



 **FUJI OIL CO., LTD.**

Integrated Report
FUJI OIL GROUP

2025





Solve Issues Facing People and the Earth and Achieve a Sustainable Future for Food



Use technological capabilities to solve issues facing people and the Earth and pioneer a sustainable future for food. That is the Fuji Oil Group's role.

Climate change, geopolitical risks, and resource depletion—Today, global food is facing unprecedented challenges. We are closely approaching age in which the foods we eat as a matter of fact may no longer be so readily available. However, viewing this as an opportunity to address this issue by contributing in a way that only our Group can, we continue to take on this challenge. Addressing insufficient food resources, reducing environmental impact, extending healthy lifespans, and a responsibility to lead a world for future generations to inherit. Embracing this mission, since our founding we have worked to refine our technology and create new ingredients to expand the possibilities of food. In these rapidly changing times, we will address food-related issues and create sustainable food to provide a future where everyone can enjoy food with peace of mind.

Ensuring prosperous, healthy lives for all.
The Fuji Oil Group will contribute to a sustainable future for food.



Q1

What are the new president's policies? How are things different from before?

In April 2025, Omori was appointed as President and CEO of the newly established FUJI OIL CO., LTD. We will use our transformation into a business holding company structure as an opportunity to reaffirm our mindset as a manufacturer and apply a manufacturing spirit to contribute to solving the issues facing our customers and society. As our highest priority issue, we will work to rebuild Blommer for growth.

CEO Message P4



Change Generated by the New Fuji Oil

Q2

One of the company's strengths is sustainable procurement but how is that contributing to corporate growth?

In Europe and other global markets, the need for products that take into consideration the global environment and human rights is growing annually. The Fuji Oil Group's policy for Vegetable Oils and Fats business is to strengthen its high-quality, sustainable supply chain. The efforts to procure sustainable raw materials not only enable us to fulfill our social responsibility, they are also an important driver of business growth by helping us gain the trust of our customers and create new market opportunities.

Vegetable Oils and Fats Business P40

Special Feature: Growth Strategy Driven by Building a Supply Chain P44



Q3

Fuji Oil ROE and ROIC levels are low. Can the company improve them?

FY2024 saw working capital increase due to soaring cocoa prices, which resulted in a decline in capital efficiency. In the new Mid-Term Management Plan starting from FY2025, we will use a cycle of business profit growth and the resulting increase in cash generated to aim for an ROE of over 10.0% and a FUJI ROIC of over 6.0% in FY2027. We will promote initiatives to improve asset efficiency.

CFO Message P58

Financial Strategy P59



Q4

What is the progress of the structural reforms at Blommer (Industrial Chocolate business)?

We made steady progress on the structural reforms announced in March 2024. However, profit declined as related expenses increased due to special factors at Blommer attributable to soaring cocoa prices from the beginning of 2024. We are working to restore basic profitability by optimizing the volume of cocoa we handle, and to reform our portfolio, with a particular focus on compound products.

Blommer P38

What are these vegetable fats for chocolate (CBE) and compound chocolate that have been garnering attention?

The 2024 cocoa supply shortage triggered increased demand for vegetable fats for chocolate, which are substitutes for cocoa butter, and compound chocolate, which is made using vegetable fats for chocolate. We are leveraging the strengths of the Fuji Oil Group to promote a growth strategy centered on both Vegetable Oils and Fats business and Industrial Chocolate business.

Special Feature: Vegetable Fats for Chocolate (CBE) P42

Special Feature: Compound Chocolate P48



Q5

April 2025

The Birth of a New Fuji Oil



Tatsuji Omori

Representative Director, President and Chief Executive Officer (CEO)

Joined company in 1983. After gaining experience in sales, in 2004 Omori went to serve as Managing Director of SHANDONG LONGTENG FUJI FOODSTUFFS CO., LTD., a provider of soy protein food products. After returning to Japan, Omori served in various positions at the former FUJI OIL CO., LTD., including as General Manager of Sales Division 2 and General Manager of Emulsified and Fermented Ingredients Business, before assuming the role of Representative Director and President in 2017. In April 2025, Omori was appointed as President of the newly established FUJI OIL CO., LTD.

In April 2025, Fuji Oil Holdings Inc. and FUJI OIL CO., LTD. merged to begin its journey as the new FUJI OIL CO., LTD.

