

Reduction of Sugars Intake

Management information

Relevance to our business

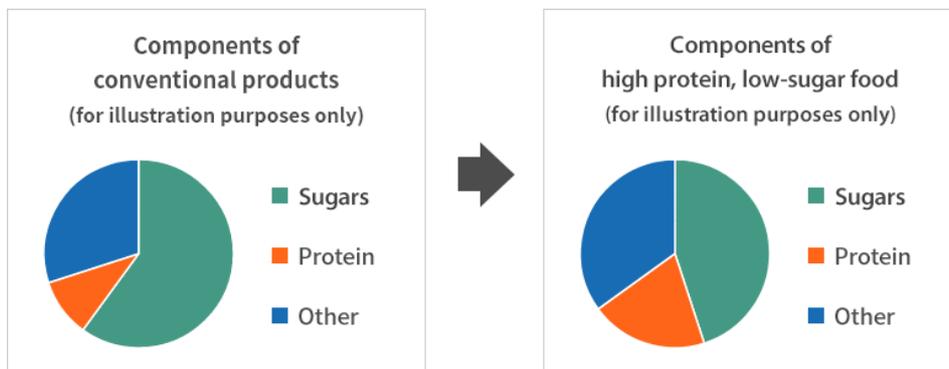
Efforts to prevent obesity and lifestyle diseases by eliminating the excessive intake of sugars are gaining interest worldwide. For instance, in 2015, the World Health Organization (WHO) published a guideline that recommends adults and children to reduce their daily intake of free sugars to less than 10% of the total energy intake.

As a B-to-B food ingredient manufacturer, the Fuji Oil Group has carried out extensive research into plant-based protein ingredients that can be used to replace certain sugars in food.* We are also working on developing and growing sales of sugar-free chocolate.

* Some of the available carbohydrates contained in staple foods (bread, rice, etc.) and confectioneries can be replaced with our plant-based protein ingredients without sacrificing taste. We suggest that customers use our plant-based protein ingredients as a portion of their recipe for making bread, rice balls, boxed meals, and other food products to reduce their carbohydrate content.

Basic approach

The Fuji Oil Group aims to improve global health by providing solutions for reducing sugars intake without sacrificing taste. We can provide customers and consumers with food ingredients that, by replacing some of the sugars with protein, have excellent nutritional balance and are still delicious. By proposing and providing high-protein foods that are low in sugars, we will help solve consumers' excessive intake of sugars.



Management system

The Chief Technology Officer (CTO) oversees initiatives in this area. The Sustainability Committee,^{*1} an advisory body to the Board of Directors, monitors the progress and results of initiatives as a material ESG issue.^{*2}

*1 Follow the link below to learn more about the Sustainability Committee.
> https://www.fujioilholdings.com/en/sustainability/sustainability_management/

*2 Follow the link below to learn more about material ESG issues.
> <https://www.fujioilholdings.com/en/sustainability/materiality/>

Goals / Results

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

FY2021 Goals	FY2021 Results	Self-assessment
Develop food ingredients to increase the percentage of protein in staple foods (to help customers reduce their products' sugar content)	Developed and commercialized food ingredients that increase the percentage of protein in staple foods	○
Provide protein-fortified staple food ingredients	Successfully developed ingredients in the lab (not yet commercialized)	△

Analysis

In Japan, sugar reduction is attracting a growing attention, prompting interest in staple foods with higher protein content. This leads to a greater demand for protein-fortified staple foods that are typically high-carb. We think that our offer of tasty plant-based foods fits this trend. Aiming at supplying protein-fortified staple food ingredients, we completed the development of fortified products in the lab, but did not reach the stage of marketing them in FY2021.

Next Step

An important part of reducing sugars intake, which is a risk factor in the development of lifestyle diseases and obesity, is to offer food ingredients that are low in sugars. To address this, we set the following goals for FY2022.

- Develop protein food ingredients suitable for staple food applications
- Develop reduced-sugar food products and ingredients

Specific initiatives

Expanding our lineup of low-sugar foods

The Fuji Oil Group is working to propose and provide nutritionally balanced food products that replace some of the sugars in high-carb foods (e.g., staple foods, sweets) with protein. For instance, by partially replacing the sugars in staple foods, such as bread and boxed meals, with proteins, it is possible to easily reduce the amount of sugars without sacrificing taste.



Bread and toppings with reduced sugars



Meal options with low-sugar rice ingredients

* The photos are for illustration purposes only.

Reduced-sugar and sugar-free chocolate

In North America, in 2021, the market for reduced-sugar and sugar-free chocolate showed once again a growth of above 20%, reflecting rising health awareness among consumers. Meanwhile, in a consumer survey conducted by Blommer Chocolate Company in the U.S.,* 73% of respondents answered that taste is the most important characteristic of chocolate. Consumers are increasingly voicing their desire for products that have the same taste and satisfaction as conventional chocolate but with less sugar. Responding to these calls, the Fuji Oil Group, in partnership with an ingredient manufacturer that owns a patented technology, developed a chocolate with a sugar content dramatically lower than existing products but with the same great taste. This chocolate cuts sugar content by 50% and uses sugar as the only sweetener.

* Follow the link below to learn more about Blommer Chocolate Company's consumer awareness survey.

> https://www.blommer.com/_documents/Blommer_Sensible-Indulgence-infographic.pdf