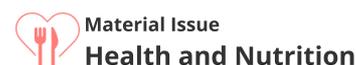


# Reduction of Trans Fatty Acid Content



Material Issue  
Health and Nutrition

## Management information

### Relevance to our business

Trans fatty acids (TFA) created during the production of processed foods have been linked to increased risk of coronary heart disease. In an action package published in 2018, the World Health Organization (WHO) called on governments and food manufacturers to take action in regions where the estimated TFA intake exceeds 1% of total energy intake, advocating for a reduction in TFA to less than 2 g/100 g of total fat or oil in all industrially produced foods by 2023. Regions where estimated TFA intake exceeds 1% of total energy intake are mainly in Europe and North America.

The Fuji Oil Group has been working to ensure conformity to the WHO's recommendations by commercializing products with low-TFA oils and fats using interesterification and other technologies that do not create TFA in the production process.

### Basic approach

The Fuji Oil Group has contributed to lowering the general TFA intake levels in various regions in cooperation with our customers. In FY2019, we defined a basic approach and strengthened our in-house system to further enhance our initiatives on this issue. In line with the WHO's recommendations, we aim by FY2023 to reduce TFA to less than 2 g/100 g of total fat or oil in our products in regions where the estimated TFA intake exceeds 1% of the total daily energy intake.

### Management system

The Chief Strategy Officer (CSO) oversees initiatives in this area. 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>

\*1 [https://www.fujioilholdings.com/en/sustainability/sustainability\\_management/](https://www.fujioilholdings.com/en/sustainability/sustainability_management/)

\*2 <https://www.fujioilholdings.com/en/sustainability/materiality/>

### Goals / Results

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

| FY2022 Goals  | FY2022 Results   | Self-assessment |
|---|--|-----------------|
| Reduce TFA in all products (to less than 2 g/100 g of total fat or oil) at PT. Freyabadi Indotama (Indonesia) | Switch to low-TFA products completed for all products  | ○               |
| Coordinate final steps at Fuji Oil (Singapore) Pte. Ltd in switching one of four products.                    | Preparations completed for trial production  | ○               |
| Complete the switch for one of eight products planned at Fuji Oil (Zhang Jia Gang) Co., Ltd. (China)          | Overall, some delays due to movement restrictions etc., but switch completed for one product | ○               |

## Analysis

In FY2022, TFA was reduced in all products at PT. Freyabadi Indotama (Indonesia). This progress was achieved thanks to legislation in countries around the world, improved customer understanding of the need to reduce TFA intake, and the development of a Group-wide system for making reductions.

In China, there were some delays due to movement restrictions, but progress has been made, including customer evaluation and product improvement. The switch to low-TFA products should be completed by the end of FY2023.

By FY2022, 11 out of 14 relevant Group companies outside Japan have completed the switch to low-TFA products by drawing on Fuji Oil Group expertise to maintain product taste and functionality.

\* In FY2022, PT. Musim Mas-Fuji (Indonesia) was removed from our list of Group companies planned to make the switch, reflecting the wishes of our joint-venture partner.

| Group companies outside Japan                          | Target date for switching to low-TFA products |           |           |           |      |
|--|---|-----------|-----------|-----------|------|
|  | 2019 or earlier                               | 2020      | 2021      | 2022      | 2023 |
| FUJI OIL (SINGAPORE) PTE. LTD.                         |   |           |           |           | ◎    |
| PALMAJU EDIBLE OIL SDN. BHD. (Malaysia)                |   |           |           |           | ◎    |
| FUJI OIL (ZHANG JIA GANG) CO., LTD. (China)            |   |           |           |           | ◎    |
| WOODLANDS SUNNY FOODS PTE. LTD. (Singapore)            |   |           | Completed |           |      |
| PT. FREYABADI INDOTAMA (Indonesia)                     |   |           |           | Completed |      |
| HARALD INDÚSTRIA E COMÉRCIO DE ALIMENTOS LTDA (Brazil) |   |           | Completed |           |      |
| FUJI OIL EUROPE (Belgium)                              |   | Completed |           |           |      |
| FUJI GLOBAL CHOCOLATE (M) SDN. BHD. (Malaysia)         |   | Completed |           |           |      |
| FREYABADI (THAILAND) CO., LTD.                         | Completed                                     |           |           |           |      |
| INDUSTRIAL FOOD SERVICES PTY. LTD. (Australia)         | Completed                                     |           |           |           |      |
| FUJI OIL (THAILAND) CO., LTD.                          | Completed                                     |           |           |           |      |
| TIANJIN FUJI PROTEIN CO., LTD. (China)                 | Completed                                     |           |           |           |      |
| FUJI VEGETABLE OIL, INC. (U.S.)                        | Completed                                     |           |           |           |      |
| BLOMMER CHOCOLATE COMPANY (U.S.)                       | Completed                                     |           |           |           |      |

## Next Step

Maintaining product quality is critical when reducing TFA in products. While keeping this in mind, we set the following goals for FY2023.

- Complete switch for all four products planned at Fuji Oil (Singapore) Pte. Ltd.
- Complete switch for all eight products planned at Palmaju Edible Oil Sdn. Bhd. (Malaysia)
- Complete switch for all seven products planned at Fuji Oil (Zhang Jia Gang) Co., Ltd. (China)

## Specific initiatives

### Response to demand for low-trans acid oils and fats

FY2023 is the target date for taking action to reduce TFA in the WHO action package. In preparation for this target, Group companies have been taking measure such as testing and evaluating samples with customers, and conducting trial production at customer sites. Steady progress is also being made in other steps, including sourcing raw materials for product changes and making delivery arrangements. We will increase our efforts to complete the switchover by the end of 2023.