This merger represents a critical shift for the company to more powerfully promote its global strategy in a rapidly changing business environment. Unified management for the entire Group, including sites outside of Japan, will be the key to future growth.

The new Fuji Oil will conduct the centralized management of personnel and other management resources to ensure optimal resource allocation and enable rapid and flexible responses to management issues. Additionally, we will accelerate the shift to a highly profitable business portfolio and strive for sustainable growth.

Using problem solution as a driving force to propel the Fuji Oil Group towards new growth

“We will rapidly implement PDCA and accelerate the speed of decision-making.”

These are the words I conveyed to Group employees upon assuming the role of president. I believe that a company capable of achieving growth is one that can rapidly engage in a cycle of visually outlining its current challenges, planning and implementing countermeasures, confirming the results of those actions, and linking those results to future improvements. Based on this belief, as the head of Fuji Oil operations in Japan since 2017, I have promoted strengthening core product groups and taking on the challenge of pursuing new markets and adopting new sales methods. Those efforts produced a certain level of success as we were able to greatly improve performance in Japan. That success was due to all employees in Japan working to implement PDCA, and I am incredibly grateful for everyone’s efforts.

The Fuji Oil Group is a corporation that is capable of contributing to solving the problems facing people and the Earth through our plant-based ingredients. The role we must fulfill in society will only grow moving forward. That is why I am committed to applying methods unique to Fuji Oil to rehabilitate Blommer, which has continued to struggle with performance, and develop it into a new business pillar that drives Group performance in the future.

Our highest priority issue: Rehabilitating Blommer

Blommer, which we acquired in 2019, has continued to record poor performance due to plant deterioration and the impact of COVID-19. To overcome those challenges, in 2024 we announced structural reforms. While measures were progressing as anticipated, the company soon faced a new problem from the beginning of the year: soaring cocoa prices. This had a significant impact on FY2024 performance. I attribute the root cause of this poor performance to the vulnerabilities in governance at Blommer. I believe that not being able to respond flexibly to operating environment changes or rapidly implement PDCA based on performance causal analysis gave way to

a negative cycle that led to delays in their responses. We will improve this situation by strengthening governance at Blommer. In addition to adopting an integrated ERP system, we dispatched additional staff from Japan to rapidly assess the situation and promote measures.

In FY2024, Industrial Chocolate business recorded significant losses based on operating losses of 30.5 billion yen due to cocoa special factors at Blommer. Improving performance at Blommer is an urgent issue for the entire Fuji Oil Group, and we are highly committed to the rehabilitation of Blommer. We will engage in reforms with an unwavering commitment.

Fuji Oil thrives on being an innovator and blazing pioneer

The Fuji Oil Group boasts a top share in Japan and the world's top 3 share for vegetable fats for chocolate (CBE). We are also highly competitive in fields such as compound chocolate and industrial whipping cream. At the foundation of this success are the oil and fat technologies we have cultivated since our founding.

Since our founding in 1950, we have achieved growth centered on oils and fats. In a time when raw materials were allocated by the government, as a secondary manufacturer we were unable to secure sufficient raw materials. Amid such restrictions, after a journey of trial and error, we eventually focused on coconut oil being cultivated in Southeast Asia. As the first company in Japan to establish technology for extracting oil from coconuts, the shift to oil and fat products using tropical oils and fats as raw materials represents the start of our history as a pioneer.

Later, we use oils and fats as a foundation for expanding into other business fields, including chocolate, whipping cream, and margarine. We also developed new technologies and built them into revenue pillars. Our innovations include soluble soy polysaccharides, which are made from the dietary fiber in soybeans, and Ultra Soy Separation (USS), the world's first technology for separating soy beans into soy cream and low-fat soy milk. Soluble soy polysaccharides in particular represent our success in pioneering a new market as this was a technology that no one in the world had achieved at the time. These experiences reinforce our belief that "taking on new challenges is essential to survival," and this approach remains deeply embedded in our company's DNA.

