

Message from Nomination and Compensation Advisory Committee Chairperson



Regarding the New Start for Fuji Oil

Toshiyuki Umehara

Outside Director
Nomination and Compensation Advisory Committee Chairperson
(term: from June 28, 2023 to June 26, 2025)

Transformation to new management structure

As part of the CEO succession program, the Nomination and Compensation Advisory Committee is conducting a CEO reappointment review, which is being implemented by four independent outside directors. Centered on “restoring core profitability and realizing growth strategy,” themes indicated to the CEO as key issues by the Committee during the reappointment review implemented in FY2023, we conducted interviews with former CEO Sakai to exchange opinions. Based on those results, the Committee, in a unanimous vote, reached the conclusion to approve the reappointment of former CEO Sakai and prepared to submit our report to the Board of Directors. However, former CEO Sakai later indicated his intention to resign from his position effective FY2024.

One of the roles of this Committee is to form opinions on the adequateness of CEO candidates. We carefully considered who could serve as a leader to steer the Group as it faces critical management issues such as rebuilding Blommer and the transition to a business holding company.

While there are several criteria for selecting CEO candidates, from our deliberation process, there was a consensus among the Committee, which is comprised of outside directors, that the most important selection criterion to focus on in light of the Group’s current situation is that the candidate has the management experience and track record indicating the ability to unify the entire Group as a business holding company. We did not limit candidate evaluations to existing directors and we also discussed the option of selecting from a broad range of internal and external candidates. Through candidate interviews, we eventually reached the conclusion that, based on his vast business experience spanning all business divisions, including assignments at overseas subsidiaries, his extensive range of knowledge from production to markets, a solid track record as president of a Japanese corporation, and his brilliant communication skills, there was no more qualified candidate than CEO Omori.

Revisions to the director remuneration system

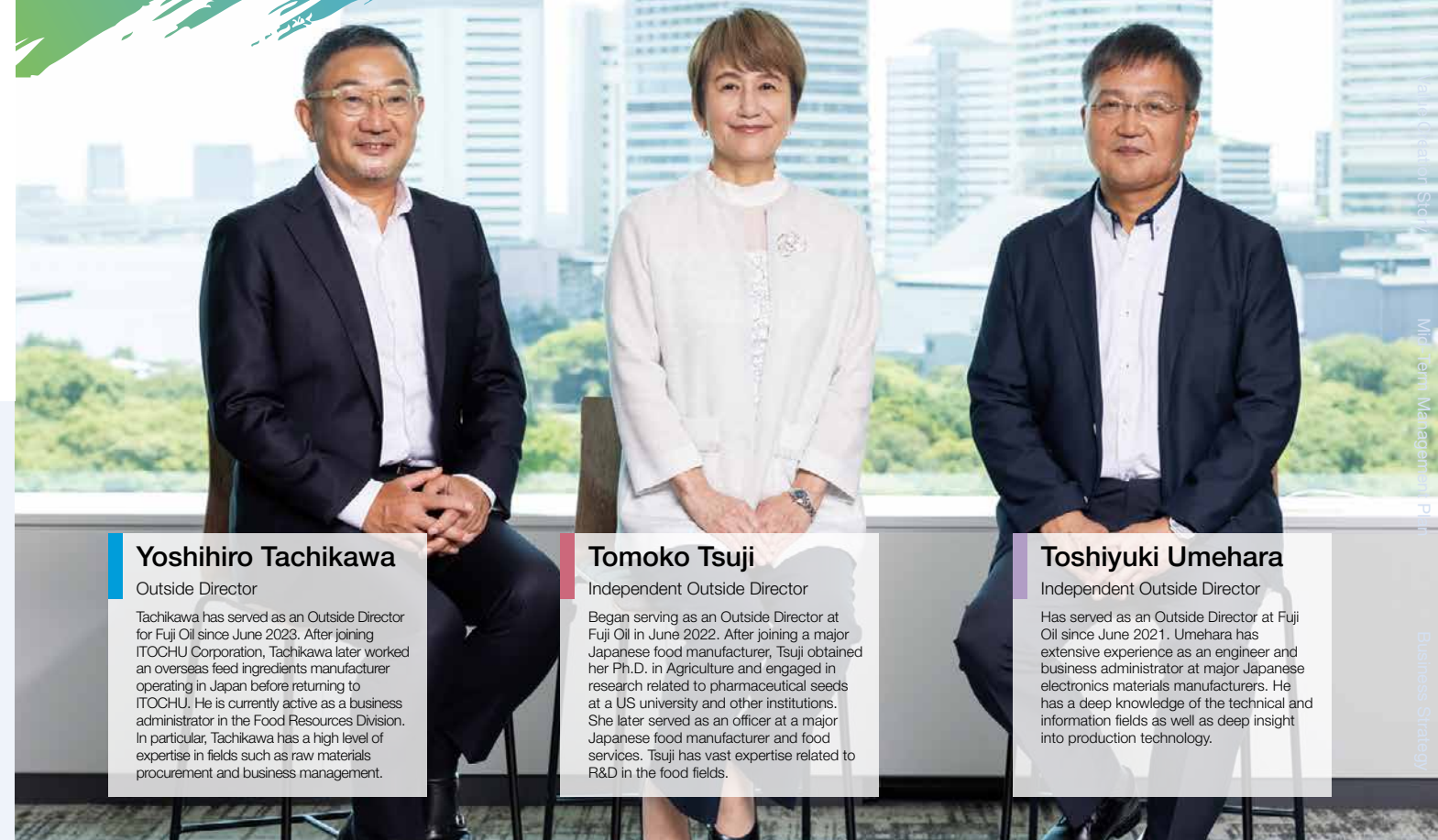
With the transition to a business holding company structure in FY2025, the Nomination and Compensation Advisory Committee deliberated 14 times to discuss the revisions necessary to achieve an appealing incentive-based remuneration system that ensures the directors and executive officers in charge of Company management are able to contribute to corporate value improvement and growth for the Fuji Oil Group from their respective positions.

With remuneration for directors, we maintained a target-based system while maintaining a perspective of pursuing mid- to long-term improvement in corporate value (shareholder perspective). Based on that perspective, to ensure that compensation reflects the weight of the role and responsibilities of each director, we reevaluated compensation levels to a benchmark-driven system. To clarify accountability for results based on profit after taxes, we changed the KPI used to evaluate decisions on bonuses from 100% based on operating profit to a hybrid system that combines net profit, the FUJI ROIC, and the engagement score. With remuneration

for executive officers, we established tiered compensation ranges corresponding to each role (job) to create a compensation structure that reflects the weight of roles and responsibilities under the new structure. For performance-linked compensation, we increased the ratio of short-term incentives while also establishing multiple KPI related to the evaluation of bonus payments, and will assign weight to each job function and conduct goal management to ensure individual contributions are appropriately reflected.

Striving to enhance the monitoring functions of the Board of Directors, the Committee spent significant time engaging in open discussions with the CEO. The new management structure was launched in April 2025. To link this great transformation to even greater leaps forward, it is critical that the management team be more united than ever before towards facing and solving the issues facing the Group. As outside directors, we will work to fulfill our role and contribute to improving the corporate value of the Fuji Oil Group.

Roundtable Discussion with External Directors



Yoshihiro Tachikawa

Outside Director

Tachikawa has served as an Outside Director for Fuji Oil since June 2023. After joining ITOCHU Corporation, Tachikawa later worked an overseas feed ingredients manufacturer operating in Japan before returning to ITOCHU. He is currently active as a business administrator in the Food Resources Division. In particular, Tachikawa has a high level of expertise in fields such as raw materials procurement and business management.

Tomoko Tsuji

Independent Outside Director

Began serving as an Outside Director at Fuji Oil in June 2022. After joining a major Japanese food manufacturer, Tsuji obtained her Ph.D. in Agriculture and engaged in research related to pharmaceutical seeds at a US university and other institutions. She later served as an officer at a major Japanese food manufacturer and food services. Tsuji has vast expertise related to R&D in the food fields.

Toshiyuki Umehara

Independent Outside Director

Has served as an Outside Director at Fuji Oil since June 2021. Umehara has extensive experience as an engineer and business administrator at major Japanese electronics materials manufacturers. He has a deep knowledge of the technical and information fields as well as deep insight into production technology.

Embracing a new structure to enhance corporate value

General discussion on the previous Mid-Term Management Plan Evaluation of governance structure

Umehara: My view is that, with the exception of the initiatives related to Blommer, the previous Mid-Term Management Plan progressed smoothly overall. However, I feel that Blommer, which had a major impact on performance, and the historic rise in cocoa prices made it difficult to see “inside” the company in terms of the business structure and revenue forecasts. Overall, my impression is that it was difficult to plan and implement specific improvement measures. At the Board of Directors meeting, Mr. Tachikawa took the lead and provided multifaceted advice about Blommer, which helped us better understand the issues. Had the company been able to identify issues at an earlier stage, it may have been possible to implement focused and timely improvement measures, so I see this as an important lesson for future improvements.

Tachikawa: In deliberations concerning Blommer, I think there were issues with the precision of the company’s risk position management in terms of how much raw material was secured relative to our remaining sales contracts and what future revenue results could be expected. By repeatedly offering opinions on this point at Board of Directors’ meetings, my thoughts concerning the issue were shared with the executive team.

Tsuji: Similarly, one of the more memorable deliberations during Board of Directors’ meetings was concerning measures to be taken at Blommer. During meetings, it was strongly suggested that the company do more to make the issues facing Blommer more visible. It will still take some time to assess the results of actions taken, but we are gradually beginning to see the details of practical initiatives. On the other hand, discussions unfortunately focused too much on the challenges facing Blommer. As a result, we were unable to spend enough time monitoring initiatives in new business fields, which is something we should be devoting more time to.

■ **Umehara:** When a company experiences significant growth, there are many cases where a single core business drives the entire company. If we exclude Blommer, the Fuji Oil Group's strengths lie in Industrial Chocolate as well as Vegetable Oils and Fats, which are driving the entire company. With growth fields supporting the revenue base, I think now is the time to move forward with concrete initiatives in new business fields.

■ **Tsuji:** When developing a new business, sometimes a sense of crisis can lead to thinking from a defensive perspective: "What if our current business fails?" However, I would like to see the company take on a mindset that it is nurturing something valuable and apply a developmental perspective by asking, "What technologies will be useful to the world in the future?" I also think an issue with challenges classified as a new business field is that it can be difficult for outsiders to understand growth strategy, and they can struggle to understand issues such as why the business is at its current scale, what is lacking, and what plans the company has for future development. For example, MIRACORE™ is an interesting technology, but I feel that more creativity could be applied towards expanding it more widely around the world.

■ **Umehara:** I look forward to seeing more concrete initiatives in new business fields. However, as Ms. Tsuji pointed out, I would like to see more clarity in the market development strategy. We ourselves have not discussed this point sufficiently, so I hope we can monitor it closely and add more depth to our discussions. Moving forward, providing a clear strategy and sharing it throughout the Fuji Oil Group will lead to increased expectations for the future and generate a sense of excitement. In fact, when I visited the Fuji Science & Innovation Center and the Tsukuba Research & Development Center, I saw that the researchers were having a lot of fun working on

new technological innovations. I felt strongly that this is one of Fuji Oil's strengths. I want the company to explore how they can translate that passion into specific products.

■ **Tachikawa:** I believe the decision to transition to a business holding company structure represents a meaningful transformation. At Board of Directors' meetings, we are able to hear directly from the heads of each business headquarters on specifics related to their respective businesses, which greatly increased the level of detail. We believe that being able to obtain direct, real-time information will lead to more accurate monitoring and more in-depth deliberations by the Board of Directors.

■ **Umehara:** As Blommer's structural reforms progress, the company has entered a stage where it can address fundamental issues such as the Fuji Oil Group's profitability and capital efficiency. I look forward to this new start, including the changes to the governance structure resulting from the transformation to a business holding company structure.

