

News Release

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## 2022 New Year's Address

FUJI OIL CO., LTD.

President

Tatsuji Omori

I'd like to humbly offer my greetings for the new year. I'd like to thank everyone for the incredible amount of support we received last year.

Last year, a state of emergency due to COVID-19 was declared for Tokyo and three other prefectures right after the start of the year. It was then expanded to more areas, and I don't think it is an exaggeration to say that we spent about half a year under that state of emergency. Economic activities resumed once it was lifted and while the economy is expected to recover, the appearance of the new variant of COVID-19 has left us in murky waters with forecasts that restrictions will once again be tightened. Additionally, the global high cost of raw materials and increase in shipping fees is making things difficult in our own food industry. We had to repeatedly ask our customers to accept revisions to prices, and we know that this is frustrating but we ask for your understanding.

Extensions of the period under which we have to live with a regulated lifestyle in the COVID-19 pandemic have led to a normalization, and we've accepted it as the "new normal." The change in consciousness has brought with it a change in conduct, and we're starting to see changes in the ways consumers orient themselves towards food. Interest in plant-based foods (PBF) is rising, and a variety of PBF have begun to line the shelves at stores. PBFs are already moving from something once considered foreign to just another choice of food product among a group of many other food products. As a company that has manufactured and sold PBF since its founding, we want to continue developing even more delicious and healthier PBF, and delivering products that customers and consumers will select. Our company has years of technical expertise in both oils and fats, as well as in soy protein. In combining our expertise in these areas, we're now able to develop PBFs that have the depth and flavor of meat-based foods. This year, we're going to announce new PBF products, like our "Next Generation Soy Meat."

The Fuji Oil Group is undertaking ESG management and is setting the sustainable procurement of palm oil and cacao beans as one of our targets. Related to cacao, we have also set the elimination of child labor and deforestation as 2030 targets. We've also decided to begin sustainable cacao procurement in Japan. We're scheduled to bring it to market in this summer while consulting with our customers. This is an initiative that realized group synergy by utilizing programs that incorporate the know-how of our American group companies. We believe that, in the construction of a supply chain capable of offering stable supply, it is

important to co-exist with society which gives consideration to human rights and the environment. We also think that this is our duty.

Digitalization of lifestyles has progressed in the COVID-19 pandemic, but a societal push for face-to-face communication after the lifting of the state of emergency is also growing. Lifestyles are moving to a digital-analog hybrid, and goods and services suited to that hybrid have started to appear. Environmental changes bring changes to one's sense of values. We're going to aim to offer PBFs that fit the era and the environment and that convey a sense of value.

I look forward to receiving your continued guidance and support in the coming year.