The challenges facing Blommer I mentioned earlier are areas that will require this challenging spirit. Expanding compound chocolate, a product that leverages the oil and fat technology strengths of the Fuji Oil Group, into the US market is part of our growth strategy for Blommer and something that I believe will strengthen our overall competitiveness on the global stage. Achieving this will require leveraging the many strengths we have cultivated in Japan: the efficient production systems that represent the foundation of manufacturing, production technology for supplying stable quality products, and a centralized system for managing raw material procurement, production costs, and selling prices.

As we continue to take on new challenges, speed will be the most critical factor. As the representative of Japanese operations, I led the creation of an internal system, which I named "circuit activities," for promoting the speedy implementation of the PDCA cycle. These activities are rooted in the Quick Response (QR) activities conducted at the former Fuji Oil. This culture of responding quickly to customer requests and providing proposals, samples, and complaint reports continues to serve as the foundation of the Fuji Oil Group's development capabilities and our ability to implement flexible customer responses. We will leverage these strengths and pursue speed and efficiency in the New Business Fields within our core businesses to increase profitability. After shoring up our business foundation, we will confidently move forward to take on challenges in new business fields. This is method through which we will achieve sustainable growth for the Fuji Oil Group.



Taking on challenges, creating value

The origins of Fuji Oil are rooted in the spirit of taking on challenges. Today, I believe the challenge we must tackle is the challenge of problem solution. The strengths of the Fuji Oil Group include our ability to identify problems, our cross-departmental cooperations aimed at achieving problem solution, and the products created as a result of those efforts. Fuji Oil has a track record of our production, development, and sales teams combining knowledge to come up with products for solving the challenges facing our customers. We not only provide solutions to specific requests such as "chocolate with the perfect melt-in-the-mouth texture for ice cream" and "products that are easy to use and have consistent quality" for use in production lines, but also solutions to latent needs that will benefit consumers. In the past, we focused on the issues facing our customers and consumers. Today, we address the

issues of a wide range of stakeholders, including problems facing raw material producer regions, global issues, and issues affecting local communities and society. I believe that problem solution is at the essence of our business, and that our level of contributions is linked to our growth and profitability as a company.

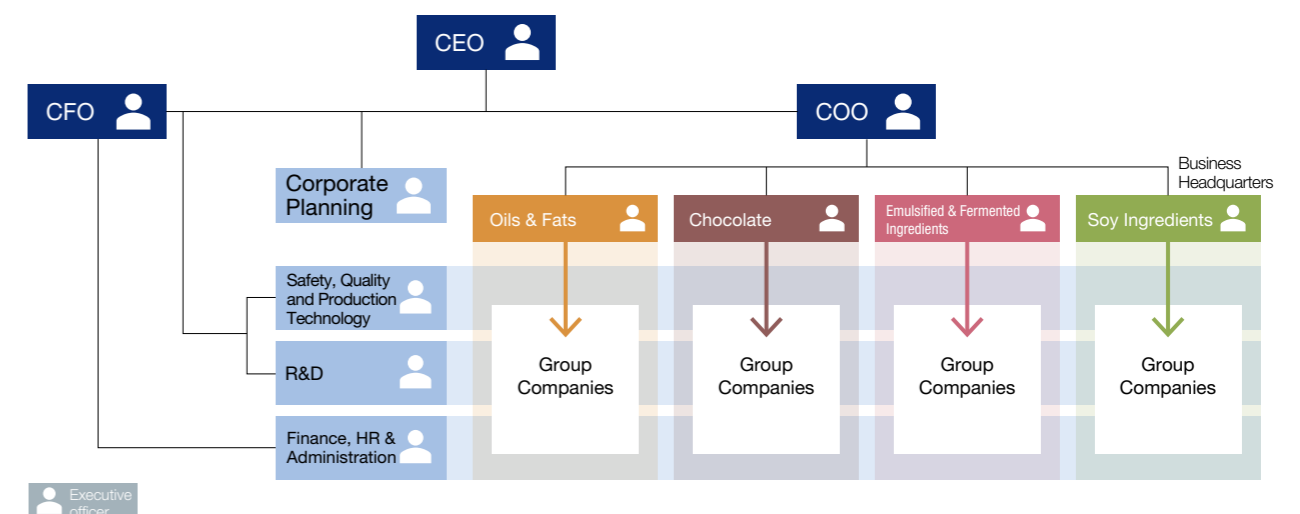
Fuji Oil is a manufacturing group. We will use our transformation into a business holding company structure as an opportunity to reaffirm our mindset as a manufacturer and confirm our commitment to applying a manufacturing spirit to making contributions to society. To ensure the Fuji Oil Group is firmly placed on a growth trajectory, we will ensure that this approach of taking a problem solution-based approach to business is permeated throughout the Group, in both Japan and overseas. Through this approach, we will promote the value creation that is unique to Fuji Oil.