Expectations for a new Fuji Oil, including a change in president

■ **Tsuji:** During the CEO candidate interviews by the Nomination and Compensation Advisory Committee, Mr. Omori made a statement that really stood out to me: "Even just setting foot in the Hannan plant gives me a sense of what's going well and what is not." He has built strong relationships with production sites and offers the reliability of someone with first-hand knowledge. I also believe that his extremely straightforward personality is a positive when it comes to making management decisions. As the Fuji Oil Group continues to expand globally, some may be concerned about his lack of experience working overseas, but this is something that can be supplemented through the support of those around him. In fact, my hope is that his lack of experience overseas will enable him to demonstrate his straightforward personality and help him make cool-headed management decisions.

■ **Tachikawa:** Like Ms. Tsuji, Mr. Omori has a straightforward and cheerful personality, which is one of the reasons he is so well-liked by Japanese customers. What made an impression on me was when an ITOCHU Group company took over Fuji Oil's feed manufacturing business and built a new plant in Shibushi City, Kagoshima Prefecture. It wasn't a particularly large project, but Mr. Omori made a point to come to the plant completion ceremony. Seeing him share our joy by saying, "Thank you for building such a fine factory," reinforced my belief that he embraces the spirit of manufacturing. I believe that he is someone who is capable of making sound management decisions by leveraging his own experience in manufacturing and the opinions of external parties like us.

■ **Umehara:** Even under President Omori's leadership, my hope is that when unforeseen circumstances arise, like responding to Blommer, information will be conveyed properly



to management team executives, and that progress will be made towards creating a system that allows accurate management decisions to be made based on that information.

Evaluation of capital structure, financial strategy, and future outlook

■ **Tachikawa:** Looking at the current financial situation of the Fuji Oil Group, Vegetable Oils and Fats and other businesses are performing favorably, both domestically and overseas. However, the reality is that the company must continue to pour revenue from those businesses into measures to address Blommer. The company must stop Blommer's losses as soon as possible and redirect capital towards more effective uses. I see that a variety of measures are being implemented to achieve this. It is important to thoroughly implement all measures to achieve a lean management structure, including managing market risks, controlling working capital by reviewing the timing of raw material procurement and inventory levels, and by improving production yields. With Blommer in particular, the slow turnover for invested capital is an issue as the company's business model involves purchasing large quantities of cocoa, an agricultural product, and processing that cocoa to sell products. I think deliberations are needed towards finding a balance between the characteristics of the company's business model and the pursuit of efficiency.

■ **Umehara:** While Blommer is important, it is also important to consider how to increase profitability in growth fields. In my own career, I have experienced the Lehman Shock and the commoditization of products, so I worked hard to increase profitability through efficiency. It is also important for manufacturers to consider how to improve the efficiency of existing facilities. There are many things that can be done, such

as increasing efficiency and yield, by improving preparation processes, including reducing preparation amounts and times. By transforming to a business holding company structure, it will be easier to address these issues from a business-axis perspective. I hope to strike a good balance and support growth through deliberations at Board of Directors' meetings.

Enthusiasm as an Outside Director and efforts to enhance corporate value

■ **Umehara:** I have high hopes for the Fuji Oil Group, which adopted a new structure in April 2025. The company has long been a pioneer in sustainability-related initiatives, and I hope that it will actively promote these aspects externally as opportunities arise.

■ **Tsuji:** I have reaffirmed my desire to continue monitoring whether the executive side is taking appropriate measures to continue existing as "Fuji Oil for Technology." I think the Fuji Oil Group could do better to more proactively promote its research results to the public. For example, I would like to support the company in publicizing its technical capabilities, including by encouraging it to publish research results and present them at events to demonstrate their potential applications.

■ **Tachikawa:** I commend the company for pursuing new business fields with the aim of enhancing its corporate value. However, there is also the reality that new technology does not often lead to successful results. In this sense, I think M&A is an effective way to expand into new business fields. I come from a trading company and have accumulated experience in business acquisitions and trading. While I have had some successes, I have also experienced many failures, from which I have learned many lessons and gained know-how. Based on these experiences, I would like to continue supporting the growth of the Fuji Oil Group while maintaining a constructively critical perspective.



List of Directors

(As of June 27, 2025)



Back row, from left: Hiroyuki Tanaka, Yasuhiro Tani, Tomoko Tsuji, Tatsuji Omori, Hirohiko Ikeda, Yoshihiro Tachikawa, Tetsuya Sogo
Front row, from left: Yusuke Togawa, Sunao Maeda, Toshiyuki Umehara, Rie Nakagawa

Tatsuji Omori (Born 1960)

Representative Director, President
Chief Executive Officer (CEO)

- Apr. 1983 Joined the Company
- Apr. 2014 Executive Officer
General Manager, Sales Div. 2, Sales Unit
- Apr. 2015 General Manager, Emulsified & Fermented Business Unit
- Apr. 2017 Chief Operating Officer(COO)
Representative Director and President, former FUJI OIL CO., LTD.
- Apr. 2019 Senior Executive Officer
- Jun. 2025 Representative Director, President (to present)

Toshiyuki Umehara (Born 1957)

Outside Director*1
Independent Director

Independent / Outside

- Apr. 1984 Joined Nitto Denko Corporation
- Jun. 2019 Representative Director, Senior Executive Vice President, CTO, General Manager of Corporate Technology Sector, Nitto Denko Corporation
- Jul. 2020 Executive Director, Hokkaido University (part-time)
- Aug. 2020 Project Professor, Keio University
- Jun. 2021 Outside Director (to present)
- Jun. 2022 Outside Director of Daichi Kigenso Kagaku Kogyo Co., Ltd. (to present)
Outside Director of ShinMaywa Industries, Ltd. (to present)
- Apr. 2023 Representative Director of JCCL, Inc. (to present)

Yoshihiro Tachikawa (Born 1971)

Outside Director*1

Outside

- Apr. 1993 Joined ITOCHU Corporation
- Mar. 1998 Retired from ITOCHU Corporation
- Feb. 2003 Joined ITOCHU Corporation
- Apr. 2008 Assigned as President and CEO, JAPAN NUTRITION Co., Ltd
- Apr. 2020 General Manager of the Grain & Feed Department, ITOCHU Corporation
Director of ITOCHU Food Sales and Marketing Co., Ltd. (to present)
- Sep.2020 Director of ITOCHU FEED MILLS CO., LTD. (to present)
- Apr. 2023 Chief Operating Officer of Manager, Food Resources Division, ITOCHU Corporation (to present)
- Jun. 2023 Outside Director (to present)
- Apr. 2025 Executive Officer of ITOCHU Corporation (to present)

Hirohiko Ikeda (Born 1960)

Outside Director, Audit and Supervisory Committee Member*1
Independent Director

Audit and Supervisory Committee

Independent / Outside

- Apr. 1987 Registered as an attorney; joined Oh-Ebashi LPC & Partners
- May. 1991 Graduated from University of Virginia School of Law
- Sep. 1991 Worked at Weil, Gotshal & Manges LLP in New York
- Jun. 1992 Registered as an attorney in New York State
- Apr. 1993 Partner of Oh-Ebashi LPC & Partners (to present)
- Apr. 2010 Visiting Professor, Osaka University Law School (to present)
- Jun. 2020 Outside Audit & Supervisory Board Member
- Jun. 2022 Outside Director (Audit and Supervisory Committee Member) (to present)
- Jun. 2023 Outside Director (Audit and Supervisory Committee Member), The Kyoto Shimbun Holdings Co., Ltd. (to present)

Hiroyuki Tanaka (Born 1968)

Director, Senior Executive Officer, Chief Operating Officer (COO),
Head of Chocolate Business Headquarters

- Apr. 1990 Joined ITOCHU Corporation
- Oct. 2020 Director of Blommer Chocolate Company (to present)
- Apr. 2021 Chairman of HARALD INDÚSTRIA E COMÉRCIO DE ALIMENTOS LTDA (to present)
- Apr. 2022 Joined the Company
Senior Executive Officer (to present)
Chief Strategy Officer (CSO)
- Jun. 2022 Director (to present)
- Apr. 2025 Chief Operating Officer (COO) (to present)

Tomoko Tsuji (Born 1956)

Outside Director*1
Independent Director

Independent / Outside

- Apr. 1979 Joined Ajinomoto Co., Inc.
- May 2015 Executive Officer, General Manager of Material Development Department, Yoshinoya Group Product Division, Yoshinoya Holdings Co., Ltd.
- Jun. 2020 Outside Director, Sundrug Co., Ltd. (to present)
- Jun. 2022 Outside Director (to present)
- Jun. 2025 R&D Executive Fellow, Yoshinoya Holdings Co., Ltd. (to present)

Tetsuya Sogo (Born 1959)

Outside Director*1
Independent Director

Independent / Outside

- Apr. 1982 Joined NTN Toyo Bearing Co., Ltd. *3
- Apr. 2014 Senior Executive Officer, General Director of NTN Americas Region
- Apr. 2018 Senior Executive Officer, General Manager, Finance Div.
- Jun. 2019 Corporate General Manager of Financial Headquarters
- Apr. 2020 Corporate Executive Officer, CFO
- Jun. 2025 Outside Director (to present)

Yasuhiro Tani (Born 1956)

Outside Director, Audit and Supervisory Committee Member*1
Independent Director

Audit and Supervisory Committee

Independent / Outside

- Oct. 1981 Joined Asahi & Co.*4
- Apr. 1985 Registered as a certified public accountant
- Apr. 1986 Representative of the Tani Certified Public Accountant Office (to present)
- May 2003 Registered as a tax accountant
- Sept. 2004 Visiting Professor, Beijing Central University of Finance and Economics
- Apr. 2006 Professor, Graduate School of Management, GLOBIS University (to present)
- Jun. 2020 Outside Corporate Auditor of Rohto Pharmaceutical Co., Ltd. (to present)
- Mar. 2021 Outside Director of Noritz Corporation (Audit and Supervisory Committee Member) (to present)
- Jun. 2024 Outside Director (Audit and Supervisory Committee Member) (to present)

Sunao Maeda (Born 1967)

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

- Apr. 1990 Joined the Company
- Apr. 2015 Director of FUJI OIL ASIA PTE. LTD.
- Jun. 2018 Group Leader, Corporate Planning Group
- Jul. 2021 Executive Officer, Chairman of FUJI EUROPE AFRICA B.V.
- Jul. 2023 Senior Executive Officer (to present)
Chief Financial Officer (CFO) (to present)
- Jun. 2024 Director (to present)

Rie Nakagawa (Born 1968)

Outside Director*1
Independent Director

Independent / Outside

- Aug. 2003 Joined MISUMI, Inc.*2
- Oct. 2013 President of FA Processed Products Business, MISUMI Group, Inc.
- Oct. 2015 Representative CEO of FA Business, MISUMI Group, Inc.
- Oct. 2020 Representative CEO of User Service Platform, MISUMI Group, Inc.
- Jan. 2022 Representative CEO of Sustainability Platform, MISUMI Group, Inc
- Dec. 2022 Director and COO, Grameen Nippon (to present)
- Jun. 2023 Outside Director (to present)
- Jun. 2024 Outside Director of Duskin Co.,Ltd. (to present)

Yusuke Togawa (Born 1963)

Director
Full-time Audit and Supervisory Committee Member

Audit and Supervisory Committee

- Apr. 1986 Joined the Company
- Oct. 2012 Head of Management Office, Emulsification & Fermented Food Division
- Apr. 2018 General Manager of Management Administration Department
- Apr. 2021 General Manager of Corporate Planning Division
- Jun. 2024 Director (full-time Audit and Supervisory Committee Member) (to present)

*1 Directors Toshiyuki Umehara, Tomoko Tsuji, Rie Nakagawa, Yoshihiro Tachikawa, Tetsuya Sogo, Hirohiko Ikeda and Yasuhiro Tani are outside directors pursuant to Article 2 (3) (v) of the Ordinance for Enforcement of the Companies Act.

*2 Currently, MISUMI Group, Inc.

