CFO Message





Improving Capital Efficiency and Increasing Financial Soundness to Enhance our Corporate Value

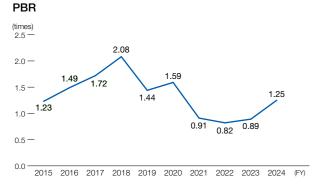
Sunao Maeda

Director Senior Executive Officer Chief Financial Officer (CFO) Head of Finance and Accounting Headquarters Human Resources & Administration Headquarters Legal / Information Disclosure

Enhancing corporate value is a key priority for the Fuji Oil Group. Since 2021, price-to-book ratio (PBR) has trended around roughly 1.0x. To increase our valuation in the eyes of capital markets, it is essential that we improve our capital efficiency and establish a consistent track record. PBR is influenced by return on equity (ROE) and price-earnings ratio (PER). It is clear that one factor that drives down PBR is a decline in ROE. As CFO, I will work to increase our capital efficiency and promote financial stability.

In the new Mid-Term Management Plan for FY2025 to FY2027, we outline financial targets as business profit of 45.0 billion yen, an ROE of 10.0% or higher, and a FUJI ROIC of 6.0% or higher. This represents a significant gap compared to our results for FY2024 (IFRS-based), an ROE of 1.8% and a FUJI ROIC of 2.1%. However, I believe that through a cycle of business profit growth and the cash generated from that growth, we are more than capable of achieving these targets during the three-year period of the new Mid-Term Management Plan.

Positioning improvements to capital efficiency as one of our highest priority issues, during the new Mid-Term Management Plan we will promote the following three core policies. (1) Reevaluate our product portfolio and improve our inventory turnover rate to reduce working capital and improve cash flow. (2) Increase capital efficiency by strengthening efforts aimed at improving the FUJI ROIC for each business headquarters and Group company. Through these initiatives, we will aim to reduce CCC, which was 123 days (IFRS-based) at the end of FY2024, to 95 days or



shorter by FY2027. (3) Use the investment management review system, which we restructured in FY2025 in response to the launch of the new corporate structure, to reinforce the approach of investment and withdrawal decisions based on capital costs and achieve the early discovery and resolution of problems.

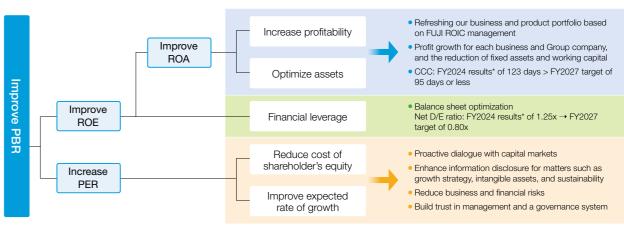
I am certain that a critical initiative for FY2027, the final year of the Mid-Term Management Plan, will be to improve our currently high financial leverage to appropriate levels and establish a foundation for making sustainable enhancements to our corporate value.

Also, increasing PER will be essential to improving PBR. We will achieve this by diligently communicating with capital markets to foster understanding of and expectations for our growth strategy. We will enhance our information disclosure related to matters such as growth strategy, intangible assets, and sustainability. At the same time, we will improve the reliability of our business management and enhance our governance system. Through these efforts, we will reduce business and financial risks while improving our growth

I recognize that enhancing corporate value is achieved by not only improving financial metrics, but also by building a foundation of trust and confidence in our business. I will contribute to enhancing our corporate value by ensuring that the Fuji Oil Group's financial strategy and growth potential are conveyed to capital markets.

ROE / ROA





* FY2024 results figures based on IFRS.

Financial Strategy

Approach to Cash Allocation

In the new Mid-Term Management Plan for FY2025 to FY2027, the Fuji Oil Group is working to generate a cumulative 130.0 billion yen in cash flows from operating activities over the three-year period by accumulating profits, particularly from our Vegetable Oils and Fats and Industrial Chocolate businesses.

Of that amount, we will allocate roughly 80.0 billion yen to investments. We will focus these investments in oils and fats production sites to strengthen our supply chain for vegetable fats for chocolate (CBE) and capital expenditures to expand production capacity for Industrial Chocolate.

III | Feature: Growth Strategy Driven by Building a Supply Chain P44 Industrial Chocolate Business P46

Cash in

We view investments in new business fields as a critical opportunity to foster future growth seeds. We will carefully

evaluate the balance between growth and risks as we conduct investments that will lead to the creation of new business pillars for the Fuji Oil Group.

To ensure financial soundness, we will engage in the planned reduction of interest-bearing debt, which increased due to soaring raw material prices. We will aim for an optimal balance sheet by optimizing our financial leverage and controlling capital costs.

As for shareholder returns, our basic policy is for a dividend payout ratio of 30% to 40%. In our recent financial accounting, we maintained a high dividend payout ratio amid declining performance because we prioritized stable dividends. During the period of the current Mid-Term Management Plan, we anticipate being able to issue dividends that are aligned with our basic policy on the dividend payout ratio.

Cash out Details

 Conduct investments to strengthen our supply chain for Vegetable Oils and Fats and expand production capacity for Industrial Chocolate

 Reduce interest-bearing debt to address the risk of rising interest rates and strengthen our financial position

Optimize net D/E ratio: 1.25x (end of FY2024) → 0.80x (FY2027 target)

Investment CF 80.0 billion yen over Operating CF the three-year 130.0 billion yen over cumulative period the three-year cumulative period Reduce interest bearing debt 80.0 billion yen (compared to end of FY2024) Shareholder returns dividend payout ratio of 30% to 40%

Promoting the FUJI ROIC to Enhance Capital Efficiency

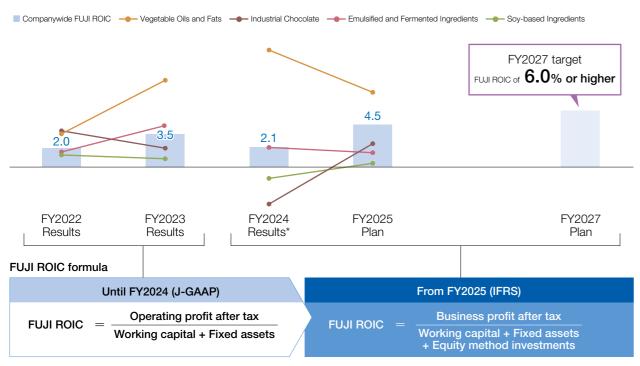
Since FY2022, the Fuji Oil Group has adopted the FUJI ROIC as a proprietary metric for appropriately assessing and managing capital efficiency. By setting working capital and fixed assets as the denominator of invested capital, we aim to make it easier to implement specific measures on a business- or department-specific basis to improve the operational capabilities of each location. With the voluntary adoption of IFRS, from FY2025 we changed the numerator to business profit after tax, and the denominator to working capital, fixed assets, and equity method investments. FUJI ROIC figures for each business and Group company are reported regularly at Management Committee meetings and to the Board of Directors. Those results are then used to review performance and consider future management policies.

Looking at business-specific FUJI ROIC in FY2024, Vegetable Oils and Fats business recorded a significant improvement in the FUJI ROIC thanks to sales growth for vegetable fats for chocolate (CBE), which contributed to record operating profit. On the other hand, despite strong sales of compound chocolate in Japan and Asia, Industrial Chocolate business saw capital efficiency deteriorate significantly due to a sharp increase in cocoa raw material costs at Blommer. Looking at Emulsified and Fermented Ingredients business, profits decreased mainly due to

sluggish sales in China. For Soy-based Ingredients business, we advanced business restructuring, including the transfer of a soy protein food product plant in 2024, but the FUJI ROIC declined due to lower profits in Japan.

During the new Mid-Term Management Plan, we will aim for a FUJI ROIC of 6.0% or higher in FY2027. We will aim to improve capital efficiency by growing profits, improving CCC, and reducing working capital in each business, with a particular focus on Industrial Chocolate. Regarding fixed assets, we are facing problems such as high construction costs and prolonged construction periods, which will require careful decisions regarding capital expenditures. On the subject of unprofitable businesses, we must make decisions, including whether to restructure or withdraw. We are establishing a system that will enable more accurate decision-making by revising our investment management

Shifting our portfolio to high-value-added products will be essential to supporting the Group's medium- and long-term growth. As we seek to expand our new business fields, we are creating a system to support our efforts by taking the development stage of each growth business into account and evaluating businesses based on rate of growth as an important standard in addition to capital



^{*} FY2024 results are recalculated based on IFRS.

Revisions to investment management rules

With the launch of the new corporate structure in FY2025, we revised our investment management rules and restructured our investment management review system. In response to changes in our operating environment, we will aim to maximize investment returns and enhance corporate value by making investment and withdrawal decisions based on capital costs, and by enabling the rapid discovery and solving of problems.