Optimizing our organization to reflect our operating environment and current challenges

In 2015, the Fuji Oil Group converted to a group headquarters structure and adopted a system that divided operations into five areas: Japan, Americas, Southeast Asia, China, and Europe. The aim of this structure was to enable more advanced global business management. Later, to further leverage the strengths of each business division, from FY2022 we shifted to a matrix business management structure that combined area management and business division management. Through the multifaceted management of areas and business fields, we optimize our business portfolio, including our supply chain, and strengthened our

ability to engage in collaborations that transcended business divisions. However, in the face of the supply chain division caused by the Ukraine conflict and changes in our external environment, including soaring prices for mainstay raw materials such as palm oil and cocoa, there were limits to share information smoothly or engage in speedy decision-making under the group headquarters structure. There were even cases in which our initial responses were delayed. It was also difficult for employees to see the connection between the Group's overall goals and the goals of each area. In some cases, sharing a common direction became an issue.

Organizational Structure for FY2025 (Image)



CEO Message

In light of these challenges, it was deemed that centralization and the optimal allocation of management resources were necessary to link the profitability of overseas businesses achieved under the group headquarters system to Group growth. After numerous deliberations by the Management Committee and the Board of Directors, we transformed into a business holding company structure in April 2025. Through this transformation, we established an operational structure centered on business-axis management, with each business headquarters headed by

an executive officer, a total of four, to ensure clarity in leadership. After sharing the Group's goals, the heads of each headquarters are entrusted with decision-making and execution authority for their respective businesses. This new structure achieves a simple and highly comprehensible chain of command for the employees of each work site, creating a positive cycle of crisis awareness and problem recognition. By having business headquarters align vectors and respond directly to challenges, we have significantly accelerated the speed at which we are able to execute strategy.

Establishing a competitive advantage by strengthening our growth fields Creating new value in new business fields

In addition to enhancing governance, the new Mid-term Management Plan includes the policies of “further strengthening growth fields” and “establishing new business fields.” These policies are being implemented throughout the Group as they have been incorporated into each business headquarters and the other headquarters; R&D, Safety & Quality, Production Technology, and Human Resources.

In growth fields, product groups boasting strong market share such as vegetable fats for chocolate (CBE) and compound chocolate are driving Fuji Oil Group growth. However, needless to say, we have competitors in these fields, so establishing an overwhelming competitive advantage is essential to achieving sustainable growth. Thus far, we have grown by developing products that meet the diverse needs of our customers. Moving forward, we will consolidate our product groups as necessary to increase production efficiency, streamline production sites, and strengthen price competitiveness. Amid increasing uncertainty in our external environment, including climate change and geopolitical risks, we are also focusing on strengthening our upstream supply chain, particularly for Vegetable Oils and Fats business. This not only ensures stable supplies,

but also serves as a critical platform for supporting Group competitiveness.  | Growth Strategy Driven by Building a Supply Chain P44

New business fields are the driving force behind medium- and long-term growth for the Fuji Oil Group. “New business fields” do not necessarily refer to new products or new technologies. Expanding existing technologies and products into new markets and applications to help solve customer problems is another form of new business creation. It is important that every employee explore new possibilities while thinking about the fields in which we can take on meaningful challenges and what added value we can provide through those challenges. I believe that we can discover issues when all employees involved, not just those in R&D or Sales, visit the actual sales spaces to take a closer look at things like our product lineup, selling prices, and customer demographics.

At the same time, it is inevitable that the added value of a product will decline due to changes in the market environment and the times, even for products that have demonstrated value as a solution-based product. In such cases, we will place a strong emphasis on efficiency, analyze products for their position within our portfolio, and focus on making speedy decisions, including the withdrawal of certain product groups.



