations , the management status of each Group company is monitored (through safety, quality and environmental audits). Furthermore, we hold Meetings on Safety, Quality & the Environment in each region to enable persons in charge at each Group company to share activities, best practices and know-how within the Group.

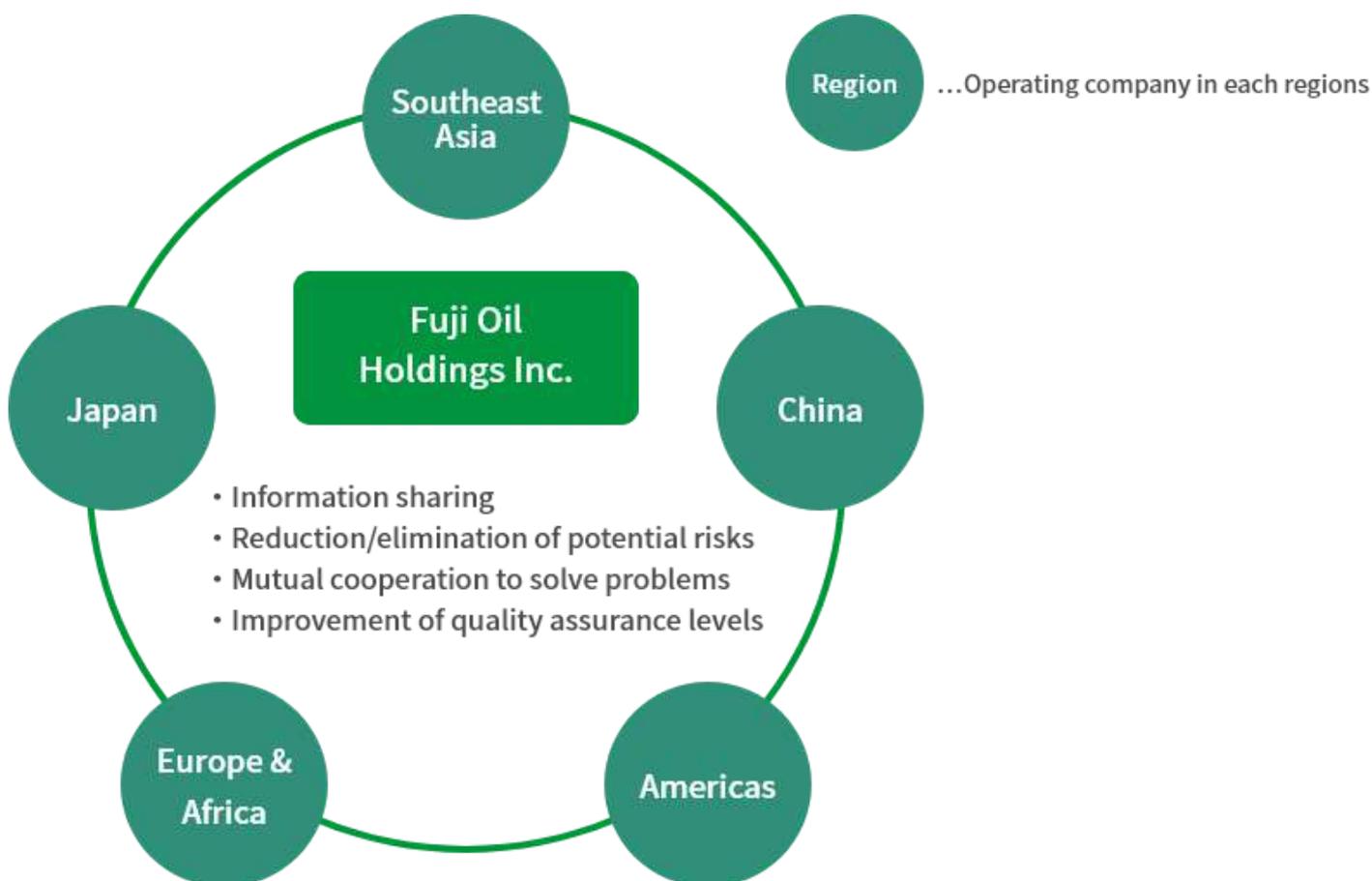
Acquisition of Management Certifications

Refer to the URL below for details of Group companies' management certification status.