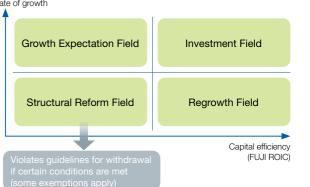
In our business investment reviews, we will adopt dual-axis portfolio evaluations based on capital efficiency and growth rate measured using the FUJI ROIC. We will conduct business-specific analysis that is aligned with the actual state of the business and our supply chain. Through this analysis, we will determine the position and future trajectory of each business, and apply guidelines for withdrawal. Furthermore, by re-establishing the FUJI ROIC, our Group's KPI, as the evaluation standard for business investment reviews, we will align the standards applied to management, business headquarters, and local sites to achieve management focused on capital efficiency.

Through our capital expenditure reviews, not only will we measure the effectiveness of capital expenditures for manufacturing, which are easy to assess quantitatively, we will also use KPI to measure the efficacy of investment projects such as IT investments, for which it can be

difficult to measure cash flow. We aim to maximize the effectiveness of investments by conducting reviews early and continuously to determine whether the expected investment results are being realized. Through the efficient implementation of this investment review system under the business headquarters system, we will strengthen the roles and responsibilities of each headquarters and establish a management system that is focused on capital costs.

Portfolio assessment in our business investment review (concept)

Rate of growth



FUJI ROIC management and improvement overcome through HARALD-wide and all employees efforts (HARALD/ Brazil)

At HARALD, we have positioned FUJI ROIC as a key indicator in our efforts to promote asset-efficient management and have incorporated it into our daily operations. In early 2024, cocoa price the main raw material was surged and requiring immediate action. To secure of profits (numerator of FUJI ROIC), we reflected increase of raw material cost in sales prices and implemented price revisions at an early stage. It was very difficult and sensitive action because of we were necessary to take care about competitors' movement and price due to avoid decreasing of our market share. But HARALD got

success and made surplus volume in both low/high season. And working capital (denominator of FUJI ROIC), we accelerated the collection of accounts receivable by the shorten receivables terms, as well sales campaign in advance with the tough negotiation between our customers, appropriate raw material management and purchase, and maintained inventory at appropriate levels without excess or shortage. As a result, we were able to keep working capital at the same level as the previous year despite the surge in raw material prices. In addition, the "Mundo plant (2nd factory)" began operations in April 2023, resulting in an increase in fixed assets, but we have been able to effectively translate this expansion in production capacity into growth in sales volume. HARALD will continue to focus on FUJI ROIC and pursue management that balances profits and assets.

HARALD INDÚSTRIA E COMÉRCIO

Top row from left: Chief Financial Officer Valmir Rogério Trovo, Chief Supply Chain Officer Oscar Devotto Silveira Bottom row from left: Industrial Director Ricardo Fernandez Santos, Chief Commercial Officer Mauro Rodrigo Degraf

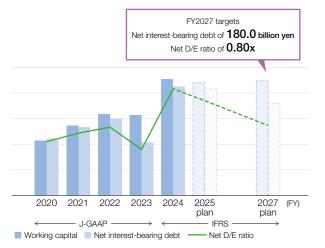


Building a sound financial base

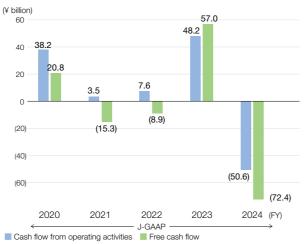
Interest-bearing debt increased and we experienced a temporary decline in cash flow at the end of FY2024 due to an increase in working capital, particularly at Blommer, that was attributable to soaring cocoa prices. Currently, Blommer is working to adjust selling prices and reducing long-term inventory holdings by diversifying our cocoa bean procurement sources.

Additionally, we will utilize the cash generated during the period of the new Mid-Term Management Plan to steadily reduce interest-bearing debt. We are working to further strengthen our financial base and have set a target net D/E ratio of 0.80x for FY2027, which is one step toward improving our financial soundness.

Working capital, net interest-bearing debt, net D/E ratio



Cash flows

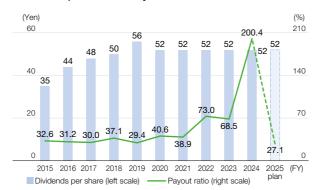


Policy on shareholder returns

The basic policy of our Group is to aim for a dividend payout ratio of 30% to 40% to prioritize stable and continuous shareholder returns. In FY2024 financial accounting, a reduction in net profit resulting in a dividend payout ratio of 200.4%, which greatly outperformed our policy, but we maintained an annual dividend of 52 yen to ensure stable shareholder returns.

Moving forward, in accordance with our new Mid-Term Management Plan, we will further promote initiatives that are aligned with our policy on shareholder returns by striving for steady profit growth.

Dividends per Share / Payout ratio



Voluntary adoption of international financial reporting standards (IFRS)

The Fuji Oil Group adopted IFRS from the first guarter of FY2025 to increase the international comparability of financial information within and outside the Group, and to establish a system for more effective business evaluations. We set business profit as a performance management metric. This is calculated by adding operating profit as defined in Japanese GAAP to adjustment for differences in accounting standards, other non-operating income and expenses, exchange gains and losses, and share of profit of entities accounted for using the equity method.

Operating profit (J-GAAP)

- + Adjustment for differences in accounting standards
- + Other non-operating income and expenses, exchange gains and losses
- + Share of profit of entities accounted for using the equity method

Business profit (IFRS)

Enhancing Corporate Value through Dialogue With Capital Markets

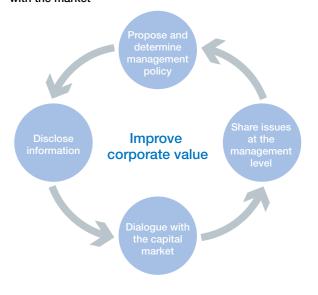
We strive to disclose information in a highly comprehensible and transparent manner so that shareholders and investors can accurately understand our Group's business activities and financial position. We view dialogue with capital markets as an important activity that contributes to enhancing our corporate value. Our CEO and CFO, as well as our outside directors and executive officers, actively participate in such dialogue. The opinions we receive are reported to the Board of Directors on a quarterly basis and used to improve management.

As part of our IR activities outside Japan, in FY2024 we visited the US, UK, Switzerland, Singapore, and Hong Kong to conduct in-person meetings with local institutional investors.

In FY2024, soaring cocoa prices caused increased volatility in our performance, so we enhanced the content of our financial results briefing materials to clearly explain the impact of soaring cocoa prices on business performance. We also incorporated new methods of information provision, including holding small meetings. As we have received various questions and opinions from investors regarding the status of Blommer, the

status of sales for CBE, and our IR activities, we will continue working to improve the quality of our information disclosure.

Cycle of increasing corporate value through dialogue with the market



An IR meeting overseas

Response that reflects investor opinions

Main opinions		

Not aware of the status of improvements at Blommer or its cocoa special factors

The impact of soaring cocoa prices is unclear

Understanding vegetable fats for chocolate is of interest

- We held small meetings about Blommer and plant tours for analysts
- We disclosed a breakdown of cocoa special factors in the financial results briefing materials
- Explanation at CEO small meetings
- We enhanced information in the financial results briefing materials from the first quarter of FY2024 onwards
- We held small meetings specifically focusing on vegetable fats for chocolate
- We will expand the information in the Integrated Report 2024/2025.

IR Activity Results

Events for IR	FY2023	FY2024
Financial briefings for analysts and institutional investors	4	4
Briefings on each business, facility tours, briefings by outside directors	6	10
Interviews		
Number of interviews	187	313
Of which were led by officers	66	79

Aiming for Early Commercialization and Profitability through Research and Development Linked to **Business Strategy**

Ichiro Nakamura

Executive Officer, Head of R&D Headquarters

Joined our company in 1993. Worked in the R&D Division. After that, held positions including Manager of the Control Department in the Chocolat Division, Vice-President of FUJI OIL EUROPE and Vice-President of HARALD INDÚSTRIA E COMÉRCIO DE ALIMENTOS L'TDA. Held his current role of the Head of R&D Headquarters since April 2025

The Fuji Oil Group has continued to pursue the possibilities of food, create value and spread it throughout the world. Focusing on palm oil, soybean, cocoa and other plant-based raw materials, we have applied our proprietary separation and recombination technologies to solve social issues with technology. Through such efforts, we have increased our corporate value. The Fuji Oil Group's business involves seeking sustainable ways to enrich people's lives with deliciousness and healthiness and to then provide that value to society. Research and development plays a core role in that process. Under our new business holding company structure, the role of research and development in the Fuji Oil Group is to create new technologies, ingredients and businesses by aligning our business strategy and research and development strategy.

Social issues vary depending on differences in time and place. Selecting the issues we should address from among those faced by society, whether urgent or future issues and global issues or country- and region-specific issues, and then leveraging our strengths to quickly provide solutions will increase the value of our Group. While swiftly providing solutions that the market demands now to both apparent and latent issues, we will identify future social issues that may surface before long and then create and prepare solutions to them over the medium- to long-term. We will maximize the use of knowledge gained through research and development in Japan and other regions to accelerate the pace at which we provide solutions to global issues. At the same time, we will provide those solutions in the ideal form for each country and region. We will enhance such organic coordination of research and development functions in our Group.

