

Practice of Diversity Management

Focus SDGs



Management information

Relation between themes and business activities

As a corporate group operating globally, the social responsibility of the Fuji Oil Group is to respect the diversity of individual qualities and values of its human resources. Our group requires great creativity in developing business strategies to continuously contribute to a society amid changing social values. This is done through back-casting toward a new future, which is not just an extrapolation of the past. An overly homogeneous group would have a limited power to demonstrate their creativity. Diversity is also important to provide value to society. An environment and corporate climate in which diverse human resources play an active role will enable us to create businesses based on innovative strategies.

Basic approach

Our energy to continuously create sustainable value for society is rooted in an environment where diverse human resources can use their different values and individuality. The Fuji Oil Group Management Philosophy defines “Work for people” as one of the values of the Fuji Oil Group. This means that we must always consider the other person's point of view when doing business. This is the basic guiding principle to embrace

diversity and provide value to society.

Based on this principle, we formulated the Fuji Oil Group Diversity Vision for FY 2020 and beyond. To realize this vision, Fuji Oil Co., Ltd. established its Basic Diversity Policy.



Fuji Oil Group Diversity Vision

Enjoy diversity

Diverse human resources are a source of inspiration and innovation. We will contribute to society by “Work for people” and enjoying the synergy among us. In doing so, we will provide diverse customers worldwide with deliciousness and health in a variety of food products.

Focus areas to promote diversity

On the Diversity Vision for FY 2020 and beyond, the Fuji Oil Group defined gender, nationality, generation, specialization and experience as focus areas to promote diversity. We foresee awareness and system reforms to enable all our employees to use their diverse background and individuality as their strengths.



Fuji Oil Basic Diversity Policy

We will accelerate the creation and delivery of new value to society by seeking talented individuals from diverse backgrounds and by fostering a corporate culture, where everyone can demonstrate their abilities to the fullest.

1. Pay attention to diversity in personnel composition at all stages of employment, including: recruitment, training and job assignment/promotion.
2. Implement flexible personnel systems so that diverse human resources can fully demonstrate their abilities.
3. Use diverse human resources in a strategic manner, thereby contributing to society and company growth.

Promotion system

We promote diversity management initiatives under the supervision of the Chief Administrative Officer (CAO). 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/>

