

## Management information


### Relevance to our business

As a natural consequence of Fuji Oil Group's business characteristics, the Group's manufacturing processes produce waste. Most of the waste is organic sludge contained in wastewater from the plants and spent bleaching earth generated after adsorbing impurities in the oil and fat refining process. We also pay close attention to product disposal, given its role in food loss and waste.

Reducing waste is important because it conserves the environment through the efficient use of materials and energy resources necessary for our business, and because it helps to reduce the cost of manufacturing. Reusing resources will be increasingly important in the coming years to achieve the circular economy.

### Basic approach

The Fuji Oil Group aims to reduce waste in our product manufacturing processes based on the Basic Policy of Environmental Integrity. Our Environmental Vision 2030\* shows our Group-wide commitment to a 10% reduction in waste intensity.

> [Fuji Oil Group Basic Policy of Safety, Quality and Environment \(PDF, 331KB\)](#) 

\* Follow the link below to learn more about Environmental Vision 2030.

> [https://www.fujioilholdings.com/en/sustainability/environmental\\_management/](https://www.fujioilholdings.com/en/sustainability/environmental_management/)

### Management system

Waste reduction initiatives were overseen by the Chief "ESG" Officer (C"ESG"O) in FY2021. Since FY2022, that role has been transferred to the ESG Representative. The Sustainability Committee,\*<sup>1</sup> an advisory body to the Board of Directors, monitors the progress and results of initiatives as a material ESG issue.\*<sup>2</sup>

\*<sup>1</sup> Follow the link below to learn more about the Sustainability Committee.

> [https://www.fujioilholdings.com/en/sustainability/sustainability\\_management/](https://www.fujioilholdings.com/en/sustainability/sustainability_management/)

\*<sup>2</sup> Follow the link below to learn more about material ESG issues.

> <https://www.fujioilholdings.com/en/sustainability/materiality/>

### Goals / Results

2030 targets* <sup>1</sup>	FY2021 results* <sup>1</sup>	Progress
10% reduction in waste intensity* <sup>2</sup> (All Group companies* <sup>3</sup> )	6.1% reduction	61%
Maintain a recycling rate of at least 99.8% (All Group companies in Japan)	99.47%	Not achieved

\*<sup>1</sup> Base year: 2016

\*<sup>2</sup> Amount of waste per unit of production

\*<sup>3</sup> Excluding waste volume generated at Industrial Food Services (Australia)

○ At least 90% complete △ At least 60% complete ✕ Less than 60% complete

FY2021 Goals	FY2021 Results	Self-assessment
Make sure all employees are familiar with Environmental Vision 2030	<ul style="list-style-type: none"> <li>Promoted understanding by explaining Environmental Vision 2030 to Group companies (held online)</li> <li>Provided feedback to Group companies regarding the aggregation and analysis of Group environmental data and shared best practices between companies</li> </ul>	○
Take waste reduction efforts to the next level through environmental audits	Conducted environmental audits at four companies. Raised awareness and overall Group performance through verification, evaluation and encouraging improvements	○
Support Group companies in putting together a waste reduction strategy (e.g. introduce data collection systems that make it easier for managers to check their waste data quickly and easily; share best practices, such as ways to make use of animal and plant byproducts* and convert industrial waste into salable material, between Group companies)	Enabled timely collection of environmental data by installing data collection systems	○

\* Such as processing residues and product samples

## Analysis

### Status of progress on 2030 targets

We corrected our waste data and recalculated waste intensity for the years FY2016 (base year) onward, since waste data calculated at certain Group companies outside Japan included valuables that should have been excluded according to company standards.

Waste generation intensity in FY2020 was 5.1% lower than baseline, a change of 5.7 points downward from the 0.6% increase previously reported.

Waste generation intensity in FY2021 was 6.1% lower than baseline, an additional one-point improvement from the previous year. This represents a 61% achievement rate relative to our 10% reduction target. This reduction in waste intensity was the result of limiting waste generation to a 2.2% increase from the previous year even as production levels increased by 3.2%. Group companies around the world limited waste by reducing the water content of sludge and reducing production losses.