In recent years, it has become increasingly difficult to procure conventional raw materials due to climate change and geopolitical risks. One example of this is the soaring price of cocoa due to a decline in yields in West Africa. It is clear that securing raw materials and ingredients sustainably is the key to the continued development of the Fuji Oil Group. The Fuji Oil Group's strength lies in developing new raw materials and ingredients. In addition to our conventional business involving processing existing raw materials and ingredients to add value, we will expand our repertoire of raw materials and ingredients by using new raw materials and developing raw materials and ingredients themselves. As a result, the options for solutions that the Fuji Oil Group can provide to society will expand. Possessing proprietary ingredients differentiates the value we provide.

I joined FUJI OIL CO., LTD.'s Research and Development Division in 1993. I then worked in research and development for 13 years. After that, I spent about 20 years managing business divisions and group companies outside of Japan. Based on that experience, I believe my roles as the Head of R&D Headquarters are to further enhance the interconnectedness between research and development and business and to develop human resources who contribute to the technology management of the Fuji Oil Group whose strengths lie in "monozukuri" (creating products) and "kachizukuri" (creating value) with technology.

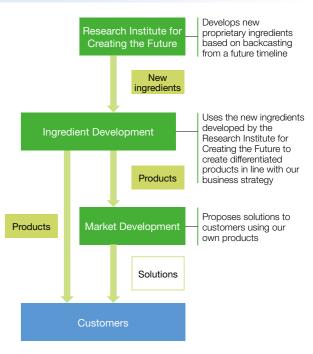
The Fuji Oil Group's research and development is the source of innovation aimed at solving social issues. It is the driving force behind our contribution to the prosperity of people and the Earth through sustainable business. We will continue to pave the way for the future with the power of technology going forward.

Research and Development Structure and Strategy

The Fuji Oil Group has created products with added functionality by employing our core technologies of separation technology and recombination technology using palm oil, soybeans and other natural resources as the raw materials. Nevertheless, we are learning that these natural resources will become scarce in the future due to an increase in population and global environmental issues. Therefore, Fuji Oil is producing new proprietary ingredients instead of simply

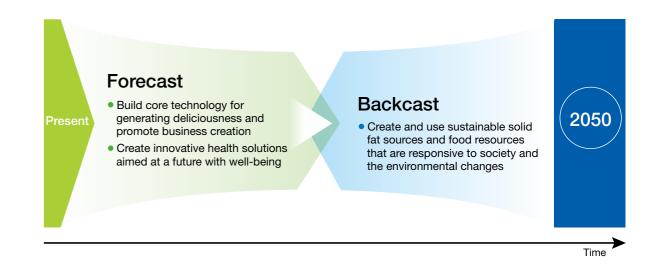
Ingredient Development links the new proprietary ingredients created by the Research Institute for Creating the Future to business strategy and commercializes them. Market Development creates application recipes using those products and proposes them to customers through sales.

We are accelerating the pace of the process from new ingredient development to commercialization and achievement of results through cooperation between the Research Institute for Creating the Future, Ingredient Development and Market Development. The creation of new proprietary ingredients not only helps us to adapt to changes in the external environment but also differentiates us from our competitors to lead to an improvement in profitability.



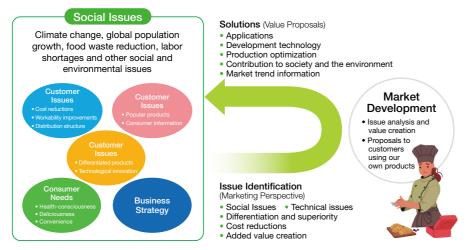
Research Institute for Creating the Future

The Research Institute for Creating the Future uses quantitative information on the population, economy, environment, food, and healthcare to create a future timeline for 2050. We then identify social issues that may occur in the future and work on research themes that will lead to solving those issues. In particular, we advocate the development and use of sustainable solid fat sources that are suited to society and the environment and are striving to ensure the social implementation of environmentally-friendly palm oil substitute technology using oleaginous yeast. In the healthcare field, we establish dementia, mental health, frailty and other concerns as important health issues. We then create innovative health solutions. Our motto is "to make plant-based foods more delicious and create a sustainable and bright future." Based on this motto, we will contribute to the health of the Earth and people together with our co-creation partners.



Co-creation with Customers: Turning Technology into Value

In market development, we make proposal the features of products to customers with showing prototype made with our products. We formulate hypotheses about the potential needs of our customers by grasping market trends and customer issues at an early stage. We then use that information to help with our proposal activities. In addition, we are also working to make proposals to customers and to open up new markets with an approach that takes into consideration social issues such as labor shortages and food waste.



Case Study

Co-creation with Customers: Creating a New Cheese Item in the Confectionary Sold as Souvenirs Market

Against a background of rising inbound tourism demand, the need for souvenirs that can be kept well at room temperature is expanding. We focused on an unbaked cheesecake as a new sweet that can be given at room temperature under the confectionary sweets brand "C3". However, unbaked cheesecakes normally require refrigeration. Ensuring that they can be stored at room temperature while retaining deliciousness was a major challenge.

To address this issue, we consulted with FUJI OIL CO., LTD., which has strengths in oils and fats and cheese fillings, from the idea stage. We united the technologies and ideas of both companies.



C3, LEMON FLAVORED UNBAKED CHEESE TARTE from SUZETTE Co. Ltd.



Section Manager Merchandise

That allowed us to successfully commercialize an unbaked cheesecake tart that can be stored at room temperature while retaining deliciousness by combining rich cheese filling and white chocolate.

Accelerating the pace of global coordination in market development

The Fuji Oil Group operates Fuji Sunny Plazas and Application Labs at 12 sites in a total of six countries: Japan, China, Singapore, Thailand, America, and Brazil. These are places of co-creation with customers to promote understanding of products such as through joint prototyping and seminars. We are aiming to improve profitability globally by further strengthening cooperation in each area and pooling our wisdom.

Global Expansion of Our Co-creation Business Model

Market development, one of the Fuji Oil Group's strengths, places great importance on understanding the issues facing our customers and then working closely with them to find solutions to those issues, in other words, our co-creation business model. To that end, we strive to anticipate needs one step ahead of time while assessing changes in the market and society, and to propose optimal solutions through applications. In addition, we aim to maximize our value proposition by helping our customers to understand the advantage of our products and technologies. We achieve this by inviting customers to Fuji Sunny Plazas and carrying out joint prototypes and holding seminars with them.

Many of our customers in East Asia and Southeast Asia continue to closely watch trends in the Japanese market. For our customers outside of Japan as well, we will continue to leverage the know-how we have built up in the Japanese market and our co-creation business model to provide solutions that lead to a future of sustainable food in cooperation with group companies in the area.



Norifumi Adachi Head of Global Marketing Solutions Div., R&D HQ

Intellectual Property Strategy

In the Fuji Oil Group, the three departments of the Research Institute for Creating the Future, Ingredient Development and Market Development cooperate from the development to the commercialization of new ingredients. Based on this cooperation, we also file patent applications in an integrated manner.

It is important to rapidly develop intellectual properties with coordination across those three departments to achieve monetization at an early stage through commercialization. The Intellectual Property Department monitors progress up to commercialization and monetization in key fields from intellectual property information. This allows the department to make appropriate recommendations from the point of view of intellectual property to the R&D Headquarters, Business Headquarters and management team.

Fields of oils and fats and chocolate

Since our founding, we have positioned plant-based raw materials such as palm, cocoa, and soybeans as our fundamental ingredients. We have applied research results accumulated over numerous years and our technological strengths to offer high-value-added products. We have built a patent portfolio based on our success in enhancing our core technologies to establish a distinctive competitive advantage on the market and the position to set prices.

In the fields of Vegetable Oils and Fats and Industrial Chocolate, our share ratio of critical patents with the potential to influence our market superiority or price-setting position is among the highest in Japan. Furthermore, our investments in human resource necessary to generate future critical patents (refers to the number of new inventors) are among the highest of any competitor in Japan or overseas. In recent years, we have been focusing on horizontally deploying our know-how by setting up meetings to exchange opinions and conducting joint research with the Group companies outside of Japan and increasing the number of patent applications filed by our overseas sites. Successful examples have also been created outside of Japan in the fields of oils and fats and chocolate.

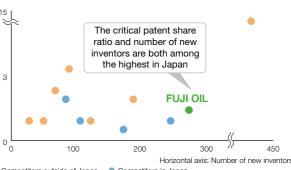
Field of plant-based foods (PBF)

Focusing on Emulsified and Fermented Ingredients business and Soy-Based Ingredients business, we are actively deepening PBF-related technologies and filing patent applications and are working on a strategic shift in our product portfolio. We analyzed the composition ratio and rate of change in the number of PBF-related patents since 2020. As a result, we found that the number of patent applications filed by our company has accounted for more than 20% of all PBF-related patent applications filed by the top 10 companies since 2020. That means we have established a competitive advantage in the PBF field. Furthermore, we have also demonstrated remarkable growth in terms of the growth rate of the number of patent applications we have filed since 2020 based on the number of patent applications we filed from 2016 to 2019.