Promotion system



Objectives / Results

FY 2019 objectives

- Formulating a vision and roadmap for diversity management

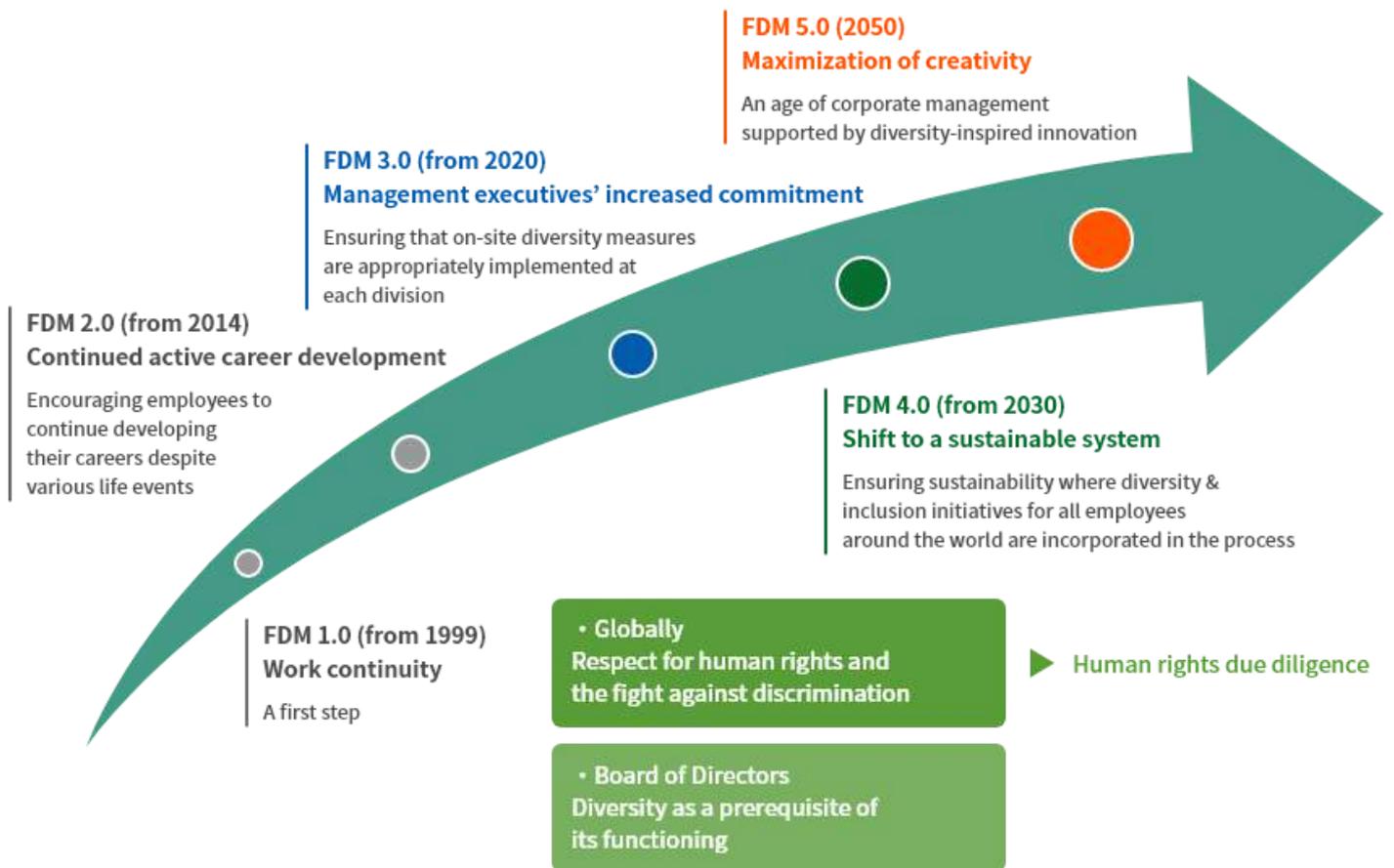
FY 2019 results

We accomplished the above-mentioned objective of formulating a vision and roadmap* for FY 2020 and beyond.

* Refer to the "Basic approach" on this page for the vision.

Roadmap

As shown below, we drew a roadmap for our achievement of diversity as a source of innovation supporting our corporate management and contribution to society through deliciousness and health. Since 1999, the Fuji Oil Group has promoted diversity and enhanced Group-wide systems and measures to enable its employees to continue pursuing their career goals. In a new phase, started in FY 2020, we practice diversity in each department, with the strong commitment of management executives.



* FDM: Fuji Diversity Management

Next Step

According to the roadmap, the Fuji Oil Group will implement FDM (Fuji Diversity Management) 3.0 measures to enhance systems that encourage diverse working styles, and to promote employee awareness.

FDM 3.0 measures



In FY 2020, we will promote activities focusing mainly on the following areas:

- **Support for continued active career development**

Support for the active participation of senior employees

- Educating employees about second careers and life planning

- **Ensuring fairness**

Definition of departmental objectives

Managers' awareness reform

- Educating managers about unconscious bias

- **Promotion of diversity**

Creation of a favorable environment to the employment of disabled people

Specific initiatives

Initiatives in Japan

Supporting continued active career development

Support for the active participation of senior employees

Among the major pillars for this term's diversity promotion, we positioned the utilization of senior employees' potential, which is the current or future status of all employees. In

FY 2020, we will implement the following two measures:

- ① Providing enhanced employee education about second careers and life planning
We will offer a two-step education program to employees in their 50s to enable them to review their careers as early as possible.
- ② Conducting individual career interviews
We will conduct individual career interviews with all eligible employees to fill the gap between the expectation of their workplace and their own needs. This is followed by discussions on how their skills and abilities should be developed henceforth.

We will help senior employees to have a wide career choice underpinned by their accumulated skills and broad perspectives. This will allow them to realize their full potential after retirement. By doing so, we will also ensure strongly motivated human resources who can support the Company.

