

Small Meeting of Outside Directors | Major Q&A

- Date Wednesday, September 2, 2026, 10:00 to 11:00
- Speaker Toshiyuki Umehara, Outside Director

Q. Regarding human capital, how do you evaluate Fuji Oil's ability to translate individual capabilities into organizational strengths?

- A. The transition to a business holding company structure in FY2025 was used as an opportunity to reevaluate the director remuneration system and incorporate engagement into the KPIs for remuneration for directors. As a global corporation, the Company needs to make progress in its utilization of human resources, including foreign nationals and women. I want to establish Fuji Oil judgment standards and code of conduct as the FUJI-WAY, and link this to employee learning and career formation.

Q. Is the company functioning as expected after the transition to a business holding company structure in April 2025? Can you provide specific positive examples?

- A. The transition to the business holding company structure has made it possible to rapidly ascertain front-line information. Personnel placements and decision-making directly linked to business are faster than before. For example, the Company increased the number of personnel assigned from Japan to Blommer, which is helping make progress on structural reforms. Transparency and governance are improving.

Q. Regarding the CEO succession in 2025. Amid positioning Blommer reforms as the company's highest priority, please outline the background behind selecting Mr. Omori, someone from domestic operations, and details of deliberations by the Nomination and Compensation Advisory Committee.

- A. With the transition to a business holding company structure, Mr. Omori was selected based on the understanding that someone with extensive business experience spanning all areas of operations would be the optimal choice.

Q. How do you evaluate everything from the decision to acquire Blommer through structural reforms, and what has been discussed by the Board of Directors?

A. Since assuming my position, I have worked to ascertain conditions at Blommer and continuously discussed structural reforms during Board of Directors' meetings. While it took time to ascertain the impact of soaring cocoa prices, progress has been made towards visualization. We expect to be able to enter a new phase.

Q. Has Blommer made progress towards responding to cocoa fluctuations and is it at a point where it can shift focus to its next phase of growth?

A. I think Blommer has entered the timing where it can achieve significant growth moving forward. Over the last few years, the company has faced serious issues attributable to soaring cocoa prices, which made it difficult to see the initiatives that an operating company should be undertaking. Moving forward, the company will be expected to demonstrate its capabilities as a Fuji operating company. With the launch of the new production line at the Campbellford Plant in Canada and higher sales of compound products, Blommer is expected to pass the break-even point and move toward profitability. By combining production increases and sales growth with measures such as reducing fixed costs, shifting toward high-added-value products, and improving logistics and yield to lower the break-even point, the company can position itself to become a core business in North America. I visited Blommer last year and felt that the company can further increase profitability if it pursues improvements at manufacturing sites.

A. How do you evaluate the capital relationship and synergy with the ITOCHU Group? What measures are you taking to maintain independence and protect minority shareholders?

A. Transactions with the ITOCHU Group are carefully monitored by the Audit and Supervisory Committee. Currently, ITOCHU is assisting by dispatching personnel for Blommer reconstruction and we are cooperating to promote the normalization of operations. Future growth will involve growth strategies that are possible precisely because Fuji Oil is an operating company engaged in manufacturing. In that sense, I believe it is important that the company concretely embody that vision and demonstrate its commitment to achievement.

Q. In the Vegetable Oils and Fats business, not only are vegetable fats for chocolate (CBE) contributing to profitability, but sustainable procurement is as well. Would it not be beneficial to better promote the latter as well?

A. Supply chain initiatives, which begin at the plantation level, are presented in the Integrated Report and other documents, but we can gain better understanding from capital markets by increasing opportunities to communicate these efforts.