We will continue to accelerate the pace at which we develop plant-based ingredients that combine both deliciousness and sustainability and work to further expand the market by uniting the technologies we have built up in our four businesses.

Critical Patent Share Ratio and Number of New Inventors (Fields of Oils and Fats and Chocolate)

Vertical axis: Critical patent share ratio (%)

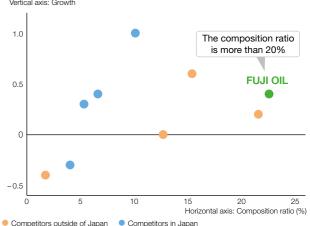


- Competitors outside of Japan
 Competitors in Japan
- 1. Figures for oils and fats, chocolate-related patents indicate patents related to oils and fats and chocolate since 2015 defined as a sampled population based on patent classification. Critical patents are defined as those that fall within the top 5% of the population in terms of number of citations. Critical patent share ratio = Number of critical patents in each company / Total number of critical patents (%)
- 2. Calculated by counting only inventors who have filed new applications since 2015.
- 3. The graph shows the companies ranking in the top 10 for number of patent families, number of critical patents or number of new inventors, or companies with a critical patent share ratio exceeding 1% in the population.

Composition Ratio of Each of the Top 10 Companies for the Number of PBF-related Patent Applications Filed and the Rate of Change

Rate of Change in the Number of Patent Applications Filed since 2020 Based on the Number of Applications Filed from 2016 to 2019

Vertical axis: Growth



1. Population: Patent clusters prepared based on PBF-related patent classifications and keywords (since 2016)

2. Vertical axis (growth): Rate of increase in the number of patent applications filed from January 2020 to March 2025 (2) with respect to the number of patent applications filed from 2016 to 2019 (1) (Common logarithm rate of change)

3. Horizontal axis (composition ratio): Percentage of patent applications within the number of patent applications filed from January 2020 to March 2025 (2)

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Creation Platform

There is a need for sustainability throughout the entire supply chain: from the procurement of raw materials to production, quality assurance, delivery to customers and finally delivery to consumers. The Fuji Oil Group is working to improve production safety and efficiency as well as to improve our logistics system. Our aim is to build solid business foundations.

Production

Bottom-up Improvement Activities (Japan)

FUJI OIL CO., LTD. has a deeply rooted organizational culture in which each person thinks about how to improve efficiency and safety. We have been engaging in an improvement proposal initiative with the aim of improving the quality of efficiency and safety since FY2024. Approximately 850 proposals were made in the year.

We started PIC* activities involving small groups holding discussions and making improvements in 2008. We are now in the 17th year of this initiative. As a result of these efforts, the level of our activities has been improving year by year. A total of 21 teams, including those from group companies outside of Japan, entered a results presentation event we held in FY2024.

We will continue to promote the revitalization of the workplace through PIC activities.



PIC results presentation event

PIC: Productivity Improvement & Challenge

Initiatives to raise productivity at Group companies outside of Japan

The Fuji Oil Group has adopted Group-wide common productivity metrics. This enables us to focus on plant productivity improvements that promote increased utilization rates for existing equipment and reduce manufacturing costs. We grasp the productivity of each plant by using five metrics, planning, efficiency, designability, certainty, plant production efficienfy. We clarify the strengths and weaknesses of each plant to identify and share successful examples from each Group company. This

Plant Productivity Metrics **Plant Production** Efficiency Efficiency The result of multiplying Designability Certainty the four metrics

contributes to improving plant productivity and leads to increased profit margins. In addition, we periodically share relevant information, including productivity metrics, with management. Management then uses the gained insight towards management decisions on matters such as the appropriate allocation of management resources and investments.

Case Study Improving Efficiency Using the Plant Productivity Metrics

PT. FREYABADI INDOTAMA introduced plant productivity metrics on a full-scale basis in FY2023. We are using the information to analyze the factors behind issues on our production lines and to make improvements. For example, we made adjustments so that it has become possible to manufacture products of the same quality even on production lines different from previous ones. This has enabled us to allocate products to lines with low operating rates. That has improved efficiency and reduced lost opportunities. Furthermore, we have made progress on visualization of the operating status. Doing so has enabled us to analyze the factors behind production wait times and to improve the accuracy of production plans. In turn, that has led to a reduction in idle time*. Going forward, we will continue to carry out analysis using plant productivity metrics to formulate a highly systematic business growth strategy. That will help us to propel forward into the future.



Members of the Production Department at PT. FREYABADI INDOTAMA

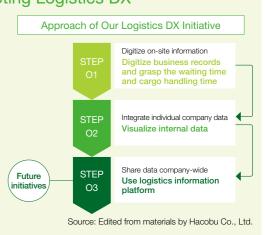
*Downtime that occurs when starting/stopping production lines and changing over product

Logistics

FUJI OIL CO., LTD. is promoting logistics DX to address the serious driver shortage, a social issue facing the whole of Japan, and logistics optimization imposed on shippers in accordance with the new Law Concerning the Efficiency of Material Distribution that came into effect in 2025. In the future, we will not just respond to these issues as an individual company basis; rather, we will aim to optimize logistics through cooperation with other companies to contribute to solving issues across the whole of society.

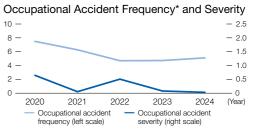
Initiatives to Solve Logistics Issues by Promoting Logistics DX

To realize logistics DX, it is important to standardize logistics conditions and to use corporate data across the whole of society. FUJI OIL CO., LTD. has been engaging in an initiative with Hacobu, Inc., a leading logistics DX company, to digitize logistics site information, such as to grasp the waiting time and handling time for cargo, and to visualize our own logistics data. We will introduce a common vehicle dispatch system for our logistics partners to strengthen data coordination in FY2025. Beyond that, we will use our logistics information platform and also incorporate data from other companies to efficiently use vehicles across the whole of society instead of an individual company basis and to optimize our entire supply chain. Such efforts will contribute to the optimization of logistics and the realization of a sustainable society.



Occupational Safety

In the Fuji Oil Group Management Philosophy, the first of our Values that inform our actions is "safety, quality, and the environment." Among these three, the Group places top priority on "safety" to achieve continuous growth. Our aim is to protect the lives and health of our employees and all the people working at our business sites and to eliminate occupational accidents.



* Occupational accident frequency indicates rate for all years

Case Study

Raising Awareness through Hazard Training Classes

FUJI OIL CO., LTD.'s Hannan Business Operations Complex and FUJI OIL (ZHANG JIA GANG) CO., LTD. (China) have established hazard training classes to raise safety awareness among employees.

The members of the Safety & Environmental Control Department in FUJI OIL CO., LTD. serve as the instructors and give education to employees. The content of these classes is divided into a lecture session and an experience session. In the lecture session, the instructors provide an overview of risk assessments and then explain about the occupational accident situation, first-aid treatment (how to use AEDs and CPR) and other topics. In the experience session, the instructors aim to deepen recognition of hazards and to raise safety awareness. They do this through simulated experiences of accidents with VR by using devices that allow participants to experience dust explosions, becoming caught in equipment, electrical problems and other accidents.

Through this initiative, it is possible for employees to experience real-life hazards and to increase their knowledge and raise their awareness to create an even safer work environment.



Safety experience class at FUJI OIL CO., LTD.'s Hannan Business Operations Complex Top: Class Bottom left: Lecture Bottom right: Experience of a dust explosion

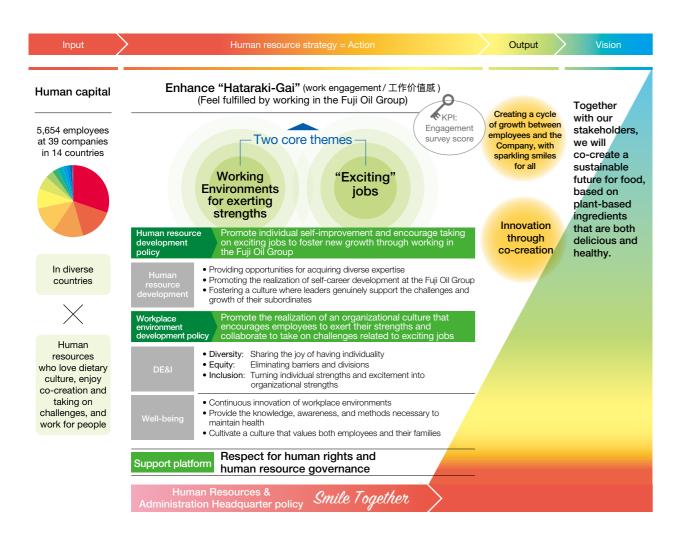
Under the business holding company structure we started in April 2025, Group companies are uniting in our aspiration using plant-based ingredients to provide solutions to the challenges facing people and the Earth and to create sustainable growth and innovative value. As part of this initiative, we evaluated what actions we should take for our human resources, who are at the center of these efforts, and created a human resource strategy to serve as a symbol of our Group-wide unification.