*3 Currently, NTN Corporation

*4 Currently, KPMG AZSA LLC

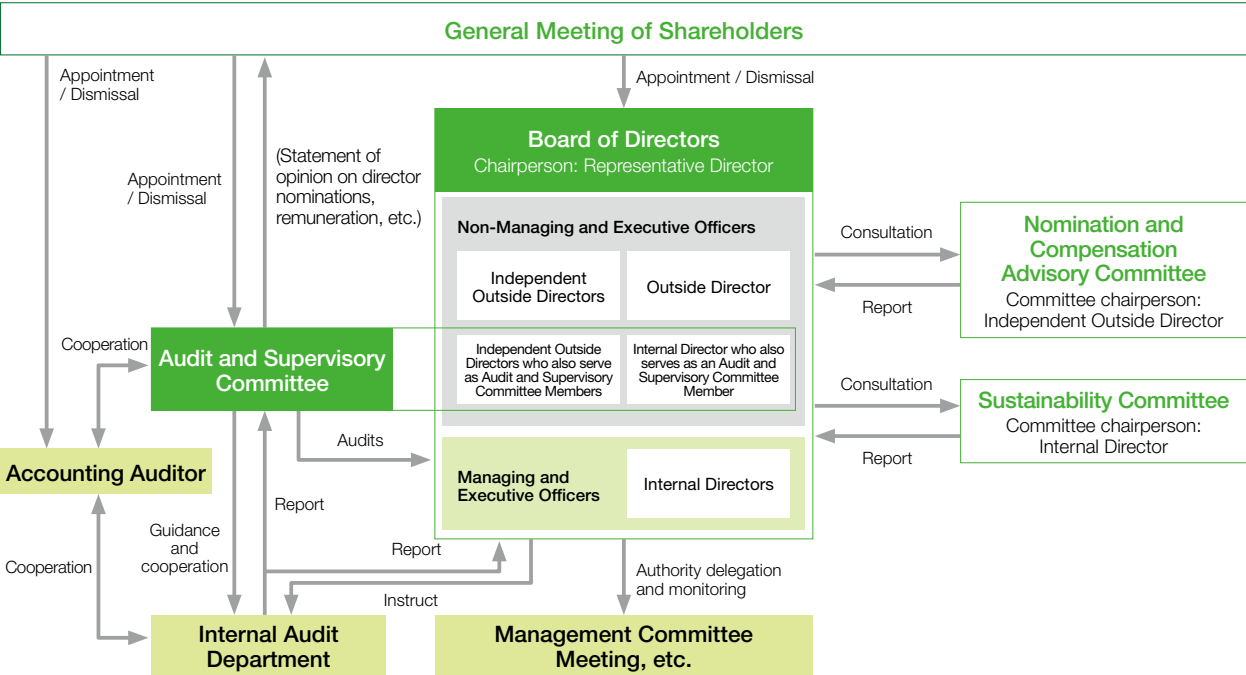
Corporate Governance

We consider corporate governance to be an essential foundation of sustainable improvements to corporate value. Under the General Meeting of Shareholders, the Board of Directors and the Audit and Supervisory Committee each play important roles. We have built a highly transparent and sound management system by separating and strengthening decision-making and supervisory functions.

The Board of Directors serves as the decision-making body for important matters. At the same time, it is responsible for supervising (monitoring) business execution. The Audit and Supervisory Committee audits the execution of duties by Directors (excluding Audit and Supervisory Committee members). In addition, the Management Committee Meeting and other related executive meetings, comprised of the Representative Director and President, Managing and Executive Directors, and Executive Officers, support rapid and appropriate decision-making by the top officers through discussions that contribute to management.

Corporate Governance System

(As of June 27, 2025)

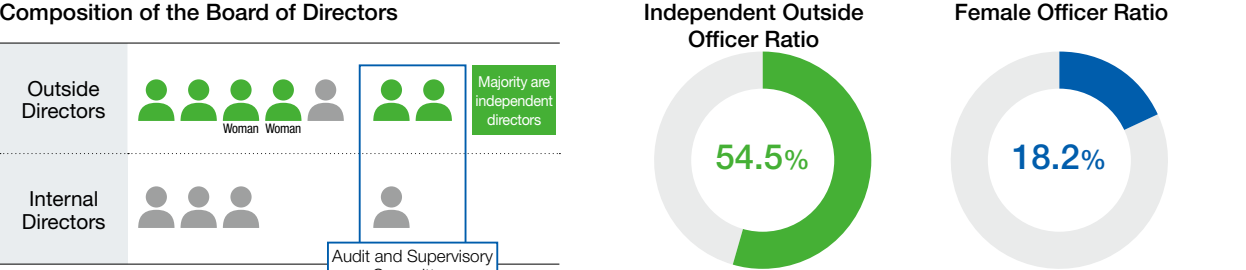


Evolution of Initiatives to Strengthen Governance

Since FY2015, we have been gradually strengthening our governance system. For example, we have transitioned to a group headquarters system, set up regional headquarters, and established the Nomination and Compensation Advisory Committee and the ESG Committee. In FY2022, we transitioned to being a company with an Audit and Supervisory Committee. In FY2024, we adopted a system in which Independent Outside Directors account for the majority of the Board of Directors. Through these initiatives, we are making progress in strengthening our supervisory functions by incorporating external perspectives.

FY	Major Event	Number of Directors ^{*1}	Of Whom, Outside Directors ^{*1}
2015	<ul style="list-style-type: none"> Established the Nomination and Compensation Advisory Committee and the ESG Committee Transitioned to a holding company structure and localized business operations through delegation of authority to regional headquarters 	10	2
2016	<ul style="list-style-type: none"> Started evaluations of the effectiveness of the Board of Directors 	10	2
2017		8	2
2018	<ul style="list-style-type: none"> Revised the Board of Directors' regulations^{*2} 	9	2
2019	<ul style="list-style-type: none"> Formulated the policy on revisions to the remuneration system Started considering a CEO succession plan 	10	3
2020	<ul style="list-style-type: none"> Implemented a performance-linked share-based remuneration system Started to make use of CEO performance review meetings 	9	3
2021	<ul style="list-style-type: none"> Defined monitoring perspectives Built up a CEO succession plan scheme 	8	4
2022	<ul style="list-style-type: none"> Renamed the ESG Committee to the Sustainability Committee Transitioned to being a company with an Audit and Supervisory Committee Added ESG metrics to the officer remuneration system Adopted a new remuneration system that changed Executive Officers from an employment type system to a delegation-style system Began operation of the CEO succession plan scheme 	12(3)	7(2)
2023	<ul style="list-style-type: none"> Began evaluations of the effectiveness as the Audit and Supervisory Committee 	12(3)	7(2)
2024	<ul style="list-style-type: none"> Independent Outside Directors became a majority of the Board of Directors 	11(3)	7(2)
2025	<ul style="list-style-type: none"> Transitioned to a business holding company structure Revised the remuneration system for Directors and Executive Officers 	11(3)	7(2)

^{*1} The numbers in the parentheses indicate the number of Directors who also serve as Audit and Supervisory Committee members
^{*2} In addition to existing decision-making and reporting, we also established opportunities for open-minded deliberation on governance and other matters



The Board of Directors maintains a composition that takes into account expertise, independence and diversity (gender and internationality, etc.). In principle, the term of office for Independent Outside Directors is limited to six years. In this way, we are striving to ensure independence. The skills matrix covers all the knowledge necessary for management including corporate management, finance and accounting, sustainability, and global response.

Body Members and Skills Matrix

		Internal Directors			Outside Directors					Directors who also serve as Audit and Supervisory Committee Member		
		Tatsuji Omori	Hiroyuki Tanaka	Sunao Maeda	Toshiyuki Umehara	Tomoko Tsuji	Rie Nakagawa	Yoshihiro Tachikawa	Tetsuya Sogo	Yusuke Togawa	Hirohiko Ikeda	Yasuhiro Tani
		4 years	3 years	1 year	4 years	3 years	2 years	2 years	—	1 year	3 years	1 year
Bodies	Board of Directors	◎	○	○	○	○	○	○	○	○	○	○
	Audit and Supervisory Committee									◎	○	○
	Nomination and Compensation Advisory Committee	○		○	○	◎	○		○	Observer		
	Sustainability Committee	◎	○	○			Advisor					Advisor
Skills Matrix	Corporate Management	○	○	○	○	○	○	○	○			
	R&D and Technology				○	○						
	Global	○	○	○	○		○	○	○		○	○
	Sustainability					○	○					○
	Sales and Marketing	○	○				○	○				
	Production (Safety, quality, and the environment)	○			○							
	Finance and Accounting	○	○	○			○		○	○		○
	Legal Compliance			○						○	○	
	Human Resource Development									○		
	IT / Digital Transformation	○			○		○			○		
	Supply Chain Management		○				○					

◎ Chairperson ○ Member * As of June 27, 2025

Main Discussions in Board of Directors' Meetings in FY2024

Classification	Major Topics
Roles and responsibilities of the Board of Directors	Evaluation of the effectiveness of the Board of Directors, matters for consultation with the Nomination and Compensation Advisory Committee, and Audit and Supervisory Committee activity reports, etc.
Reports on execution status	Monthly reports and matters to be deliberated by Management Committee Meeting, etc.
Corporate value improvement	Response to important management issues (Blommer's structural reforms progress report), business strategies (investment projects and business portfolio), mid- to long-term research theme progress, research strategies, intellectual property strategies, engagement survey report, sustainability policy and target/data report, and Sustainability Committee activity reports, etc.
Risk management	Response to Group significant risks, occupational accident and complaint reports and response, etc.
Legal compliance and disclosures	Financial results (quarterly and annual), General Meeting of Shareholders related matters, and various disclosure related matters
Internal controls etc.	Organizational system, policies and regulations, internal reports, and internal audit activity reports and plans, etc.

In addition, the Board of Directors carries out reviews relating to the status of transactions with the ITOCHU Group, a major shareholder.

Board of Directors

Main Initiatives by the Board of Directors in FY2024

Based on the results of the evaluation of the effectiveness of the Board of Directors conducted in FY2023, we set two key targets for FY2024: stimulate discussions from a medium- to long-term perspective and enhance opportunities to explain the execution status. We strived to improve the effectiveness of the Board of Directors by using meetings other than Board of Directors to allow each Director to discuss matters from a variety of perspectives.

1

The Fuji Oil Group's desired direction and management system (applicable to all Directors)

Report contents

- ▶ Management review of the previous group headquarters structure (pure holding company structure) introduced in 2015
- ▶ Policy, background and objectives of a business holding company structure transitioned to in April 2025
- ▶ Matters that should be strengthened under the new structure

Main discussions

The Board of Directors organized the achievements that were made possible and the issues that emerged under the previous structure. The Board then deepened discussion on the key points to strengthening the organizational system and operations under the new structure. In particular, it looked to unify its understanding in relation to the promotion of company-wide management with awareness of capital costs, strengthening of portfolio management for each business headquarters, optimal allocation of management resources and swift execution of strategy.

2

Current status and future direction of our Group's research and development and intellectual property strategies (applicable to all Directors)

Report contents

- ▶ Current status and issues of the global research and development system
- ▶ Research and development strategy from a medium- to long-term perspective
- ▶ Status of intellectual property activities and intellectual property strategy that contributes to corporate value improvement

Main discussions

The Board of Directors exchanged opinions about the contribution to business of research results and the linkage between the business and research and development strategies based on our Group's unique business model. Moreover, the Board identified issues in the process from the acquisition of intellectual property rights to commercialization. It then discussed the direction to generate profits by organically using intellectual capital, human capital, manufacturing capital and other forms of management capital.