Support for female employees' continued career development in balance with private life

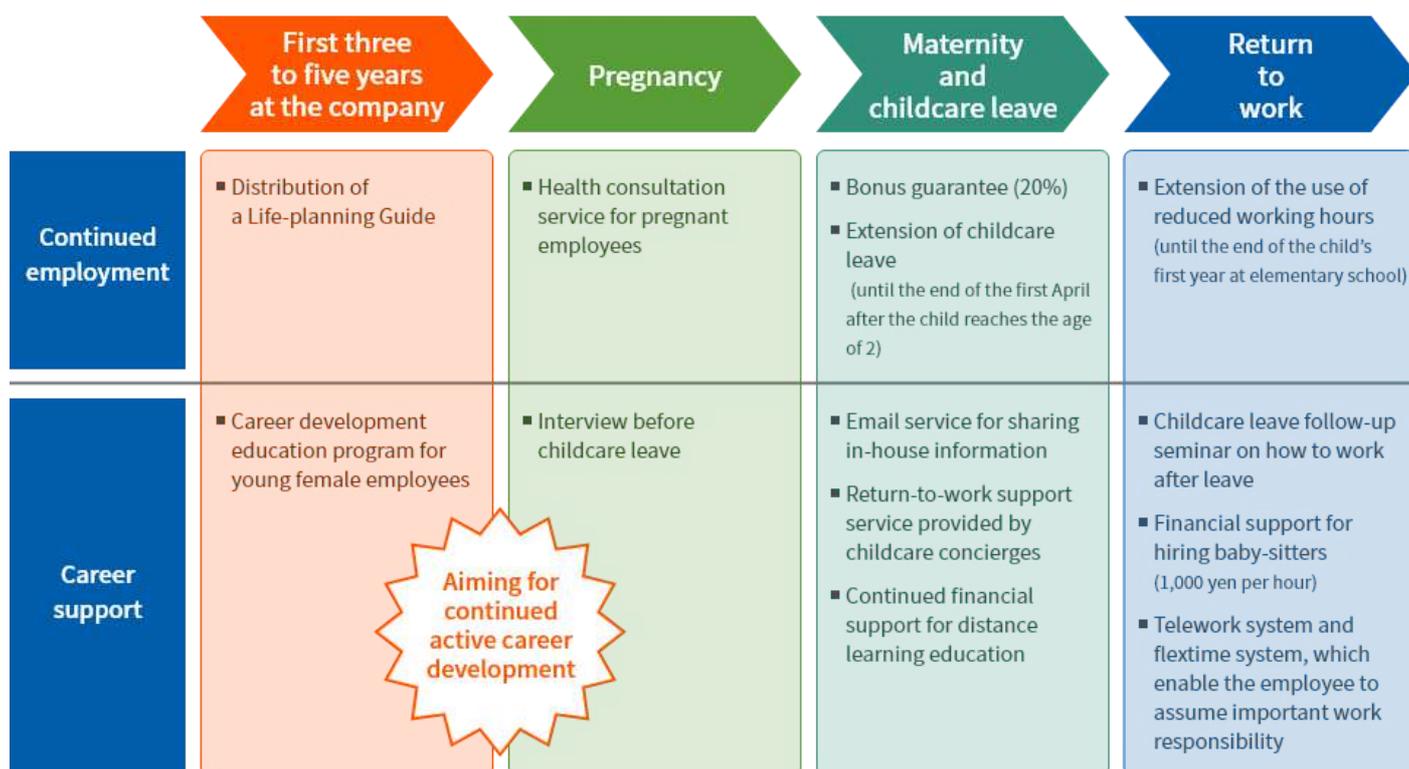
Although we have long maintained a 100% childcare leave usage rate among female employees, many female employees see career continuity after childcare leave as challenging. In FY 2014 we drastically changed our way of supporting female employees. Since then, we adopted various new systems to support female employees who aim to continue actively developing their careers after life changing events.

In FY 2016, we implemented an education program for young female employees in their third to fifth years at the Company. The program includes life-long career development, the Company's work-life balance support programs, proposals for mutual help between different generations, and good role models. This generation of female employees is currently in the period when the peak of their career development corresponds with various important life events, including childbirth. They are presenting new role models for employees who hope to develop their careers actively. This education program is implemented once every three to four years and is planned to be carried out in FY 2020 again.

In addition, in FY 2014 we launched a follow-up seminar for employees returning to work from childcare leave. This was a three-party session attended by the parenting employee, their superior and their partner. This seminar has resulted in circles of supporters for parenting employees in both their households and workplaces, as well as awareness among parenting employees themselves. In FY 2019, we distributed booklets titled Guide to Returning to Work from Childcare Leave (different versions for parenting employees and their superiors).