One of the strengths of our Group is that we have diverse human resources in a variety of countries who love dietary culture, enjoy co-creation and taking on challenges, and work for people. We will realize a sustainable future for food by enhancing the "Hataraki-Gai" (work engagement), increasing innovation through co-creation, and creating a cycle of growth between employees and the Company, with sparkling smiles for all. We believe that we can enhance "Hataraki-Gai," employees feeling fulfilled by working in the Fuji Oil Group, by providing working environments in which individual employees are able to exert their strengths and exciting jobs that provides opportunities for growth.

As a manufacturing Group that operates four businesses, the skills and roles we require to achieve corporate growth are both numerous and diverse. In a time of increasing flexibility for global human resources, we are aiming to be a corporate group in which a diverse range of employees can feel their own "Hataraki-Gai." As part of our personnel and workplace development efforts, we will focus on achieving two core themes: 1) what is needed to create working environments in which each individual can develop and exert their strengths and, 2) what is needed to provide the type of exciting jobs that enables self-growth.

What lies beyond enhancing "Hataraki-Gai" is the happiness of each employee and the happiness of stakeholders with whom we engage in co-creation. We are aiming to create a company filled with smiles.

* FUJI OIL CO., LTD. and consolidated subsidiaries as of March 31, 2025



Human Resource Policy During the Period of the New Mid-Term Management Plan

During the previous Mid-Term Management Plan, outside of Japan we worked to advance localization and strengthen region-specific HR initiatives. In Japan, we promoted human resource development and system reforms, achieving a certain level of results. On the other hand, outside of Japan, localization and talent development did not progress as planned due to the phased dissolution of regional headquarters and a shortage of human resources. We also struggled to establish a unified approach to promoting DE&I and other corporate culture reforms.

In response to those results, we outlined three core policies for the new Mid-Term Management Plan. Particularly focused on "Hataraki-Gai" as a shared Group approach, we will take a united approach to promoting efforts to improve employee engagement through management team leadership and an engagement promotion team structure that will be applied to all Group companies.



Development of Executive Talent Aligned with Business Strategy

Human resource governance enhancements driven by the Nomination and **Compensation Advisory Committee**

Important advisory agenda for the Nomination and Compensation Advisory Committee in FY2025 are CEO succession and monitoring the implementation of the Director Remuneration System. Although formerly a decision that was the sole discretion of the CEO, we strengthened measures to ensure transparency. For the new remuneration system, we incorporated a framework for committee reviews of the individual KPI applied to the performance-linked remuneration of executive officers.

Development of managerial talent across Group companies

Our Group has held the Next-Generation Executive Talent Development Council since FY2020. Aiming to form a pool of diverse future executive candidates, we have engaged in multifaceted discussions on the selection of candidates and their global and strategic development. To increase the probability of identifying and developing candidates, for Stage II of this program, which we launched in FY2025, we shifted to development for each key executive position in the new system and are planning to evaluate and implement global personnel development aimed at addressing personnel needs in 2030. Through this program, we will enhance our management capabilities by securing the stability and diversity of our executive team.

Strengthening Alignment with Business Strategy

To enable collaboration between HR & Administration and business headquarters on the formulation and implementation of human resource strategy that is aligned with business strategy, we assigned HR staff (HR business partners) to each business headquarters. This will enable rapid and appropriate organizational design and personnel placements from a business-axis perspective, including reflecting the needs of Group companies inside and outside of Japan. At the same time, we are also building a system for the planned development of human resources from a medium- to long-term perspective.

Human resource development to support globalization

To respond to business expansion outside of Japan, we are implementing various programs aimed at increasing language skills, including self-learning and group training. In particular, we have established an overseas trainee system as part of our human resource development for key positions in overseas business. Through this system, we are promoting the accelerated development of future management personnel candidates for Group companies outside of Japan. For example, over a sixmonth period trainees partake in language training and then engage in practical training, mainly on-the-job training, at a Group company outside of Japan. We also established a system through which personnel outside Japan are able participate in training in Japan. These programs are constructed to promote practical skills for identifying and solving problems, and for fostering the foundation for accepting different cultures, customs, and environments.

Human resource development and projects for realizing our vision

At FUJI OIL CO., LTD., we implement a human resource strategy that is aligned with business headquarters and company-wide projects.

Autonomous career formation

FUJI OIL CO., LTD. works to provide opportunities for advancement through career formation and appropriate position placements. We provide a wide range of training, including rankbased, selection-based, application-based, and seminar-style training. We also offer a support program that provides subsidies for skills improvement through online education and support for job-specific credential acquisition and learning. During performance evaluations, we create opportunities for managers to provide feedback on key points for achieving growth

FY2024 Total number of participants in application-based training Eligibility: FUJI OIL CO., LTD., Fuji Oil Holdings 1.938

and self-improvement. Additionally, once per year, we provide opportunities for employees to hold meetings with supervisors based on their career improvement communication sheet, a tool for full-time employees to evaluate their career thus far and provide a visual representation of their future career outlook.

Circuit activities and education programs for supporting DX promotion

In 2022, FUJI OIL CO., LTD. launched the Circuit Activity Project, which is designed to increase the speed of company-wide decision-making and operational improvements. This project functions as a framework for driving internal problem-solving, and thus far has involved a diverse range of initiatives. Last year, we

evaluated the adoption of generative AI by employees on a voluntary basis, which led to recommending the integration of Microsoft Copilot on a companywide level. Moving forward, we will leverage generative AI to increase the quality and speed of employee activities and link that to productivity improvements across our entire organization. To further promote the utilization of digital technology, we also established the FUJI Digital Academy (referred to as FUJIDIGI) to promote the development of IT and DX human resources. During the first year, we started with 123 individuals, but we will gradually expand eligibility with the goal of eventually developing every employee into a digital human resource who is capable of contributing to value creation.



FUJIDIGI course

Production Workstyle Reform Project

The population of the Senshu region of Osaka, where the Hannan Plant is located, is projected to decline to roughly 60% of its current population by 2050. We launched the Production Workstyle Reform Project to secure personnel for production positions. For this project, employees of the production division and other relevant divisions participate as members. Members are divided into four different subcommittees - the Production Job Recruitment Subcommittee, the Production Job Career Plan Subcommittee, the Working Conditions and System Review Subcommittee, and the Kanto Plant Human Resource Recruitment Subcommittee - to promote and engage in lively deliberation. By changing how we work and creating production workplaces with "Hataraki-Gai," we are aiming to bring smiles to the faces of our production employees.

Promoting Corporate Unification

DE&I Vision

We will promote DE&I under our new vision as one aspect of our organizational culture for supporting improvements in "Hataraki-Gai." To prevent positive action towards specific groups from creating unintended division, we will begin by renewing our focus on the individual and appreciating that there are different paths for different people, that is by sharing the joy of having individuality. We will also respect the strengths and excitement of each individual and work to develop those traits into the strengths of our organization. Like a patchwork quilt where individual designs harmonize into a beautiful image, we will convert diversity into organizational strengths.

Diversity

Sharing the joy of having individuality

Equity

Eliminating barriers and divisions

Inclusion Turning individual strengths

and excitement into organizational strengths

Core measures

Develop leaders capable of respecting individuality and bringing out people's strengths

Initiatives aligned with the social background and challenges of each company Japan: Promoting female representation in decision-making roles and advancing employment of persons with disabilities

Using engagement surveys to achieve unification by enhancing "Hataraki-Gai." contribute to innovation, and establish new business fields

Well-being (Health and Productivity Management)

In FY2017, FUJI OIL CO., LTD. issued the Fuji Oil Group Health Management Declaration. Since then, we have proactively promoted health management and have been selected as a Certified KENKO Investment for Health for eight consecutive years. Health is an essential element to not only ensuring the happiness of employees and their families, but also to increasing our capabilities as a company. We ensure that all employees receive regular health examinations and work to strengthen prevention through appropriate measures for employees identified as requiring care. From April 2025, we began offering support for quitting smoking by prohibiting smoking on all office grounds and during business hours. We also support employee health maintenance by offering yoga classes once per month and holding health check events every six months.

Harald is certified as a motivating company to work for in Brazil. In May 2025, the company was awarded the Great People Mental Health certification in recognition of its initiatives to protect employee mental health and its mental health policies, which include providing training to leaders.

FUJI OIL EUROPE offers employees various sports sessions in which employees are free to participate during work hours. This not only promotes health maintenance; it also creates bonds between colleagues and increases happiness among employees. Recognized for these initiatives, the company has been certified as a company for sports for two consecutive years.