3

Explanation of medium- to long-term strategies for business and human capital by those in charge of execution (applicable to all Outside Directors)

Report contents

- ▶ Future outlook and specific policies for growth businesses
- ▶ Current status of important business issues, measures to address those issues and medium- to long-term reform policy
- ▶ Approach to human capital and personnel policies

Main discussions

Those in charge of execution provided explanations about business trends, competitive advantages, market growth potential and other areas at important sites for each business. They then exchanged opinions about the medium- to long-term business direction through a question-and-answer session with the Outside Directors. In terms of human capital, the Outside Directors with corporate management experience used their own knowledge to give advice and deepen discussions about the importance of human capital management that contributes to corporate value improvement.

Preliminary Briefings before Board of Directors' Meetings

We regularly hold preliminary briefings before Board of Directors' meetings on important agenda items. The purpose of these briefings is to enhance the quality and depth of discussions by the Board of Directors through eliminating the asymmetry of information between Outside Directors and internal execution departments.

In FY2024, those in charge of execution and those responsible for business practice gave a total of 16 preliminary briefings to Outside Directors. These briefings provided thorough explanations, including the background and detailed analysis, on the following themes.

- Financial result-related matters
- Policy on budget formulation
- Policy and state of progress on addressing important management issues (example: structural reforms of Blommer)
- Background to investment project applications, future plans, company, competitor, customer and market analysis, and risk response
- Explanation of engagement survey results, etc.

Through these initiatives, we are setting up an environment in which Outside Directors have an even deeper understanding of the realities of management and in which they can contribute to advice and decision-making that helps improve the effectiveness of the Board of Directors.

Support System for Officers

We have set up a continuous support system to improve the quality of Directors and other members of senior management. We implemented the following initiatives in FY2024.

- (i)

Discussion on the Integrated Report using investor feedback
- We shared feedback from investors on the Integrated Report with all officers, including Outside Directors, to deepen understanding of our Company from an external perspective. We then discussed ways to address that feedback.
- (ii)

Promotion of the understanding of technology for a sustainable future for food
- As part of our efforts to promote technological innovation and product creation focused on plant-based ingredients, we held a seminar on the theme of cutting-edge technologies for acquiring soybean varieties with new properties. All officers, including Outside Directors, participated in the seminar. The participants deepened their understanding of our research and development strategy and business direction.


We are working to enhance the business judgement and strategic perspective of our officers to contribute to sustainable corporate value improvement.

Promoting Outside Directors' understanding of our Company

To improve the effectiveness of the Board of Directors and to encourage even more active participation in discussions, we proactively provide Outside Directors with opportunities to visit business sites, take part in internal presentations and engage in dialogue with employees.

In FY2024, when Mr. Tani took up his post as Outside Director who also serves as an Audit and Supervisory Committee member, the representatives in the business and functional departments of FUJI OIL HOLDINGS INC. gave him an operational overview and explained about the group-wide issues. Moreover, Mr. Tani also participated in a product presentation held in FUJI OIL CO., LTD.'s Hannan Business Operations Complex. We set up this opportunity for him to deepen his understanding of on-site initiatives and issues through direct interaction with employees.

These activities serve as the important foundation for Outside Directors to understand on-site realities and to give even more effective advice on management decisions. They help to strengthen our governance and improve value.



Mr. Tani exchanging opinions with a person responsible for product development while tasting samples

FY2024 Evaluation of the Effectiveness of the Board of Directors

We conducted an evaluation of the effectiveness of the Board of Directors again in FY2024. The purpose of doing so is to make continuous improvements to strengthen the functions of the Board of Directors and to improve corporate value. This evaluation was carried out with the support of a third-party organization to ensure objectivity and expertise. First, individual interviews were held with the Representative Director and President, the Chief Strategy Officer (CSO) and the Outside Director who serves as the Chairperson of the Nomination and Compensation Advisory Committee. Opinions from top management and external perspectives were gathered. In addition, a questionnaire was given to all Directors. This allowed us to conduct a multifaceted evaluation with reference to the roles and functions of the Board of Directors. When designing the questionnaire, the progress made on addressing the issues identified up to the previous fiscal year was confirmed. Together with this, the effectiveness of the Board of Directors was verified from the following perspectives.

- 1

Level of sufficiency for discussions on the response to management issues (agenda design, frequency, content and quality, etc.)
- 2

Identification and embodiment of points needing to be addressed to demonstrate monitoring functions
- 3

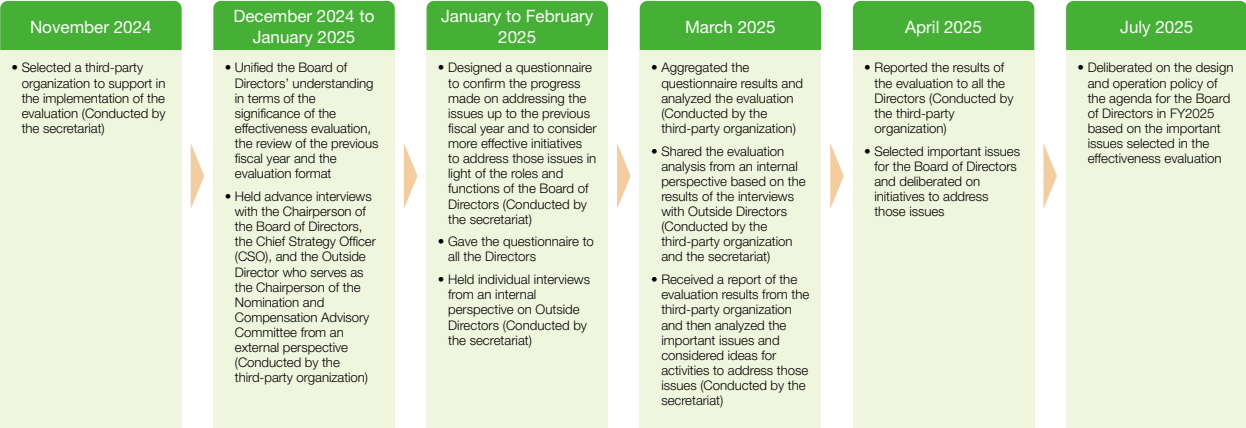
Evaluation of the effectiveness of the Nomination and Compensation Advisory Committee and the Audit and Supervisory Committee
- 4

Evaluation of the current status of the support system for Outside Directors and the relationship with capital markets

Through these efforts, we have clarified that there is room for improvement both in terms of the functions and system of the Board of Directors. We are considering specific measures to strengthen governance going forward.

Process of the FY2024 evaluation of the effectiveness of the Board of Directors

We conducted a highly systematic and objective evaluation of the effectiveness of the Board of Directors again in FY2024. The purpose of doing so is to make continuous improvements to strengthen the functions of the Board of Directors and to improve corporate value. This evaluation was carried out based on the following process with the support of a third-party organization.



Results of the FY2024 Evaluation of the Effectiveness of the Board of Directors

Points evaluated

The FY2024 effectiveness evaluation revealed that certain progress had been made in addressing the asymmetry of information between Internal and Outside Directors that was identified as an issue in the previous fiscal year. Specifically, the evaluation found that we had secured opportunities for communication between executive members and Outside Directors by using briefing other than Board of Directors' meetings. In addition, the evaluation recognized that we had improved the quality and quantity of information sharing through explanations on the state of progress on KPIs relating to business operations.

It was confirmed that through these efforts we had moved forward toward improving the effectiveness of the Board of Directors while setting up an environment in which Outside Directors can participate in discussions with an even deeper understanding of the issues.

Identified issues and future direction to address those issues

The FY2024 effectiveness evaluation found we had made progress in addressing issues. On the other hand, the following issues were identified as requiring further improvement.

- Stimulation of discussions relating to medium- to long-term strategies

It was pointed out that greater ingenuity is required in designing the agenda to further deepen strategic discussions from a medium- to long-term perspective in addition to addressing urgent management issues.

- Enhancing of discussions based on KPI progress

It was found that there is a need to further stimulate discussions by the Board of Directors about the state of progress and measures on KPIs relating to business management presented by the execution side.

Based on these issues, we will continue to review the agenda design and operation method of the Board of Directors to strive to enhance its functions as a forum for even more highly strategic and effective discussions.

Key Initiatives for FY2025

Based on the results of the evaluation in FY2024, we will work to address issues with a focus on the following areas in FY2025.

- Prioritize management issues and strengthen progress monitoring
- Carry out focused supervision of risk factors
- Carry out detailed analysis and stimulate discussions based on medium- to long-term KPIs
- Ensure ongoing opportunities for those in charge of execution to provide explanations

We have reflected these themes in the annual agenda schedule in cooperation with the Secretariat of the Board of Directors and the related departments on the execution side.

Message from an Outside Director

A committed partner in creating sustainable corporate value

I recognize Fuji Oil Group as a leading company in shaping a sustainable future for food, distinguished by its strong product development capabilities based on proprietary technologies and its sincere commitment to addressing social issues. At the same time, in an increasingly volatile global market, I believe it is becoming ever more important to further clarify strategic priorities in each business and to strengthen the autonomous and agile execution capabilities at each site. My career began in the field of production engineering in the automotive and industrial machinery components industry. Since then, I have been involved in business transformation and expansion in the Americas, promotion of cross-border M&A transactions and strategic alliances, and the planning and execution of company-wide revitalization initiatives. Drawing on these experiences, I hope to offer multifaceted insights to the Board of Directors not only from the standpoint of finance and governance, but also from a deep understanding of production engineering, manufacturing activities, and global management.

I am committed to supporting Fuji Oil Group's continued enhancement of corporate value, while also working to ensure that the talented individuals at each location can fully realize their potential with a strong sense of motivation and purpose.



Tetsuya Sogo
Independent | Outside
Director

Protecting the Rights of Minority Shareholders

We have appointed an Outside Director from the ITOCHU Group, a major shareholder. Nevertheless, our management decisions are not restricted by the ITOCHU Group. Furthermore, we have established a policy that places importance on protecting the rights of minority shareholders. Our Company and the ITOCHU Group hold discussions before entering into important transactions about their appropriateness. We only proceed with them after deliberation and approval by the Board of Directors. We review the status of those transactions at the end of each fiscal year and strive to prevent conflicts of interest.

Message from an Audit and Supervisory Committee member

Striving to further strengthen governance to improve corporate value

Protecting the interests of minority shareholders is an important issue for the Company. The Company has entered into business partnerships in multiple fields with ITOCHU Corporation, a major shareholder. I recognize that these partnerships are creating synergies by leveraging the strengths of both companies. On the other hand, careful consideration is essential from the perspective of protecting the interests of minority shareholders. The Board of Directors carefully examines the necessity and reasonableness of the through of important transactions with ITOCHU Corporation. The Audit and Supervisory Committee also confirms the fairness of those transactions. This process includes, for example, receiving detailed explanations from the execution side in relation to raw material procurement transactions.

I have worked as an attorney for many years specializing in fields in corporate law with a focus on corporate governance and M&A-related matters. I accept that shareholders and investors expect me to use that knowledge to contribute to enhancing the Company's governance. Going forward, I will continue to pay close attention to whether Directors are executing their duties appropriately. At the same time, I will work with the Internal Audit Division to strive to further enhance the governance system, including managing conflicts of interest between major and minority shareholders. In this way, I will do my best to improve the Company's corporate value in the medium- to long-term.



Hirohiko Ikeda
Independent | Outside
Director, Audit and Supervisory
Committee Member

Nomination and Compensation Advisory Committee

We established the discretionary Nomination and Compensation Advisory Committee as an advisory body to the Board of Directors. In response to inquiries from the Board of Directors, the Committee monitors and deliberates on the composition of the Board of Directors, the development and nomination of Director and Executive Officer candidates, matters on the Officer Remuneration System, and other matters. It then reports its findings to the Board of Directors. Based on the committee regulations, the Committee is comprised of not less than three and not more than six Directors appointed by a Board of Directors' resolution. We have stipulated that the majority of the Committee's members must be Independent Outside Directors from the perspective of ensuring objectivity and transparency in decision-making. In addition, an Independent Outside Director serves as the Chairperson of the Committee.