Currently, 45% of female managers are working while parenting their children, which indicates the significant progress that we have made in establishing systems for supporting continued career development.

System established to support employees' life events



Ensuring fairness

Definition of departmental objectives

To ensure that our top management's policies are firmly rooted in our organizational activities, in FY 2020 each Group department will identify challenges to be solved, define objectives, and form a promotion group. The progress toward the objectives and achievements will be reported regularly to the top management. We will visualize the uneven progress of diversity promotion due to different circumstances surrounding each department in order to make further improvements.

Managers' awareness reform

The key to ensuring equal opportunity is held by managers who play a central role in human resource development. For this reason, since FY 2019, we have enhanced the manager education program focusing on human resource development and diversity management. The manager education program in FY 2020 will deal mainly with unconscious bias.*

* Individuals' unconscious patterns and thinking orientations. People process and respond to a large amount of information available in the natural world in an instant. Although the human race acquired this ability to survive, it often causes problems in today's world because it prevents humans from addressing environmental changes appropriately. Therefore, this bias should be raised to the level of consciousness and corrected if needed.

Promotion of personnel diversity

Support for the active participation of women

In FY 1999, our top management adopted the policy of supporting the active participation of women. Full-scale initiatives were launched to pursue the policy under a newly established Committee for Women's Empowerment (currently Fuji Active Network).

In FY 2016, we set a target for the percentage of women managers. Since then, in the four years until April 2020, the percentage of female managers increased from 3.78% to 10.54%. However, we failed to reach the target of 20% set for FY 2020 mainly due to problems related to training. We recognize that we should place greater importance on equal opportunity in recruitment and human resource development henceforth.

Regarding recruitment, since FY 2017, women accounted for about 50% of the new graduates that we employed as managerial-track employees. We will also ensure a higher level of fairness in human resource development, including work assignment, OJT,* and off-JT.*2

Furthermore, in FY 2016, the CEO of Fuji Oil Holdings Inc. endorsed the Declaration on Action by a Group of Male Leaders Who Will Create a Society in Which Women Shine, which was formed under the initiative of the Cabinet Office. The CEO sent out messages to employees and society, regarding the importance of diversity in management.

* OJT: On-the-job training, which employees undergo while at work

*2 Off-JT: Off-the-job training, which employees undergo while temporarily outside ordinary work settings



Employment of foreign nationals

We employ foreign nationals with various capabilities, who play an important role in many fields, like research and development, planning and management. There is no difference in treatment on grounds of nationality. We assign employees based on their skills, abilities and how these fit with the job requirements. We also create a workplace environment in which due respect is paid to employees' religions and customs, by adopting various measures, for example, multipurpose rooms, which employees can use to pray.

Support for the active participation of disabled people

Despite our long-term efforts to employ people with disabilities, only a small number of workplaces had staff with intellectual disabilities. To address this situation, since FY 2015 we work to build an effective system to increase the employment of people with disabilities. To do so, we collaborate with local schools, offering hands-on work experience programs, and exchanging information with leading companies in this field. We implemented these initiatives based on the principle of providing disabled employees with opportunities to play an active role in their workplaces while considering the characteristics of each individual. The initiatives have inspired managers in charge of training such employees to raise their own awareness.

In FY 2020, we aim to make Group-wide efforts to specify duties that will enable people with disabilities to fully demonstrate their capabilities. In this way, we will build a system for providing them with many more work opportunities.

LGBT

The series of activities that the Fuji Oil Group conducted during the Human Rights Week* in FY 2019, included a seminar on LGBT, of which public awareness has not yet spread widely in Japan. The efforts of our sexual-minority employees to send letters to other employees to invite active participation in the seminar led many employees to attend the seminar and begin viewing LGBT as embodying diversity close to them. As a result, many executives and employees have become LGBT allies, expressing their support for LGBT through diversity promotion. At some Group companies in Japan we hold extension education programs on similar themes, too.

Comments from education program participants:

All people, not limited to LGBT, live with diverse values, thoughts and individuality in different environments. Each of these qualities makes each person a unique individual, rather than determining their worth.

A company is a group of people who work for the same purposes and create value for society, instead of an organization that determines the rankings of people. It is never permissible to criticize others for matters unrelated to their operational duties or to create an adverse work environment for others. No one can destroy the dignity of others. The program has inspired me to deepen my thoughts about "Work for people" (one of the values that inform our actions, defined in the Group Management Philosophy).