Great People Mental Health certification obtained by Harald



Members from FUJI OIL EUROPE



Seeking to improve "Hataraki-Gai." FUJI OIL CO., LTD, has conducted engagement surveys since FY2023. Surveys conducted thus far indicate the strengths of FUJI OIL CO., LTD. as being its interpersonal relations, as indicated by scores for "interdepartmental cooperation," and its culture of empowerment, which is reflected by the high scores for "discretion." Global surveys also identify strengths as being elements such as "collaboration" and "teamwork." We view the strengths identified in these survey results as representing the corporate culture that supports the core competencies of the Fuji Oil Group. These serve as the source of our value creation, including our ability to fuse technologies and work with customers to solve problems. We have also made significant progress in improving the "culture of taking on challenges" at FUJI OIL CO., LTD., an issue identified in our initial survey for which we have implemented improvement measures to address.

At the same time, survey results indicated that overall Group management members lacked the approaches and skills expected of new leaders in modern times, including "respecting individuality while supporting growth". Also, we identified insufficiencies in the abilities of leaders to communicate our mission, vision, policies, and strategies. As a result, we position the need for corporate culture reform through leadership development as a major issue facing the Group as a whole. One management issue particularly facing FUJI OIL CO., LTD. is its low score for "philosophy and strategy". While each survey is

Engagement Survey (in Japan)

Changes from first survey (conducted in July 2023) through the fourth survey (conducted in February 2025)

Total score							
1st 65 2nd 66	3rd 68 4th 68						
<positive change=""> Culture of taking on challenges</positive>	<management issues=""> Philosophy and strategy</management>						
1st 57 +5 4th 62	1st 63 +1 4th 64						
Largest improvement by element Scores have declined for some elements.							
Subjects: FUJI OIL CO., LTD. (FUJI OIL CO., LTD. and FUJI OIL HOLDINGS INC. prior to FY2024)							

Global Engagement Survey

Changes from the first survey (conducted in September 2023) to the second survey (conducted in October 2024)

Response rate		Engagement ratio		atio
1st 63% +22pt 2nd 85%		1st 39%	+1pt	2nd 40%
Significant improvement		* No significant change in the percentage of engaged employees		
Company- wide issues V Fostering a workplace where expectations are clearly communicated, and employees feel truly valued and cared for v Improving management engagement and management skills				
There were significant differences between companies, so it is important to				

Subject: 18 Fuji Oil Group consolidated subsidiaries outside of Japan

leading to an improvement in the overall score for the company, there has been no change in this trend. We recognize that using the timing of our transformation to a business holding company structure to reaffirm our shared vision and mission, and to increase understanding of and commitment to management policy and business strategy, is our highest priority issue and something that

To ensure Group companies outside of Japan are able to steadily implement a cycle of improvements at each company, we monitor action plans and launched a Global Engagement Champions Team, which is comprised of engagement supervisors and staff from each Group company, to strengthen our collaboration and support system.

management must take the lead in addressing. To that end, we will also approach this problem as one of our ESG material issues.

We will continue to utilize survey results to promote DE&I and further enhance "Hataraki-Gai" as we strive to be a Group in which employees take pride in their work and feel fulfilled by working in the Group, and to achieve growth for both the Group and individual employees.

Blommer Chocolate

At Blommer, we are prioritizing meaningful employee recognition, transparent communication, and increased collaboration.

Our team is actively addressing these topics in several ways: examples include designing a recognition program that rewards safety and quality-related actions, hosting more plant-specific and company-wide town halls to share knowledge and important information, and empowering a newly formed cross-functional Culture of Safety Team that is focused on championing food safety and employee safety (among other company culture improvements) across the organization.



PAI MA.IU EDIBLE OIL SDN. BHD

Engagement training by CEO

Recognizing the opportunity for improvement related to "respecting individuals" and "supporting growth," in February 2025, PALMAJU EDIBLE OIL SDN. BHD launched the

3E (Employee Engagement Excellence) Campaign through a joint collaboration between three departments: Safety, Quality Control, and Human Resources. Aiming to strengthen communication and raise awareness among all employees, the company engaged in a variety of initiatives to share various information with employees. These initiatives included town hall meetings and training sessions, exhibition booths and VR education, health checkups, and presenting in-house awards. Going forward, the company will strive to create a workplace where employees can exert their strengths by fostering an even better work environment and corporate culture.



At FUJI OIL GHANA LIMITED, we identified "recognition," "consideration of opinions," and

"opportunities for learning and growth" as key issues, and

employees to understand the meaning and significance of

explanations, including in the local language. By sincerely

deepening understanding through dialogue, we believe this

has helped foster awareness for the next survey and laid

conducted employee training sessions led by CEO to

improve engagement. We believe it is important for

addressing employees' opinions and questions and

engagement, so the CEO personally provided

the foundation for workplace improvement.

Members wore 3E Campaign t-shirts and held an opening ceremony

FUJI OIL (ZHAOQING CO., LTD.

CO., LTD. to hold in-house training aimed at promoting understanding

Recognizing the challenge of creating a workplace that respects employee feedback, FUJI OIL (ZHAOQING) CO., LTD. conducted in-house training to enhance employee

understanding of company products that have received a lot of feedback. Through video learning materials and tasting experiences, employees learned how products manufactured at each site are used by customers and were able to see the entire manufacturing process, from raw materials to the end product. This provided an opportunity to better understand the purpose and meaning of their own work. We believe this was a meaningful opportunity that also led to stronger communication between employees across departments.

We invited the development team from FUJI OIL (CHINA) INVESTMENT

Climate Change and Biodiversity





The Fuji Oil Group's business activities benefit from nature and ecosystem services such as the air, water, soil, forests and plants. At the same time, they also have impacts on nature and ecosystem services through our global value chain that includes raw material production, procurement and transportation, and product processing. We recognize that changes in the climate and nature are important both in terms of risks and opportunities for all the Group's business activities. We are striving to appropriately respond to these risks by working to reduce CO_2 emissions, conserve natural ecosystems and sustainably use natural capital. At the same time, we are developing technologies and products which will have a positive impact on the natural environment by incorporating the nature positive* concept to obtain business opportunities.

* A concept to stop and reverse the loss of biodiversity to put nature on the path to recovery.

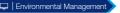
Key issues relating to climate change and biodiversity in the supply chain



Management of Climate- and Nature-related Impacts, Risks and Opportunities

We are aiming to reduce negative impacts and to create positive impacts. As such, we are accelerating the pace of the sustainability initiatives by our Group companies based on the material ESG issues and are promoting co-creation with stakeholders. Moreover, we are disclosing climate change- and nature-related risks and opportunities and the assessment of the level of financial impact from climate change in line with the frameworks of the Task Force on Climate-related Financial Disclosures (TCFD) and the Task Force on Nature-related Financial Disclosures (TNFD).

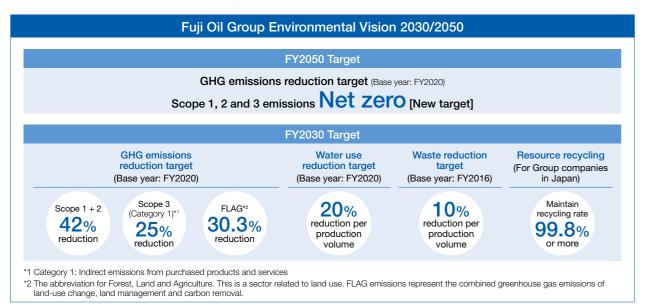
Please refer to Sustainability Report 2025 for details on TCFD and TNFD.



ental Management https://www.fujioil.co.jp/en/sustainability/environmental management/

Revision of Our Environmental Vision

The Fuji Oil Group has upwardly adjusted our medium- to long-term targets relating to the environment to realize a sustainable future for food and revised our vision in the Fuji Oil Group Environmental Vision 2030/2050.



Previous targets and FY2024 results

	FY2030 Target (Previous Target)	FY2024 Results	Rate of Achievement
Reduction in CO ₂ emissions (Base year: FY2016)	Scopes 1 & 2: 40% reduction in total CO₂ emissions (All Group companies)	31% reduction	78%
	Scope 3 (Category 1): 18% reduction in total CO₂ emissions (All Group companies)	16% increase	Not achieved
Reduction of water use (Base year: FY2016)	20% reduction in water intensity (All Group companies*)	36% reduction	180%
Reduction in waste (Base year: FY2016)	10% reduction in waste intensity (All Group companies*)	23% reduction	230%
Resource recycling	Maintain a recycling rate of at least 99.8% (All Group companies in Japan)	99.84%	100%

^{*} Excluding Fuji Brandenburg GmbH

Data Highlights ▶ P107

Activities to reduce CO₂, water and waste at production sites

Reduction in CO₂ emissions

We have introduced the use of renewable energy and solar panels. These efforts are in addition to the energy-saving activities being undertaken by each company, such as effectively using waste heat in manufacturing processes and upgrading to high-efficiency manufacturing equipment.

Reduction in water use

We have reduced water use by using wastewater and rainwater to clean the exterior of buildings.

Reduction in waste

Solar panels installed in FUJI OIL GHANA LIMITED

We are working to reduce product spills and raw material losses on manufacturing lines. Together with this, we have reduced waste white clay by decreasing the amount of white clay we add and by using the waste white clay in biomass power generation.