Matters for Consultation in FY2024

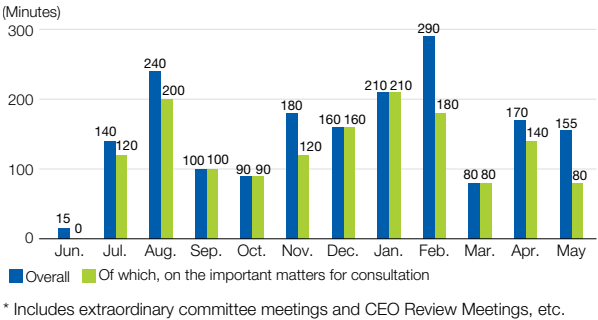
The matters for consultation by the Nomination and Compensation Advisory Committee are based on the basic matters to be deliberated as stipulated in the committee regulations. These matters are determined by the Board of Directors based on the important management issues for that fiscal year. In FY2024, in anticipation of the company integration in April 2025, we set a revision of the Officer Remuneration System and nominations for the new post-integration system as the most important matters for consultation. The Committee carefully and thoroughly deliberated on these issues having more meetings and spending a great amount of time than in a usual year on these issues.

Matters for consultation

- ▶ Revision of Director Remuneration System and Executive Officer Remuneration System
- ▶ Nominations for the new post-integration system (CEO reappointment review, CEO nomination and composition of the Board of Directors)
- CEO succession plan
- Nomination of Director and Executive Officer candidates
- Monitoring and advice on human resource development for Executive Officer candidates
- Officer performance-linked remuneration
- ▶ : Important matters for consultation

Message from the Chairperson of the Nomination and Remuneration Advisory Committee: P84

Time spent on deliberations



CEO Succession Program

The Committee has established and is operating two schemes as CEO succession programs: the CEO reappointment review and the CEO succession. These initiatives are intended to enhance transparency and objectivity in the decision-making on the appointment and continuation of the CEO. The purpose of this is to sustainably improve corporate value and to ensure management stability.

CEO reappointment review

We hold the CEO Review Meeting to evaluate whether the current CEO is appropriately fulfilling his/her roles and demonstrating leadership that contributes to maximizing corporate value in a normal business environment. With Independent Outside Directors serving as the meeting members, this meeting sees the participants objectively evaluate the validity of the current CEO continuing in the position in the next fiscal year. The CEO Review Meeting was held again in FY2024. The results of the deliberations from that meeting were reported to the Committee. The Committee conducted additional deliberations and a series of discussions on whether to replace the CEO. It then submitted a recommendation on the CEO nomination to the Board of Directors.

CEO succession

The CEO succession was previously led by the internally established CEO Succession Council with the Committee monitoring that process. However, as we transitioned to our next stage in FY2024, we switched to a system in which the Committee will play a leading role in the CEO succession. Under this new system, we have been working on a succession plan for the next CEO since directly after Tatsuji Omori, CEO, took up his post. We have once again clarified the appointment criteria and evaluation focus. Together with this, we are systematically selecting and evaluating candidates. Through this, we are aiming to strengthen preparations for our future management system and to ensure leadership succession for sustainable growth.

Director Remuneration

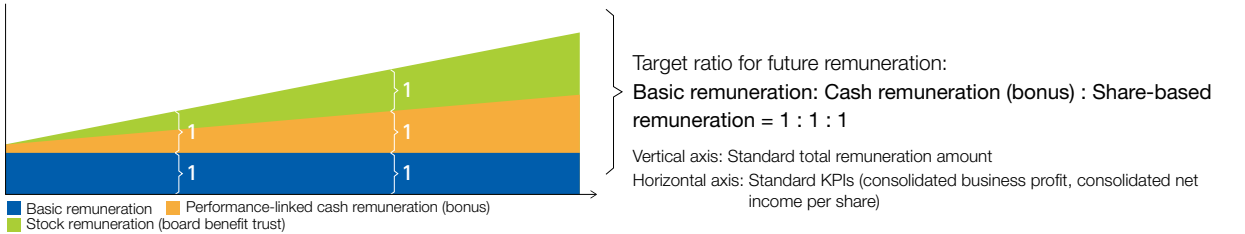
Revision of Director remuneration and basic policy

We have introduced a performance-linked remuneration plans for Directors (excluding Outside Directors). The purpose of these plans is to raise the awareness of Directors to contribute to improving the mid- to long-term performance and to increasing the corporate value. The plans aim to achieve this by further clarifying the linkage between the remuneration for Directors and the performance and stock price and by allowing Directors to share the benefits and risks from fluctuations in the stock price with the shareholders.

- <Basic Policy>
- Develop a remuneration structure to share value with shareholders and other stakeholders.
 - Establish a remuneration structure that raises awareness to improve mid- to long-term performance and to increase corporate value.

In line with the transition to a business holding company structure, we are revising the Director remuneration in FY 2025, and shifting to an incentive system that aims to clearly distinguish the roles and responsibilities required of Directors and Executive Officers respectively. The remuneration structure for Directors consists of basic remuneration (fixed remuneration), performance-linked cash remuneration (bonus), and performance-linked share-based remuneration (board benefit trust). The remuneration structure is designed so that ratio of performance-linked remuneration increases as performance and corporate value improves with a goal of each remuneration type being equally distributed between basic remuneration, remuneration (bonus), and share-based remuneration (board benefit trust) over time. In light of their roles and to ensure objectivity, remuneration to Outside Directors includes basic remuneration (fixed remuneration) only.

Design concept for Director remuneration (excluding Audit and Supervisory Committee Members)



Remuneration composition

The rates when those performance-linked coefficients are all 1.0 in the FY2025 target KPI are as below.

Position	Basic remuneration (fixed remuneration)	Performance-linked cash remuneration (bonus)	Performance-linked share-based remuneration (board benefit trust)
Director and President	48%	29%	23%
Directors	48%	29%	23%

Performance-linked Cash Remuneration (Bonus)

To further strengthen the linkage with shareholder value, KPIs have been introduced for performance-linked cash remuneration (bonus). By combining FUJI ROIC and engagement scores, the design aims to strike a balance between short-term performance and mid- to long-term enhancement of corporate value.

$$\text{Individual amount of payment} = \text{Basic amount of remuneration by position (i)} \times \text{Performance-linked coefficient (ii)}$$

(i) Basic amount of remuneration by position

Target KPI: Consolidated business profit target for FY2025 — ¥29.5 billion.

Note: Basic remuneration amount based on 100% achievement of the operating KPI.

Position	Basic remuneration (million yen)	Eligible Directors (persons)
Director and President	33.1	1
Directors	20.1	2

(ii) Performance-linked coefficient

<Performance-linked coefficient calculation method>

$$\left[\begin{array}{l} \text{1 Achievement rates of profit attributed to owners of parent} \times \text{weight (50\%)} \\ + \\ \text{2 Achievement rates of consolidated business profit} \times \text{weight (20\%)} \\ + \\ \text{3 Achievement rates of FUJI ROIC} \times \text{weight (20\%)} \\ + \\ \text{4 Achievement rates of employee engagement score} \times \text{weight (10\%)} \end{array} \right] \times 2.0$$

* Rounded up to the third decimal place

* The performance-linked coefficient ranges from a minimum of 0 to a maximum of 2.0.

■ Performance-linked Share-based Remuneration (Board Benefit Trust)

Individual payment points = $\frac{\text{Basic amount of remuneration by position (i)} \times \text{Performance-linked coefficient (ii)}}{\text{Price of shares in the Company acquired by the Trust (iii)}}$

(i) Basic amount of remuneration by position

Target KPI: EPS target for FY2025 — ¥191.92.

Note: Basic remuneration amount based on 100% achievement of the target KPI.

Position	Basic remuneration (million yen)	Eligible Directors (persons)
Director and President	27.2	1
Directors	16.5	2

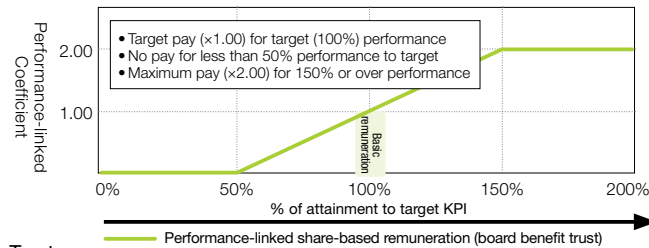
(ii) Performance-linked coefficient

<Performance-linked coefficient calculation method>

KPI achievement rate	Performance-linked coefficient
150% or over	2.0
50% or over but less than 150%	(Actual KPI ÷ Target KPI – 0.5) × 2.0 (Round up to the third decimal place)
Less than 50%	0

* In cases where consolidated ROE is 5% or less, the calculated number of points is reduced by 10% (reflected in the performance-linked coefficient) before being awarded.

<Image of payout curve in performance-linked coefficients>



(iii) Price of shares in the Company acquired by the Trust

For stock allocated to the Trust, the Board of Directors votes on the acquisition method, number of shares allocated, allocation price, and discloses at the same day.

Acquisition Method	Price of acquired shares	Position	Maximum number of points
Disposal of retained treasury stock	The final stock price of Company stock on the Tokyo Stock Exchange on the business day immediately prior to Board of Director's meeting convened to vote on third-party allocation related to this structure (allocation to stock trust).	Director and President	25.0
Stock exchange market (including after-hours trading)	The price of Company stock purchased from a stock exchange after a resolution by the Board of Directors concerning the acquisition of stock in relation to this structure.	Directors	12.5

(Thousand points)

* 1 point = 1 share

Furthermore, the stock price when calculating points allocated to individual Directors shall be calculated based on the average price of retained stock at the time of points allocation by the Trust.

KPI	Single-year consolidated EPS and ROE (Reason for selection: To raise awareness to improve mid- to long-term performance and to increase corporate value)
Overview of system	A trust established by the Company through contribution of money acquires shares in the Company. The number of shares in the Company equivalent to the number of points awarded by the Company to the Directors is then given to the Directors through the Trust. One share is given for each point awarded.
Eligibility period	In principle, upon retirement of the Director
Maximum amount of trust principal	Maximum amount: ¥200 million per fiscal year

Remuneration System for Directors who also serve as Audit and Supervisory Committee Members

In light of their roles and to ensure objectivity, remuneration to Directors who also serve as Audit and Supervisory Committee Members is comprised of basic remuneration only. Remuneration amounts are determined based on deliberation in the Audit and Supervisory Committee up to a maximum remuneration amount determined via a resolution by the General Meeting of Shareholders. Furthermore, we refer survey data by expert external institutions when determining remuneration levels for Directors who also serve as Audit and Supervisory Committee Members.