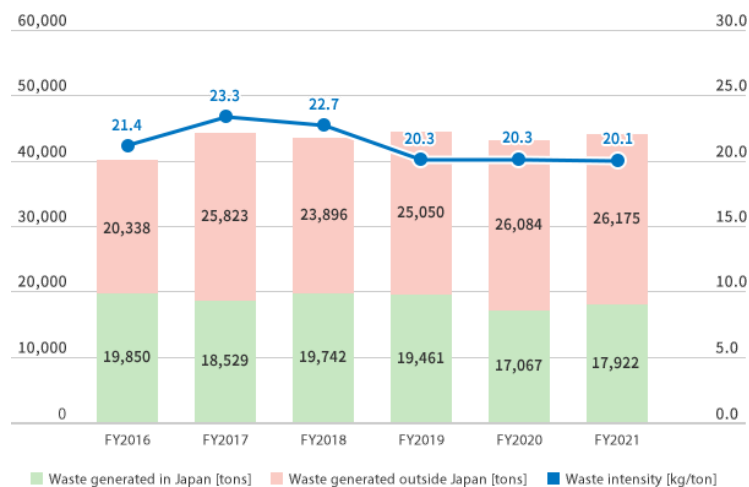
At Group companies in Japan, the resource recycling rate in FY2021 was 99.47%, an increase of 0.1 points from the previous year's 99.37% (target: over 99.8%). We promoted recycling by sorting waste more thoroughly.

### Actions taken for FY2021 targets

We carried out initiatives in FY2021 to achieve Environmental Vision 2030. Through online environmental audits, we explained the Vision and shared our approach to resource recycling with Group companies.

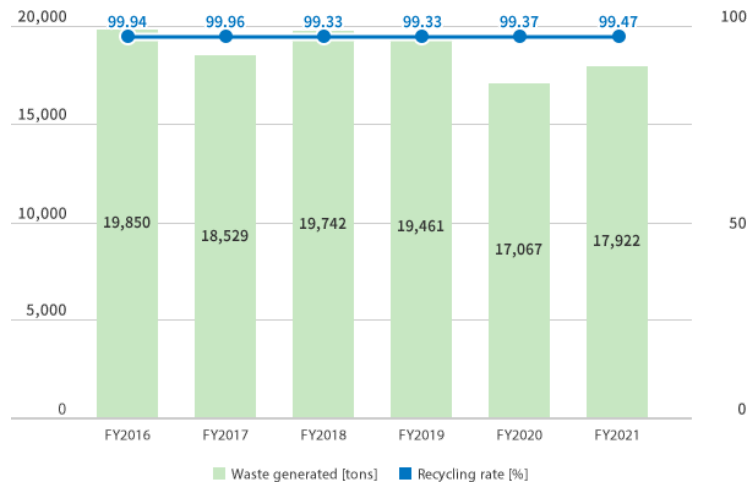
We also collected and analyzed data using the environmental data collection systems we introduced in FY2021. We plan to use the insights from this timely analysis to pursue further reductions going forward.

### Annual waste generation and waste intensity



\*Waste intensity was recalculated for years FY2016 onward after making a correction to waste generated outside Japan.

## Annual waste generation and recycling rate at Fuji Oil Group companies in Japan



## Next step

- Start collecting environmental data in a timely manner using environmental data collection systems
- Promote reduction efforts and pursue innovations

## Specific initiatives

### Waste reduction initiatives

In FY2021, we carried out the following initiatives to reduce waste, among others.

- Fuji Oil Co., Ltd. Hannan Business Operations Complex and Kobe Plant reduced waste by removing water content from organic sludge and reducing its weight.
- Fuji Oil Co., Ltd. Chiba Plant and Fuji Tsukuba Foods Co., Ltd. reduced product waste by improving production stability through process improvements.
- Fuji Oil (Singapore) Pte. Ltd. and Fuji Oil (Thailand) Co., Ltd. reduced organic sludge and spent bleaching earth through process improvements.
- Group companies such as Blommer Chocolate Company (U.S.) and PT. Freyabadi Indotama (Indonesia) worked to reduce product waste.

### Food recycling initiatives in Japan

Group companies in Japan are working to reuse and recycle food waste pursuant to Japan's Food Recycling Act. The recycling rate in FY2021 was 98.9%, a decline of 0.4 points from the previous year. The amount of food waste generated in FY2021 was 33,755 tons, increasing by 729 tons (2%) from the previous fiscal year due to higher production levels.

For the food industry, the Act sets a recycling target of 95% for recyclable food resources. The Fuji Oil Group has exceeded a food recycling rate of 97.3% since FY2007, when it first set a food recycling target, and has maintained the rate at such a level or higher. However, expanding production in the future could increase the absolute volume of waste we generate, and we recognize this as an issue. For this reason, we will continue our efforts to maintain a high recycling rate while also developing new ways to reuse or upcycle byproducts.

## Related documents

ESG Data Book (PDF 2.76MB) 