Introduction of internal carbon pricing

We introduced internal carbon pricing (ICP) in Japan in FY2022 (ICP price: 10,000 yen per ton of CO₂). We began introducing ICP in group companies outside of Japan as well on a trial basis in FY2024. We will continue to promote investments that place importance on environmental considerations.

Supplier engagement

We conducted interviews and questionnaires to engage with 20 major suppliers inside and outside of Japan that account for approximately 9% of our category 1 emissions as part of our efforts to reduce Scope 3 CO₂ emissions. This engagement helped our suppliers to understand our environmental policy and the importance of reducing CO₂ emissions. At the same time, each company could share with us their targets for the reduction of CO₂ emissions and the state of their initiatives. We will continue to reduce emissions across our entire supply chain in the future. We will engage in ongoing dialogue and collaboration to ensure that the effect of our suppliers reducing their CO₂ emissions can be reflected in our Scope 3 calculations.

Water risks

We use Aqueduct* and risk maps to assess, address and periodically monitor water-related risks at each of our sites. We learned that our production site in Belgium is located in an area with high water stress in our analysis in FY2024. We have mitigated this risk by using canal water and recycling wastewater. In terms of raw material production, we assessed water stress, water pollution, flooding and other nature-related risks in palm oil- and cocoa-producing countries in FY2023.

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Value Creation Platform

^{*} Aqueduct: A water risk assessment tool provided by the World Resources Institute (WRI)

FY2023

Used a geographic information system (GIS) to conduct analysis with various indicators on our dependency and impacts on nature and ecosystem services in the countries where we procure palm oil and cocoa, our main raw materials, based on the LEAP approach advocated by the TNFD. Grasped the perspectives we should pay attention to and priority regions in our Group's value chain.

FY2024

Listed nature-related risks and opportunities in our value chain. Began disclosures in line with the TNFD recommendations.

* A comprehensive approach to evaluating nature-related issues developed by the TNFD. It includes points of contact with nature, relationship of dependency on nature, impacts, risks and opportunities.

Case Study

Conserving and Restoring Biodiversity in Sustainable Procurement



Commitment to important ecosystems and community rights through landscape initiatives

Our Group has been participating in landscape initiatives in the Aceh region of Indonesia since 2018 and the Southern Central Forest Spine (SCFS) in Malaysia since 2022 in cooperation with the Earthworm Foundation. These regions are the main areas where our Group procures palm oil. They are also important areas from an ecosystem perspective. The key stakeholders in the landscapes are working together to maintain a balance between elements such as palm oil production, forest conservation, and appropriate social and labor practices.

The Aceh region is home to an important ecosystem called the Leuser Ecosystem. It is also a sensitive region with many indigenous people living there. We identified valuable forests, ecosystems, biodiversity, and cultural, social and economic value based on the High Carbon Stock Approach (HCSA) and High Conservation Value (HCV) assessments. We then formulated land use plans taking into account consultations (FPIC) with all stakeholders within the landscape. We are now engaging in forest conservation and restoration activities. We also support participatory land use planning (PLUP) and land conflict resolution in regions where there is a risk of conflict.



Discussing customary rights and resolving conflicts about land ownership



Conflict management with elephants by the Koperasi Perladangan Sungai

The SCFS landscape borders the remaining fragmented forests in the region. It functions as an important corridor for wild animals. Therefore, we are promoting a program for humans and wild animals to coexist around palm oil plantations. In FY2024, we installed an early warning system to detect elephants intruding into smallholder farms. Patrol teams can now quickly respond and guide elephants back to their habitat.





Forest conservation and regeneration

Deforestation due to the cultivation of land has become a serious issue in major cocoa- and shea- producing areas. In addition to monitoring using satellite images, we are engaging in tree-planting activities aimed at forest conservation and restoration as a KPI.

Cocoa

FY2024 Results Trees planted: 128.371

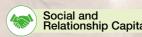
70.023 trees planted in partnership with AGRO-MAP 58,348 trees planted through our own efforts as part of the Cocoa



Shea FY2024 Results Trees planted: 7.018



Human Rights Management





The Fuji Oil Group includes "work for people" as one of the values in the Fuji Oil Group Management Philosophy (the values that inform our actions). We have declared that we will work for the various people who support our Group.

Please refer to Sustainability Report 2025 for details on Human Rights Management.

□ Human Rights Management https://www.fujioil.co.jp/en/sustainability/human_rights/

Human Rights Due Diligence

Priority human rights risks identified in the second human rights impact assessment (FY2020) and main initiatives

Priority human rights risks	Main initiatives (FY2020 to FY2024)
Occupational health and safety Relevant stakeholder group: Employees	Took strict measures to prevent infection (during the COVID-19 pandemic) Promoted staggered work hours, remote work and flexible work hour systems Conducted joint on-site audits of individual Group companies with safety officers from regional headquarters across the globe Strengthened measures to raise employee awareness of occupational safety
Human rights of supply chain workers (focusing on working environment on plantations, occupational health and safety, non-discrimination and equal opportunity, forced and child labor, land rights) Relevant stakeholder group: Supply chain workers	 Formulated medium- to long-term targets and KPls for the sustainable procurement of palm oil and cocoa Formulated the Responsible Soybeans and Soy Products Sourcing Policy and the Responsible Shea Kernel Sourcing Policy and set KPls Formulated the Fuji Oil Group Supplier Code of Conduct, published it, and then distributed it to suppliers and collected their agreement with it Palm oil: Responded to the increase in the number of grievances we received and promoted the Labor Transformation Program (LTP) for our suppliers Cocoa: Ensured CLMRS covers 100% of the farmer groups in our Group's direct procurement supply chain Shea kernel: Promoted the Tebma-Kandu shea kernel sustainability program Established Sustainable Development Teams to serve as the hub of sustainability information within European Group companies
Diversity and inclusion (D&I), human rights in the workplace (harassment, forced labor) Relevant stakeholder group: Employees	 Formulated the Fuji Oil Group Human Rights Guidelines Identified DE&I material ESG issues for each region and addressed the priority issues Held Human Rights Week at Fuji Oil Holdings and FUJI OIL CO., LTD. and raised awareness to prevent harassment in departmental training sessions Took measures linked to the results of the engagement survey

Third human rights impact assessment

In FY2024, we conducted our third human rights impact assessment under the guidance of BSR (Business for Social Responsibility, a U.S.-based non-profit organization with expertise in business and human rights. We used this assessment to re-identify priority human rights risks.



Upstream supply chain



- Workers at plantations
- Workers at supplier companies Including tier 2 and beyond
- Labor standards

(Business ethics)

- Occupational health and safety
- Non-discrimination and equal opportunities
- Forced, slave and bonded labor
- Child and young workers



Residents near our company or supplier factories, etc.

Including regular and non-regular

Direct operations

Land rights

- impacts on neighboring
- Environmental and social Occupational health and safety
- Workplace environment
- Non-discrimination and equal opportunities
- Right to collective bargaining and freedom of association
- Forced, slave and bonded labor

Diversity, equity and inclusion

Fraud, bribery and corruption
 Ethical research and development
 Information security and privacy

Grievance mechanisms and access to remedy (Issues across fields) Climate impact on human rights

 Risks that should be addressed with the highest priority
 Risks that need to be addressed but are relatively low priority * Individuals or groups whose human rights could be impacted or have been impacted by the company's business, products, or services

In addition, we conducted a gap analysis for human rights due diligence with the United Nations Guiding Principles on

Business and Human Rights and the state of initiatives in the food industry.

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Product use

Customers

Consumers

Food safety

Right to health



Labor Transformation Program (LTP)

PALMAJU EDIBLE OIL SDN. BHD. (Malaysia) has been introducing the Labor Transformation Program (LTP) aiming to improve the working environment in its direct and indirect suppliers in cooperation with the Earthworm Foundation since 2017. To maximize the impact and effectiveness of engagement. the company runs programs on a face-to-face and individual basis with local factory and plantation managers to support its suppliers in building and improving their management systems.



Scope of this program

- 1. Freedom of movement
- 2. Contract management
- 3. Ethical employment
- 4. Grievance management
- 5. Wages and working hours
- 6. Freedom of association
- 7. Health and safety
- 8. Accommodation

Support for reducing human rights risks in supplier businesses and supply bases

- Provide information and documents to support suppliers to ensure compliance
- Conduct practical training of dedicated staff and departments
- Raise suppliers' awareness of industry requirements
- Help suppliers apply international standards to their labor management
- Help suppliers obtain certification and meet customer requirements



Initiatives to eliminate child labor

Our Group is working to eliminate child labor, one of the key human rights issues in the cocoa industry.

Farmers face complex issues in major cocoa-producing countries. These issues include poverty, child labor, a lack of education and health infrastructure, difficulty in securing a labor force, and a shortage of investment in agricultural technology. It is necessary to appropriately respond to each one of these issues. Our Group is committed to creating an environment that prevents child labor and building mechanisms to rectify child rights violations in our supply chain. In West Africa, community agents and farmer groups are working together in all villages involved in the direct cocoa bean procurement supply chain to build a Child Labor Monitoring and

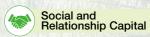


Discussion to address the child labor issue

Remediation System (CLMRS). Agents trained in child protection periodically conduct household surveys to identify and address potential risks.