Reference: Remuneration Amounts for Directors in FY 2024

Position	Number of eligible recipients (persons)	Total amount by type of remuneration (million yen)				Total amount of remuneration (million yen)
		Basic remuneration	Cash remuneration (bonus)	Share-based remuneration (board benefit trust)	Business execution evaluation-linked monetary remuneration (individual bonus)	
Directors (excluding Outside Directors and Audit and Supervisory Committee Members)	5	96	0	0	4	101
Audit and Supervisory Committee Members (excluding Outside Directors)	2	25	—	—	—	25
Outside Directors	8	70	—	—	—	70
Total	15	192	0	0	4	197

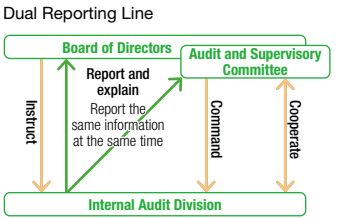
- (Notes) 1. The above amount includes remuneration for 4 Directors who stepped down from their positions upon the adjournment of the 96th Ordinary General Meeting of Shareholders held on June 27, 2024.
2. The total amount of remuneration of Directors excludes the portion of employee remuneration for directors who concurrently serve as employees.
3. At the 94th Ordinary General Meeting of Shareholders held on June 21, 2022, the amount of remuneration for Directors (excluding Audit and Supervisory Committee Members) determined to be no more than ¥600 million per year (of which, the amount of remuneration for Outside Directors was to be no more than ¥100 million per year). Meanwhile, the maximum amount of remuneration for Directors (excluding Directors who also serve as Audit and Supervisory Committee Members and Outside Directors) includes director bonuses and does not include the portion of employee remuneration. The number of Directors as of the conclusion of the 94th Ordinary General Meeting of Shareholders was nine (of whom, five were Outside Directors).
4. The above includes performance-linked cash remuneration (bonus) for the fiscal year.
5. We have introduced the performance-linked share-based remuneration (board benefit trust) for Directors (excluding Directors who are Audit and Supervisory Board members and Outside Directors) as a nonpecuniary remuneration. At the 94th Ordinary General Meeting of Shareholders held on June 21, 2022, the amount of contributions that can be made in the form of funds to acquire the Company's shares necessary for issuance to Directors eligible for performance-linked remuneration (board benefit trust) during the three-year period which can be extended within the five business year at the necessary time in accordance with the determination by the Board of Directors was determined to be no more than ¥600 million per year. The number of Directors (excluding Outside Directors, and Directors who also serve as Audit and Supervisory Committee Members) as of the conclusion of the 94th Ordinary General Meeting of Shareholders was four.
6. Amount of performance-linked remuneration (board benefit trust) explains the recording expense in the fiscal year under the performance-linked share-based remuneration determined at the 94th Ordinary General Meeting of Shareholders held on June 21, 2022.
7. At the 94th Ordinary General Meeting of Shareholders, the maximum amount of remuneration for Audit and Supervisory Committee Members was determined to be no more than ¥100 million per year. The number of Audit and Supervisory Committee members as of the conclusion of the 94th Ordinary General Meeting of Shareholders was three.

Audit and Supervisory Committee

We transitioned to being a company with an Audit and Supervisory Committee based on a resolution at the Ordinary General Meeting of Shareholders in June 2022. The Audit and Supervisory Committee is working on organizational audits through strengthened cooperation with the Internal Audit Division to contribute to improving trust from stakeholders and organizational performance.

Key Audit Themes in FY2024

Key Audit Themes	Major Auditing Activities Conducted
Confirmation of whether or not there are potential conflicts of interest between major and minority shareholders (starting in FY2023)	The Audit and Supervisory Committee confirmed that there are no conflicts of interest at the present time upon confirming the status of transactions with major shareholders (status of raw materials purchasing and product sales) by the Committee members holding interviews with those in charge of the Purchasing Department responsible for the practical business of raw materials procurement and those in charge of the Sales Department responsible for the practical business of sales.
Confirmation of the status of business management in major Group companies (in Japan and outside of Japan)	Conducted audits via interviews with the management teams of major Group companies. ① Visited overseas Group company sites (China) and held remote interviews (US etc.) ② Held interviews with management teams at major Group companies in Japan
Enhancement of three-way audits to strengthen cooperation with accounting auditors and the Internal Audit Division	Held the Three-way Audit Liaison Committee as a forum for the exchange of information and opinions to enhance cooperation between the three parties and to improve the quality and level of audits. Shared audit results and exchanged opinions, etc.
Active communication with Directors who do not also serve as Audit and Supervisory Committee Members	Held the Dialogues with Outside Directors Meeting with Outside Directors and the Audit and Supervisory Committee. Discussed how the Board of Directors should conduct deliberations from the perspective of improving its effectiveness.
Communication with accounting auditors	Exchanged opinions and held discussions on a regular and irregular basis ① Held quarterly meetings to share input on audit-related themes ② Held meetings for the accounting auditor to report the status of audits on quarterly financial results (included an exchange of opinions about major matters to consider when conducting audits) ③ Discussed other important topics related to auditing
Cooperation with the Internal Audit Division	Worked to build an organizational audit system through cooperation with the Internal Audit Division. ① Jointly developed an annual audit plan and gave a joint explanation of the plan to the Board of Directors ② The Head of the Internal Audit Division attended monthly meetings of the Audit and Supervisory Committee and reported on the status of the activities by the Internal Audit Division ③ Strengthened cooperation through the dual reporting line



Evaluation of Effectiveness of the Audit and Supervisory Committee

In addition to evaluating the activities of the Audit and Supervisory Committee in the evaluation of the effectiveness of the Board of Directors, the Audit and Supervisory Committee also conducts a self-check to evaluate its effectiveness. With this, it aims to confirm and improve the effectiveness of audits. The Committee set 57 check items in 16 categories before conducting the evaluation. It then conducted the evaluation on a five-point scale for each item.

● Points evaluated

The comprehensive evaluation revealed that the audits by the Audit and Supervisory Committee are functioning properly and that their effectiveness is being appropriately ensured. In FY2024, we held the Dialogue with Outside Directors Meeting. The basic members of this meeting are the Outside Directors and the Audit and Supervisory Committee. The Audit and Supervisory Committee and the Outside Directors exchanged opinions and discussed matters while incorporating information and recommendations obtained from the Outside Directors. This contributed to enhancing deliberations by the Board of Directors and improving the effectiveness of audits. This initiative was also praised in the evaluation of the effectiveness of Directors. Accordingly, we plan to continue this meeting in the future.

● Issues identified and future direction to address those issues

To further improve the effectiveness of our whistleblowing system, we acknowledged it would be desirable to not only make reports to the Audit and Supervisory Committee in accordance with the system, but to also periodically share within the Committee an overview of the system's operation and to engage in monitoring activities. We plan to implement these improvements from FY2025. The staff of the Audit and Supervisory Committee consists of two members from the Internal Audit Department. These members concurrently serve primarily in supporting the Audit and Supervisory Committee Members in their administrative work. However, as the activities undertaken by the Audit and Supervisory Committee expand, we have determined it would be desirable to assign staff members with expertise in the field of auditing in the future. We plan to work on implementing this change in line with the status of activities.

Activity Plan for FY2025

In addition to its primary duties such as monitoring the execution of duties by Directors and the decision-making process for nominating and remunerating Directors, the Audit and Supervisory Committee will focus on the following four items in FY2025.

Key Auditing Items	Main Activities Planned
Confirm whether any disadvantages have arisen due to conflicts of interest between major and minority shareholders	Interview those in charge of the relevant internal departments and execution directly involved in transactions to purchase raw materials from ITOCHU Corporation, a major shareholder, and sell products to it. Share the findings with the Board of Directors and make recommendations as necessary.
Work to improve the effectiveness of the Board of Directors and governance	Clarify and confirm the appropriateness of the content of monitoring and the methods and frequency for that following the transition to a business holding company structure. Hold the Dialogue with Outside Directors Meeting and share the results.
Confirm the status of the implementation of the current fiscal year plan and the Mid-term Management Plan	Confirm whether the deliberations by the Board of Directors are effective in terms of implementing policies and whether our Group's management system (business management and risk management, etc.) is being strengthened.
Confirmation of the status of business management in major Group companies (in Japan and outside of Japan)	While ensuring consistency with the Internal Audit Division's annual audit plan, the Audit and Supervisory Committee will conduct on-site audits of operating bases which it judges to be important and requiring priority audits for the Group's business management.

Message from an Audit and Supervisory Committee Member

Aiming for Audit and Supervisory Committee activities adapted to changes in the business environment

In FY2024, the Audit and Supervisory Committee held the Dialogue with Outside Directors Meeting as a new initiative. The core members of this meeting are the Outside Directors and the Audit and Supervisory Committee Members. The purpose of this initiative was to respond to the results of the evaluation of the effectiveness of Directors in FY2023 by further stimulating communication between Directors who do not also serve as Audit and Supervisory Committee Members and the Audit and Supervisory Committee and thereby enhance the effectiveness of deliberations by the Board of Directors. The initiative was also praised in the effectiveness evaluation in FY2024. Therefore, we plan to continue it in the future while refining it.

It is expected that the environment surrounding business will increasingly fluctuate violently in the future in terms of climate change, raw material price and exchange rate fluctuations, and geopolitical impacts. To withstand these adversities, it is necessary to strengthen governance and internal controls to make timely and appropriate management decisions. FUJI OIL CO., LTD., which we launched as a business holding company in FY2025, will focus its audits on these enhancements that serve as the important foundation to further promote integration and to achieve the Mid-term Management Plan.



Yusuke Togawa
Director, Full-time Audit and Supervisory Committee Member

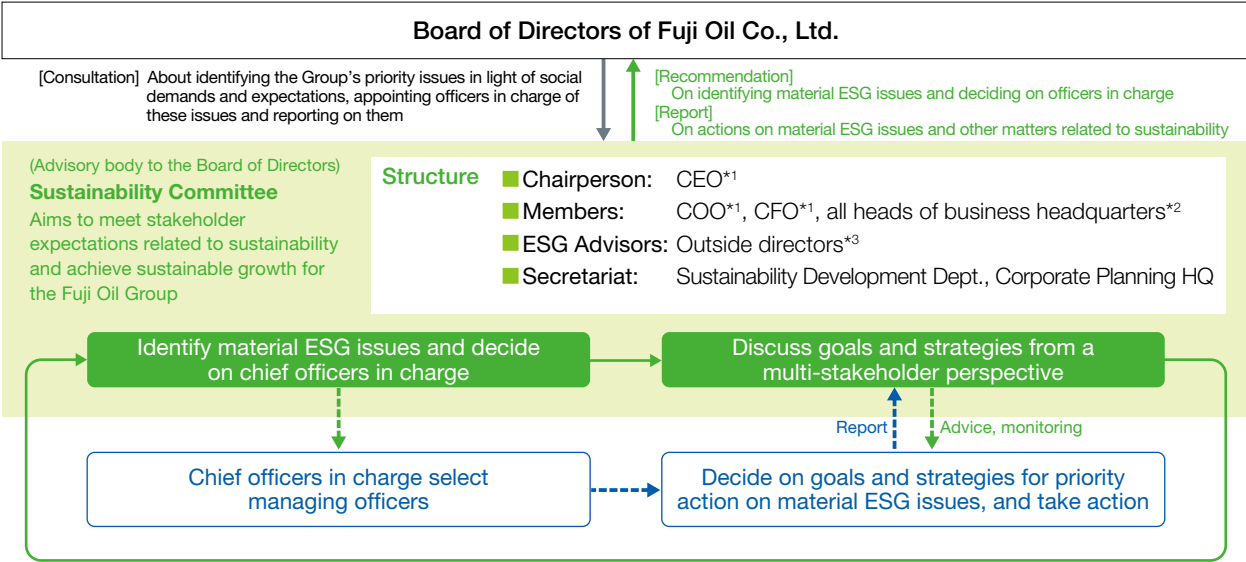
Sustainability Committee

Our Group has established the Sustainability Committee as an advisory body to the Board of Directors to monitor the risks and opportunities related to sustainability. The Board of Directors receives recommendations, and provides guidance, approval, and monitor, and decides on the direction of the Group over the medium to long term.

Based on our Sustainability Committee Rules, the committee meets at least twice a year to identify the material ESG issues from the medium- to long-term perspective of environmental and social sustainability and our sustainable corporate management. It also deliberates on and monitors the goals and strategies of material ESG issues from a multi-stakeholder perspective, and makes recommendations to the Board of Directors. Moreover, the committee is responsible for receiving progress and performance reports on priority actions for each material issue, and providing advice and monitoring progress.

The committee is chaired by the President and CEO, and is composed of the COO, CFO, the heads of each business headquarters and functional divisions, and the ESG Advisors (outside directors). It facilitates coordination between our management strategies and material ESG issues, incorporates outside perspectives, and conducts deliberations from a medium- to long-term perspective.