* Refer to the URL below for details of the Human Rights Week.

▶ https://www.fujioilholdings.com/en/csr/social/human_rights/

Hiring of regional limited employees and regular employees

In FY 2017, we changed the status of our “semi-regular employees,” who had fixed-term employment contracts, to “regional limited employees” without a fixed term. Moreover, the Group conducts a test once a year for highly motivated non-regular employees wishing to become regular employees. In FY 2020, seven non-regular employees, including both men and women, passed the test and were promoted to regular employees. We will continue to actively promote talented and highly motivated individuals to regular employees through this system.

Employee-led initiatives

Since FY 1999 we have run an intersectional project named “Fuji Active Network (FAN)”, to promote diversity. With the officer in charge of human resources serving as project owner, employees themselves take the initiative in conducting grassroots activities to meet the actual needs of employees.

In FY 2019, FAN conducted interviews with management executives and delivered messages on diversity and human resource development to Fuji Oil Group employees worldwide via the intranet. Furthermore, FAN exchanged views on diversity and ESG with Blommer Chocolate Company (U.S.), a U.S.-based Fuji Oil Group company, to facilitate co-creation between Group companies. Many leading diversity measures in the Group have been initiated by FAN.

Encouragement programs use

In the Fuji Oil Group, the top management always delivers strong messages promoting diversity. Meanwhile, high importance is also placed on employees’ heightening their own awareness and actions. Rather than pursuing mere superficial results, we aim to achieve diversity, which is firmly rooted in our corporate culture and fully understood and accepted by employees.

As part of this, we strive encourage employees to use our work-life balance support programs. We recently increased the use of two programs for employees: the nursing care leave program and the childcare leave program intended for male employees. Since FY 2013, we have raised awareness to create a corporate culture in which consulting nursing care is the norm. This is done by holding nursing care seminars and distributing a nursing care handbook. In addition, since FY 2016, we have granted allowances to help employees cover their nursing care expenses. These initiatives resulted in a gradual increase in the use of nursing care support programs by employees, including managers and male employees.

We have also continued our efforts to encourage male employees to take childcare leave since FY 2014. Despite our basic policy of allowing employees to decide to take childcare leave on their own free will, 91% of eligible male employees took childcare leave in FY

2019. While most of them were on leave for less than one week, since early FY 2020 some male employees have taken childcare leave for a few months to over half a year. This indicates that the program has gradually taken root.

Work style reform

Overview of promotion of work style reform

In FY 2016, we launched a Creative Work Project (currently CWORK Promotion Committee) to promote work style reform, which is necessary to achieve diversity. Since then, we have implemented four reform initiatives to reduce the total working hours and improve the work-life balance by increasing productivity: awareness reform, operational reform, system reform and workplace reform.

We have assessed new working styles. For example, since 2017 we have assigned some employees to telework on a trial basis and introduced a satellite office to further develop our telework system. In addition, we facilitated active communication and promoted paperless operations by introducing robotic process automation (RPA), electronizing application procedures, and active use of video conference systems.

As a result, in response to the COVID-19 pandemic, we succeeded in shifting smoothly to teleworking. About 50% of employees have actually teleworked. We hope to take advantage of this experience to firmly establish the IT-based system; enabling employees to accomplish significant work achievements no matter when and where they work.

Global initiatives

The Fuji Oil Group's business activities involve a wide range of stakeholders, including employees, business partners, customers, consumers, and smallholders in the Group's supply chains. The Fuji Oil Group Management Philosophy defines "Work for people" as one of the values of the Fuji Oil Group. The essence of "Work for people" is thinking and acting from the perspectives of the people with whom we work.

During the Human Rights Week* in December 2019, we conducted awareness-raising activities focusing on respect for human rights and the fight against discrimination. These messages were delivered globally. We will continue such activities henceforth.

* Refer to the URL below for details of the Human Rights Week.

▶ https://www.fujioilholdings.com/en/csr/social/human_rights/

External evaluation

By the end of March 2020, we have received the following external evaluations concerning diversity:

- March 2017: Commended by the Osaka City Mayor as a Leading Company in Women's Participation in Osaka City
- August 2017: Obtained "Platinum Kurumin" certification from the Japanese Ministry of Health, Labour and Welfare
- December 2019: Became a component of the MSCI Japan Empowering Women Select Index