In particularly high-risk communities, we identify children engaged in or at risk of child labor. We then propose specific action plans to those households and communities. In addition to supporting farmers such as by giving them guidance on pruning, we also promote preventative initiatives in the community including by empowering women through Village Savings and Loan Associations (VSLAs) and promoting environmental conservation activities.

Sustainable Procurement Social and Relationship Capital





The Fuji Oil Group is striving to achieve sustainable procurement to solve environmental and human rights issues in the areas that produce palm oil, cocoa beans and soybeans, our main raw materials, and shea kernel, our strategic raw material. This initiative not only reduces risks, but also leads to higher added value and improved competitive advantages for our Group.

Please refer to Sustainability Report 2025 for details on Sustainable Procurement.

Sustainable Procurement https://www.fujioil.co.jp/en/sustainability/sustainable procurement

Supplier Code of Conduct

We formulated and published the Fuji Oil Group Code of Conduct in April 2021. We ask our suppliers in all the countries and regions where we do business to comply with this code and to follow the other applicable procurement policies of our Group.

Response to European Sustainability-related Legislation

To respond to the EU Regulation on Deforestation-free Products (EUDR), scheduled to come into effect in December 2025, and other European sustainability-related legislation and to create sustainable business value, our entire Group is working to strengthen our raw materials procurement system that ensures traceability while taking into consideration the environment and human rights.

Response to customer

Co-creation of a sustainable future for food through sustainable procurement (case study of palm oil)

Sustainable Future for Food

Sustainable growth for our entire value chain

Sustainable growth for our entire value chain

- · Traceability, stable procurement and quality control
- Response to environmental and human rights issues in our supply chain
- Grievance mechanisms
- Supply chain development
- · Capacity building
- Certification acquisition
- · Landscape initiative Work environment

Sustainable procurement

Response to Supply chain

Quality control



armers and Plantations (primary industry)



Support for smallholder farmers











Impacts on the environment and human rights

Mitigation of human rights impact Creation of positive impacts Biodiversity conservation and re

Increase in living income Reduction in GHG emissions Protection of the rights of local communities and indigenous peoples, etc

Stable supply of food ingredients and diverse food options supported by the blessings of nature

International standards and targets / Expectations from society and stakeholders

Background

Palm oil is extracted from palm trees that grow mainly in Southeast Asia. Its production volume is the greatest in the world among vegetable oils and fats raw materials. However, there are concerns about palm oil in terms of deforestation and forced labor and other human rights violations resulting from plantation development.



0	Social Issues in the	Medium- to	KF	FY2024 Results		
Social Issues	Supply Chain	Long-Term Goals	2030	2025	F12024 Results	
Global Environment	Climate change, deforestation, peatland development, biodiversity loss	No Deforestation, No Peatland Development, No Exploitation (NDPE)	TTP*1 100%	TTP 85%	TTP 95%	
Human Rights	Forced labor, child labor, exploitation of indigenous peoples, local residents, and workers		Labor Transformation Program (LTP) implementation rate: 100% (all direct suppliers)	Labor Transformation Program (LTP) implementation rate: 100% (all PAL*2 suppliers)	Labor Transformation Program (LTP) implementation rate: 83% (PAL*2 suppliers)	

^{*1} TTP: Traceability to plantation

Please refer to Sustainability Report 2025 for details on Sustainable Procurement of Cocoa.

□ | Sustainable Procurement of Cocoa https://www.fujioil.co.jp/en/sustainability/cocoa/

Sustainable Procurement of Cocoa

Background

Cocoa is grown mainly in the Ivory Coast and Ghana. Smallholder farmers account for the majority of producers. Complex and interrelated social and environmental issues have arisen in cocoa-producing areas. These issues include poverty, challenges facing children's education as a result of that, child labor, low agricultural productivity, deforestation and climate impacts.



Social Issues	Social Issues in the	Medium- to	K	Pls	- FY2024 Results	
Social Issues	Supply Chain	Long-Term Goals	2030	2025	r 12024 Hesuits	
Global Environment	Deforestation, climate impacts on producing regions, biodiversity loss	Reforestation,	1 million trees planted*1	500,000 trees planted	70,023 trees planted in Côte d'Ivoire in partnership with AGRO-MAP (total: 385,771 trees)	
Human Rights	Child labor, poverty among farming families	elimination of child labor	Elimination of child labor	No Worst Forms of Child Labor*2	100% of farmer groups in the Group's direct procurement supply chain*3 are covered by CLMRS*4	

^{*1} We plan to plant a variety of shade tree saplings, totaling one million trees, over a 10-year period from 2021 through 2030.

□ | Sustainable Procurement of Soybeans https://www.fujioil.co.jp/en/sustainability/soy/

Sustainable Procurement of Soybeans

Background

Soybeans are grown in a wide range of zones from cool temperature to tropical climates. They are becoming increasingly important as a plantbased protein source. On the other hand, in addition to environmental problems such as the destruction of forests and ecosystems in producing areas and soil contamination in farming areas due to pesticide spraying, violations of the rights of indigenous peoples and communities and other human rights problems have arisen in some areas.



	Social Issues in the		KI	FY2024 Results	
	Supply Chain Long-Term Goals	2030	2025		
Global Environment	Deforestation, biodiversity loss	No deforestation, no exploitation	Traceability achieved to the community level, or 100% procurement of	Traceability achieved to primary collection points, or 100% procurement of	Traceability to the
Human Rights	Exploitation of indigenous peoples, local residents, and workers		RTRS*-certified products or products certified to equivalent standards	RTRS-certified products or products certified to equivalent standards	primary collection point: 92.8%

^{*} RTRS: Round Table on Responsible Soy Association

Please refer to Sustainability Report 2025 for details on Sustainable Procurement of Shea Kernels.

☐ Sustainable Procurement of Shea Kernels https://www.fujioil.co.jp/en/sustainability/shea_kernel/

Sustainable Procurement of Shea Kernels

Background

Shea trees grow naturally in the Sahel region in and to the south of the Sahara Desert in West Africa. The shea butter extracted from shea kernels is used in various ways including for foods, confectionery and skincare. The natural habitat of shea trees is declining due to the cultivation of land for agricultural use in producing areas. In addition, heavy manual labor and occupational health and safety have become issues in shea harvesting and primary processing.



Social Issues	Social Issues in the Supply		KPIs		FY2024 Results
Social Issues	Chain	Long-Term Goals			F12024 Nesults
Global Environment	Loss of parkland		Traceability to the regional level, including procurement from the Tebma-Kandu	(1) 6,000 trees	(1) 7,018 trees
Human Rights	Poverty among farming families	Forest conservation, support to women's empowerment	cooperatives*1: 75% (3) Procurement of shea kernel from the Tebma-Kandu program*2: 50% (4) Percentage of shea kernels crushed and fractionated (separated) in West Africa: 100% (5) Non-fossil fuel energy*3 used at FUJI OIL GHANA LIMITED (steam generation): 100% (6) Percentage of Group-donated storage buildings being used to generate alternative income for Tebma-Kandu cooperatives: 80%*4	planted per year (2) 70% (3) 30% (4) 100% (5) 100% (6) 20%	planted per year (2) 91% (3) 15% (4) 100% (5) 70% (6) —

^{*1} Cooperatives registered in the Tebma-Kandu program and partners that are operating in accordance with Tebma-Kandu principles.

^{*2} PALMAJU EDIBLE OIL SDN. BHD (Malaysia): Oils and fats production site of a wholly owned subsidiary of FUJI OIL CO., LTD.

^{*2} Worst Forms of Child Labour (WFCL). The International Labour Organization (ILO) Convention No. 182, known as the Convention concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour, prohibits hazardous work that may harm the safety, health, or morals of children. This includes the sale and trafficking of children, debt bondage, forced or compulsory labor, prostitution and pornography, illegal activities such as crime, and recruitment of children for use in armed conflict

^{*3} Applies to West Africa

^{*4} Child Labour Monitoring and Remediation System

^{*2} The KPI was changed from "direct procurement of shea kernels from Tebma-Kandu cooperatives" to "procurement of shea kernels from the Tebma-Kandu program." This includes procurement volumes from new partners who have aligned with the aims of Tebma-Kandu, in addition to the cooperatives that have been active from the outset based on the concept of the Tebma-Kandu program.

^{*3} We use shea olein, a byproduct obtained when fractionating shea butter, as biomass fuel.

^{*4} Because the KPI for value creation in local communities, "permanent, direct employees at FUJI OIL GHANA LIMITED: 50% increase (base year: 2017)," was achieved as of FY2022, we set a new KPI to replace it from FY2024. Percentage of storage buildings for shea kernel storage donated by FUJI OIL GHANA LIMITED that are generating income through the use of vacant space or periods outside the shea season to store harvests other than shea.