The function of the Sustainability Committee (FY2025)



*1 Concurrent Directorship
*2 Head of Corporate Planning HQ, Head of Finance and Accounting HQ and Human Resources & Administration HQ, Head of Safety, Quality and Production Technology HQ, Head of R&D HQ, Head of Oils & Fats Business HQ, Head of Chocolate Business HQ, Head of Emulsified & Fermented Ingredients Business HQ, Head of Soy Ingredients Business HQ
*3 Rie Nakagawa, Yasuhiro Tani

Sustainability Committee: Matters deliberated in FY2024

Date of meeting	Matters for deliberation	Example discussions in recommendations and reports to the Board of Directors
First April 2024	● Review FY2023 results of ESG initiatives ● Decide FY2024 ESG action plans	How to evaluate progress on material ESG issues in light of social conditions
Second October 2024	● Review progress on first half of FY2024 ESG initiatives and identify challenges to overcome ● Mandatory disclosure of sustainability-related information	Consistently engage with material ESG issues and DE&I programs and other initiatives across the company after transitioning to an operating holding company structure
Third December 2024	● Determine FY2025 material ESG issues and chief officers in charge	Political power shift in the United States and global trends in sustainability disclosure

Message from an Audit and Supervisory Committee Member

Six forms of capital: financial, manufacturing, intellectual, human, social and relationship, and natural

We must not hesitate to emit CO₂. Labor is a cost. Demanding that we take responsibility even for tropical deforestation in raw material-producing countries is an abuse of causal theory. These are the kind of things that many business leaders muttered to themselves until very recently. They do so as faithful adherents of Milton Friedman's agency theory that states the social responsibility of business is to increase its profits.

However, the situation has now changed completely. The waves of CSR, SDGs and ESG over the past 30 years have reshaped the corporate perspective from a singular focus on financial capital to the coexistence of six forms of capital. We have now entered an era when the success or failure of business is determined by how sustainability information is disclosed.

That is why the Company's Sustainability Committee is enthusiastically and sincerely exploring ways to reduce CO₂ emissions, develop human resources, and pave the way for the sustainable procurement of palm oil, cocoa and soybeans.

I attend meetings of the Committee. Together with the chief officers responsible for solving these issues, I will strive to further create corporate value for the Fuji Oil Group by maintaining and growing non-financial forms of capital. This is also nothing but meeting the expectations of the shareholders and investors who provide the financial capital.



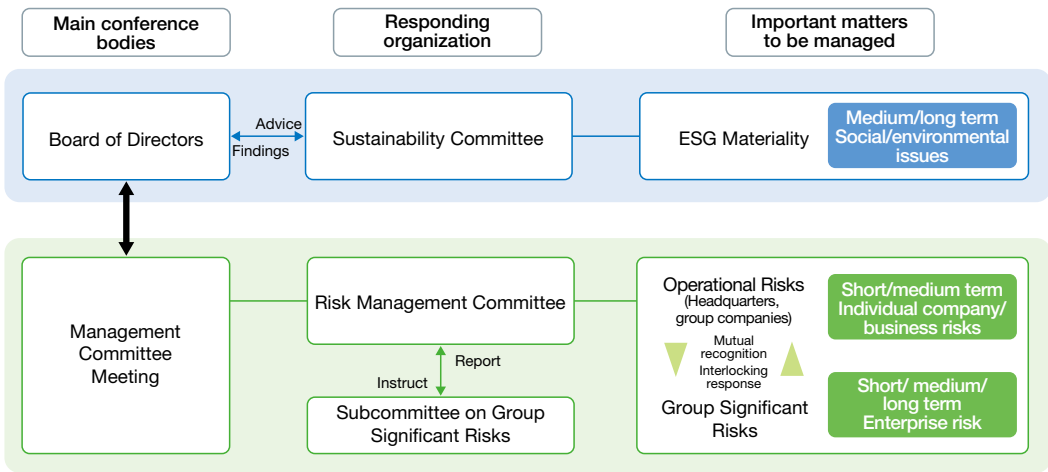
Yasuhiro Tani
Independent / Outside
Audit and Supervisory Committee Member (ESG Advisor to the Sustainability Committee)

Risk Management

The Fuji Oil Group operates its four main businesses* in Japan, Europe and Americas, and Asia. As such, our Group value chain is subject to various latent risks, including being impacted by social issues and changes in the economic environment. Our Group positions the FUJI OIL CO., LTD. Management Committee as the body responsible for group-wide risk management. We use information sources that reflect the environment influencing Group operations to make a comprehensive analysis of factors such as the potential degree of impact on operations, the probability of occurrence, and the timing of manifestation. Based on this analysis, we identify group significant risks and then propose and implement response measures. We then confirm progress, evaluate efficacy of each Group company, and promote their improvements to these measures under the leadership of the headquarters. Furthermore, under the supervision of the Board of Directors of FUJI OIL CO., LTD., we are building a corporate risk management system to manage risks.

* Four businesses: Vegetable Oils and Fats, Industrial Chocolate, Emulsified and Fermented Ingredients, and Soy-based Ingredients

Fuji Oil Group Risk Management Structure



Fuji Oil Group Significant Risks Management Process

Identifying Group significant risks

FUJI OIL CO., LTD., the headquarters, works to comprehensively ascertain risks, including Group strategy risks, financial risks, and ESG materiality under the Group's risk management system. The Subcommittee on Group significant risks evaluates and discusses these risks, and the Risk Management Committee deliberates them, after which the FUJI OIL CO., LTD. Management Committee (the Group risk management body) identifies significant risks that should be recognized and addressed on the Group level. The Management Committee further issues a report to the Board of Directors, which serves as the risk monitoring body. Additionally, to respond to the unique risks of each Group company as a unified Fuji Oil Group, the Risk Management Committee of each company takes the lead on conducting risk assessments to create risk maps, which are then used to identify operational risks specific to each company under the leadership of the headquarters.

Responding to and monitoring Group significant risks

FUJI OIL CO., LTD., the headquarters, designate supervising headquarters/departments, and outline response measures for identified Group significant risks. To confirm the status of response measure implementation as well as the reevaluation and selection of Group significant risks by the supervising headquarters/departments in charge of risk management, supervisors for Group significant risks issue regular reports to be confirmed by the Board of Directors, which serves as the monitoring body. To promote risk mitigation, the status of progress for issues related to each of the 12 Group significant risks identified in FY2024 were discussed at Subcommittee on Group Significant risks, and the results of these meetings were reported as necessary to the Management Committee, the Group risk management body. After the status of progress for response measures is issued to the Management Committee, the supervisors of Group significant risk will issue reports to the Board of Directors. Furthermore, the Board is planning to confirm the causes of manifested risks and the appropriateness and timeliness of response measures.

Fuji Oil Group Significant Risks

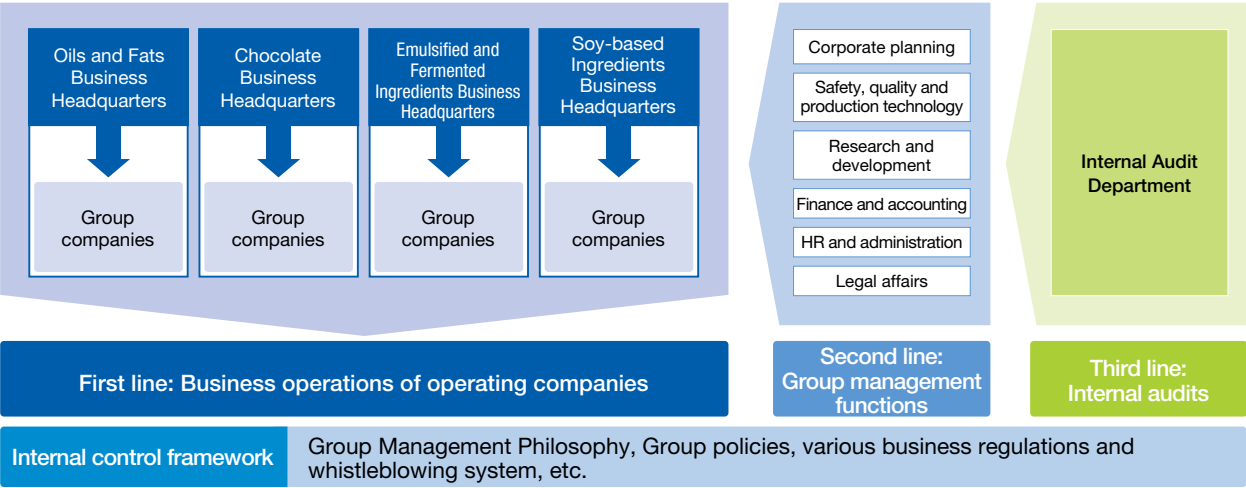
Our Group identified the following significant risks that could have a significant impact on investor judgments and as requiring management. FUJI OIL CO., LTD., the headquarters, has designated a risk response supervising headquarters/departments for each risk, and has formulated response policies. Please note that statements regarding future matters are determined to be reasonable by the Company based on information available as of March 31, 2025.