▶ <https://www.fujioilholdings.com/en/about/authen/>

Establishing a network among quality control managers

We are working to establish a network that allows resources (experience-based know-how, regulatory trends peculiar to each region, etc.) possessed by each Group company to be shared among the Group companies. The objective is to reduce and eliminate potential risk factors and to solve problems quickly through mutual cooperation. Among this factors are: failures to share the experience and knowledge of other Group companies, latest information on food regulations in other countries or international food trends, etc. Specifically, we promote information sharing among quality control managers involved in quality assurance, to enhance our quality assurance system.



Risk management methods for food safety

Fuji Oil Group companies and their relevant organizational units manage and respond to food safety risks as part of the Group's overall risk management system.*

* Refer to the URL below for details of the risk management system.

▶ <https://www.fujioilholdings.com/en/csr/governance/risk/>

Food safety-related risks and countermeasures

In FY 2019, the risk assessment of the entire Fuji Oil Group identified some food safety-related risks, including contamination with foreign matter, allergens and inappropriate raw materials. We have since worked on reducing these risks by acquiring quality management certifications, conducting evaluation and giving guidance on these risks in internal audits.

Education

The Fuji Oil Group provides education to employees to raise their awareness of quality. Fuji Oil Co., Ltd. supports activities at each plant conducted in accordance with the action guidelines and holds lectures on hygiene and other matters. A total of 100 people attended these lectures in FY 2019.

In addition, every November we participate in Quality Month, which is organized by the Quality Month Committee, a Japanese industry organization. During Quality Month, we conduct various activities to raise awareness on quality among our employees focusing on predefined themes.

We have also continued providing Group companies outside Japan with technical guidance on newly introduced analytical equipment to improve the overall quality management level of our Group. We will continue promoting technological exchange among Group companies to spread the Group's advanced analytical techniques, in order to provide safer and more reliable products to customers worldwide.

Product labeling

Information indicated on labels varies considerably depending on the country where the product is sold. The Quality Assurance Department or the department in charge of quality assurance at each Group company collects information to ensure that the labels of Fuji Oil's products comply with the applicable laws and regulations of each country or region. At Fuji Oil Co., Ltd., the Quality Assurance Department collects information on relevant laws and regulations and issues updates on any law or regulation revisions to the relevant departments via the "Food Safety Information" that is distributed to them, in order to ensure that these revisions are promptly and accurately reflected in product labels.

There is also a system in place to ensure that the staff in the development, production and quality assurance departments check the content of product labels before printing to avoid any errors that would violate laws or regulations. We strive to enhance transparency by disclosing information to our customers in a timely fashion through product specifications and the Fuji Oil Co., Ltd. website.

In FY 2019, no serious labeling violations occurred at Group companies in or outside Japan.

Recalls and Other Incidents

In FY 2019, the Fuji Oil Group did not recall any products.

Fiscal year	No. of recall cases	Details
2019	0	—
2018	1	In March 2018, we recalled some oil & fat and chocolate products produced by Fuji Oil Europe (Belgium) after they were proven to contain glycidyl esters* exceeding the maximum limits established by EU regulations. We confirmed that all relevant products were collected before being sold to consumers. We also adopted measures to prevent recurrence of similar problems.
2017	0	—

* Glycidyl ester: A substance formed in the process of refining oils/fats. Because it can have adverse effects on human health due to its carcinogenetic properties, the maximum content of glycidyl esters in food products is regulated by EU legislation. The Codex Alimentarius Commission is discussing the safety of glycidyl esters.