Risk Category	Group Significant Risk	Direction of Risk Response	Supervising Headquarters / Departments	Correlation to ESG Materiality
Group management	Risk of significant deviations from business plans due to rapid changes in the business environment (raw material prices, financial markets, geopolitics, etc.) due to insufficient functioning of governance.	To maintain and grow the corporate value of our Group, we will strengthen Group governance by promoting the following: <ul style="list-style-type: none">Promote awareness and reinforce the Group governance structure and rulesConduct thorough preliminary evaluation of investment projects and post-investment reviews (monitor asset efficiency)Provide education to human resources responsible for management of Group companies	CEO/ Corporate Planning	—
Business transformation/reform	Risk that Group profitability could decline due to the inability to provide high added value in existing areas in response to changes in the market environment, or delays in new business creation	<ul style="list-style-type: none">Build a system to enable the promotion of product development and business strategies that accurately capture market trendsReevaluate business portfolio based on assumption of future business environment changes, overall optimization of production bases	COO/ 4 Businesses*, Domestic Market Management	Food Safety and Health
	Risk of delays in the development of competitive products and technologies that respond to changes in market needs and lead to new businesses, which could result in a decline in Group growth potential	<ul style="list-style-type: none">Promote new core technology and product development based on needsStrengthen competitive advantage through accelerating horizontal deployment of R&D technology and developing human resources	CEO/ Research and Development	Environmentally Responsible MONOZUKURI
	Risk that the Group's competitive advantage could decline due to reliance on individualized business processes caused by delays in digitalization or a failure to make appropriate data-driven management decisions	<ul style="list-style-type: none">Adopt an ERP package to build a global integrated management platformImprove global business management using operational data gained from ERP	CFO/ Finance and Accounting	—
Finance and tax	Risk of drastic fluctuations in financial markets (exchange rates, interest rates) (non-operating valuation losses) Risk of higher-than-expected tax burden due to international taxation and divergence of opinions with authorities	<ul style="list-style-type: none">Use hedging methods such as foreign exchange contracts and diversified hedging based on specified rulesAdjust long-short debt balance based on interest rate trendsBuild a management structure for international tax risk avoidance and appropriate payment of taxes	CFO/ Finance and Accounting	—
Disasters, accidents, and infection diseases	Risk of death or injury to employees or damage to the Company or supply chain that results in a suspension of factory operations and product supply due to disasters, accidents, infectious diseases, etc.	<ul style="list-style-type: none">Develop a BCP that incorporates a mutually complementary system within the Group to prepare for the occurrence of natural disastersDevelop a response manual in the event of a crisis, risk transfer through insurancePermeate risk prediction activities on Group level and further strengthen management activities at Group companies with a high risk of accidents	CEO/ Safety, Quality and Production Technology	Human Capital and Occupational Safety
Geopolitical risks in regions related to operations	Risk of business activities being restricted due to the outbreak of war or conflict, economic security issues, political, economic, or social turmoil resulting in a temporary suspension of business or supply chain disruption	<ul style="list-style-type: none">Have Fuji Oil Headquarters take a lead role in risk assessment, response measure development, and the reevaluation of business portfoliosPromote risk management PDCA activities by Group companies	CEO/ Corporate Planning	—
	Risk of death or injury to employees due to war, terrorism, riots, kidnapping, strikes, etc.	<ul style="list-style-type: none">Gather information on Group company locations and strengthen overseas safety education for employees	CFO/ HR and Administration	—
Food safety	Risk of health damage, major losses, and loss of market and customer trust due to serious safety or quality issues	<ul style="list-style-type: none">Adopt global quality control standards and outline safety standards and promote thisEstablish a safe and secure production site where quality issues do not occurEstablish a system for providing global technical supportEstablish procedures for initial response in the event of a violation, establish a global support structure, and use insurance to mitigate risks	CEO/ Safety, Quality and Production Technology	Food Safety and Health
Environment	Risk that business activities could be restricted or that the Group could suffer a loss of social trust due to insufficient or delayed responses to environmental issues	<ul style="list-style-type: none">Promote activities to reduce environmental impacts in order to achieve the internal environmental numerical targets (Environmental Vision 2030/2050)	CEO/ Safety, Quality and Production Technology	Environmentally Responsible MONOZUKURI Sustainable Procurement
		<ul style="list-style-type: none">Promote climate change response and information disclosure through scenario analysis based on TCFD recommendations	CEO/ Corporate Planning	
		<ul style="list-style-type: none">Promote biodiversity measures and information disclosure based on the TNFD approach	CEO/ Research and Development	
		<ul style="list-style-type: none">Reduce food loss and practice upcycling	CEO/ Research and Development	
Human rights	Risk that business activities could be restricted or that the Group could suffer a loss of social trust due to insufficient or delayed responses to human rights issues	<ul style="list-style-type: none">Promote human rights accountability based on the Fuji Oil Group Human Rights Policy (formulated in 2017) in accordance with the United Nations Guiding Principles on Business and Human RightsConduct human rights due diligence, strengthen efforts to resolve issues based on the results, conduct appropriate information disclosureFormulate and promote human rights guidelines that take into consideration various social issues related to human rights issues for Group employees	CFO/ HR and Administration	Human Capital and Occupational Safety
Raw material prices	Risk of damage to profits due to cost increases for main raw material caused by market fluctuations	<ul style="list-style-type: none">Build a Group management structure for raw material balance, including mutual complementing (accommodation) between sitesManage hedge transactions appropriately based on Group policies regarding raw material purchasing and hedging	COO/ 4 Businesses*, Domestic Market Management	—
Supply chain	Risk of disruption to securing key raw materials (palm, cacao, shea, soybeans, etc.) due to climate change, environmental and human rights issues that occur along the supply chain	<ul style="list-style-type: none">Maintain collaborative relationships with suppliers, industry partners, and NGOs, and strengthen supply sources by promoting in-house programsPrevent and reduce environmental and human rights risks along the supply chain by establishing sourcing policiesCooperate with customers, suppliers, and industry organizations to comply with laws and regulations	COO/ 4 Businesses*, Domestic Market Management	Human Capital and Occupational Safety Sustainable Procurement
	Risk that it could be difficult to procure raw materials or the use of existing manufacturing methods could be restricted due to reduced production volume, changes in regulations and social trends in each country, thus making it impossible to supply products desired by markets and customers	<ul style="list-style-type: none">Research into alternative raw materialsProvide alternative raw materialsResearch environmentally friendly products and technologies	CEO/ Research and Development	Food Safety and Health Environmentally Responsible MONOZUKURI
Legal and compliance	Risk of violation of laws and regulations in each country	<ul style="list-style-type: none">Strengthen the global management structure of the Legal Affairs DivisionEnsure thorough compliance management on a company-wide level	CFO/ Legal	Fair Business Conduct
Information/security	Risk of information leaks or damage due to insufficient IT governance/security	<ul style="list-style-type: none">Strengthen information security measures by bringing in external expertsProvide education and awareness activities to improve information management awarenessSecure advanced IT security personnel (internal and external)	CFO/ Finance and Accounting	Information Security
Securing and developing human resources	Risks that could hinder business continuity due to the occurrence of the following: <ul style="list-style-type: none">Lack of human resources to support the global management structureLack of innovative human resources capable of adapting to diverse perspectivesDifficulty securing personnel necessary for plant operations	<ul style="list-style-type: none">Create global human resource development and utilization programsPromote DE&I and utilize senior human resourcesCreate an environment for securing human resources for the plants of each Group company	CFO/ HR and Administration	Human Capital and Occupational Safety

* 4 Businesses: Vegetable Oils and Fats, Industrial Chocolate, Emulsified and Fermented Ingredients, and Soy-based Ingredients

Group Governance

Group Governance System



In April 2025, FUJI OIL CO., LTD. transitioned to being a business holding company and established a new governance system to oversee domestic and overseas Group companies. This system is comprised of the following three lines.

First line	Takes responsibility for decision-making and business management based on the on-site realities of affiliated Group companies and promotes business-focused operations
Second line	Supports and supervises the appropriate operation of Group companies and formulates and promotes frameworks and policies for risk management and management decisions
Third line	Evaluates and audits business operations and oversight status from a standpoint independent of the first and second lines to ensure soundness of governance

Furthermore, we are looking to instill the Fuji Oil Group Management Philosophy as our internal control framework. Through this, we ensure that officers and employees share the same values and use the philosophy as the priority basis for their decisions and actions. In line with the structural changes, we have reviewed major group regulations, including the Regulations on Approval Authority, Regulations on the Division of Duties, Regulations on Risk Management, and Regulations on Group Management. With this review, we have been working to improve the control and efficiency of organizational operations and to strengthen risk management.

Internal Audits

The Internal Audit Department audits the appropriateness of operations by our Company and our Group's companies based on the Internal Audit Regulations. Together with this, the Department audits the status of the establishment and operation of internal control systems and processes, including internal controls on financial reporting. We integrated our overseas and domestic Internal Audit Departments with the transition to a business holding company structure. We have begun operations aimed at improving efficiency.

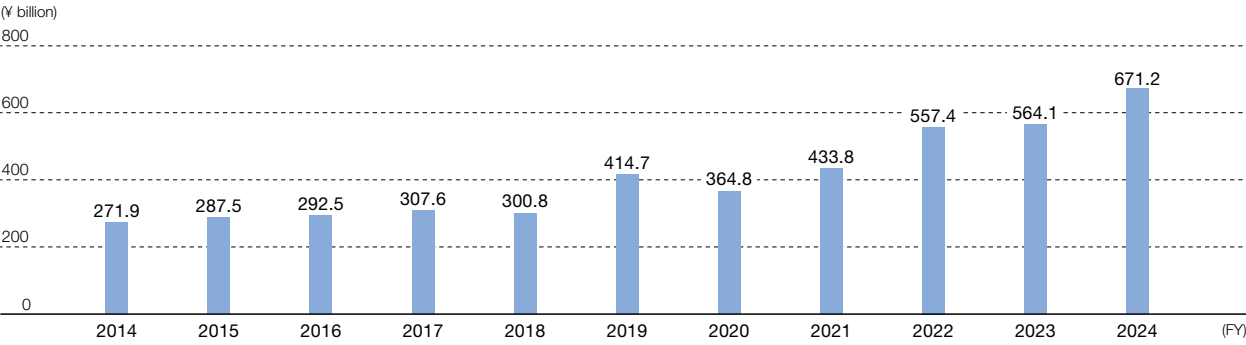
FY2024 Record

Internal audit record	<ul style="list-style-type: none">Conducted business audits of three Group companies in China and three departments in JapanEvaluated company-wide internal controls related to financial reporting for a total of 20 companies (our Company and 19 consolidated subsidiaries) and evaluated the internal controls related to business processes for five consolidated subsidiaries
Internal audit results	<ul style="list-style-type: none">Reported to the Board of Directors, Management Committee Meeting, Audit and Supervisory Committee, and departments in charge of Group internal control functions (ESG departments, compliance departments, accounting departments, safety, quality and environment departments, etc.) and promoted improvements to internal control systems by directly raising issues and making proposals to address those issuesStrengthened mutual cooperation with the accounting auditor KPMG AZSA LLC and the Audit and Supervisory Committee Members
Internal Audit Department system (as of April 2025)	<ul style="list-style-type: none">Department members: 7Encouraged department members to obtain international qualifications related to auditing and accounting with the aim of increasing the sophistication of audits (one CIA and one CFE) <p>* CIA: Certified Internal Auditor / CFE: Certified Fraud Examiner</p>

Data Highlights

[Financial Highlights](https://www.fujioil.co.jp/en/ir/finance/highlight/)
[Principal Financial Indicators](https://www.fujioil.co.jp/en/ir/finance/chart/)

Net Sales (J-GAAP)

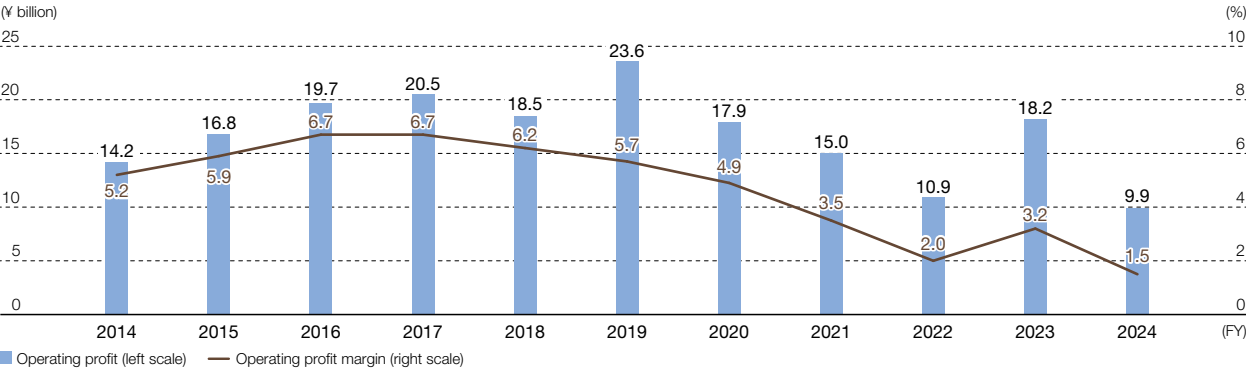


The Company's net sales are affected by fluctuations in the prices of raw materials such as palm oil, shifts in sales volume, the establishment of new plants and capital investment, and changes in the number of subsidiaries due to M&A and other factors.

Notable Past Events

- FY2020: Net sales declined in the wake of COVID-19 and its resulting impact on the diminished sales volume of industrial chocolates and other products.
- FY2021: Net sales improved significantly due to a recovery in demand from the effects of COVID-19 and the impact of sales price revisions in response to higher prices of raw materials.
- FY2022: Net sales increased significantly due to the full-year operation of Fuji Oil New Orleans, LLC, as well as to the impact of continued sales price revisions in response to the sharp rise in raw material prices that has persisted since the previous fiscal year.
- FY2023: Net sales increased despite the sale of the fixed assets of Fuji Oil New Orleans, due to higher raw material prices and yen depreciation.
- FY2024: Net sales increased due to the growth in sales of vegetable fats for chocolate(CBE), amid soaring cocoa prices, rising raw material prices, and yen depreciation.

Operating Profit / Operating Profit Margin (J-GAAP)



The Company's operating profit is affected by sharp rebounds in the prices of raw materials such as palm oil, changes in sales volume, increases in fixed costs arising from capital expenditures and other factors, and the incurrence of special expenses such as acquisition costs.

Notable Past Events

- FY2020: Profit declined due to reduced sales volumes across all businesses amid the impact of COVID-19.
- FY2021: Profit declined due to lower profitability stemming from the increase in raw material prices as well as higher fixed costs associated with new plant operations and inflation.
- FY2022: Operating profit decreased due to lower profitability caused by the continued sharp rise in raw material prices from the previous fiscal year as well as cocoa processing facility problems at Blommer and higher fixed costs due to inflation.
- FY2023: Profit increased on improved profitability for the Vegetable Oils and Fats business.
- FY2024: Profit decreased due to an increase in cocoa-related special factors at Blommer, despite higher sales of vegetable fats for chocolate (CBE) and compound chocolate.

ROE / ROA / ROIC (J-GAAP)