Meeting Scene at Harald (Brazil)



Sustainable procurement leads to growth throughout the value chain

Our Group is addressing issues in the upstream supply chain and working to resolve them. This not only ensures steady raw material procurement, it also contributes to improving economic, environmental, and social value throughout the value chain, which leads to sustainable growth. We have established procurement policies for four raw materials - palm oil, cocoa beans, soybeans, and shea kernels - and are taking specific action to address issues such as child labor, poverty, and environmental destruction in raw material-producing regions. For example, in Ghana, we are working with women's cooperatives to promote a shea kernel sustainability program. In addition to preserving green spaces through tree planting, this program also works to improve local quality of life and working conditions by providing training to cooperative members in areas such as business skills

and quality control, as well as building a warehouse to store shea kernels. These activities go beyond simple CSR. When customers who choose our products understand and resonate with the meaning of our initiatives, it leads to value creation throughout the entire value chain.

We are also enhancing our system for the stable procurement of sustainable raw materials through Group companies involved in Vegetable Oils and Fats business. This includes PROVENCE HUILE, a sunflower oil distributor that joined our Group in April 2025, and JPG FUJI, a joint venture that will handle palm oil and is scheduled to begin operations in FY2026. These initiatives also support the foundation of our existing business, and we will continue to actively promote them moving forward.

To our stakeholders

In dialogue with stakeholders, particularly our investors, the Fuji Oil Group has received candid feedback regarding performance at Blommer. We recognize that Blommer's struggles have dragged down our overall performance, and recognize these results as truly regrettable. We will quickly turn Blommer around to maximize our strengths in vegetable fats for chocolate (CBE) and compound chocolate and build a solid revenue platform.

The global food environment is facing various challenges, including population growth, environmental issues, and food resource shortages. Amid such an environment, I believe that the Fuji Oil Group can pave the way for a sustainable future for food by exploring the potential of plant-based ingredients. We will demonstrate this belief, not with words, but with results. Moving forward, we will continue to achieve sustainable growth and value creation while engaging sincerely with all our stakeholders.



What We Want to Convey in This Report

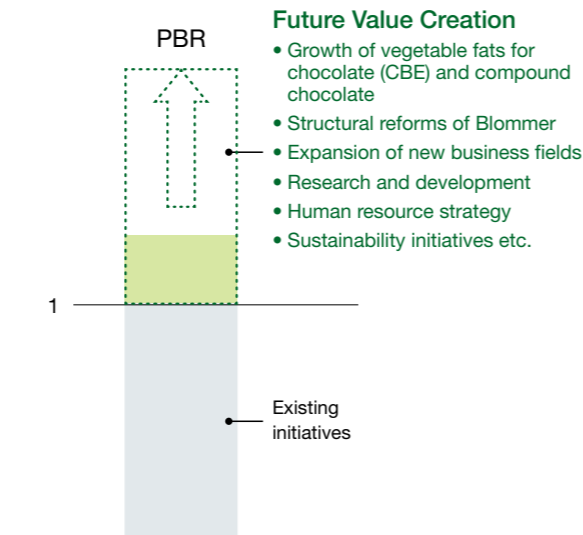
When we meet investors, they sometimes tell us that “Fuji Oil’s business model is difficult to understand.” As a BtoB company, we have prepared an integrated report every year since 2018 while carefully considering what kind of information we should disclose to convey the Fuji Oil Group’s business model, appeal and growth potential. The Fuji Oil Group comes together as one to prepare the integrated report by holding repeated discussions with various departments and group companies focused on Investor Relations that meet with our investors on a daily basis. In addition, after publishing the integrated report, we set up opportunities to engage in dialogue with our stakeholders every year. We receive valuable opinions from them about the information we have disclosed and our management policies. We share those opinions with the Board of Directors, the Management Committee Meeting and Executive Officers. We believe that our integrated report is directly linked to improving the corporate value of the Fuji Oil Group.

Fuji Oil’s stock price stagnated during the previous Mid-Term Management Plan period. Moreover, our PBR has remained below 1 for several years. Factors directly linked to profits, including raw material price fluctuations and soaring cocoa prices, have had a significant impact on our stock price. Nevertheless, we believe there was considerable room for improvement amid a situation in which the business environment has been changing greatly. We may not have fully conveyed the Fuji Oil Group’s growth potential and future prospects from a mid- to long-term perspective together with our efforts to address current issues.

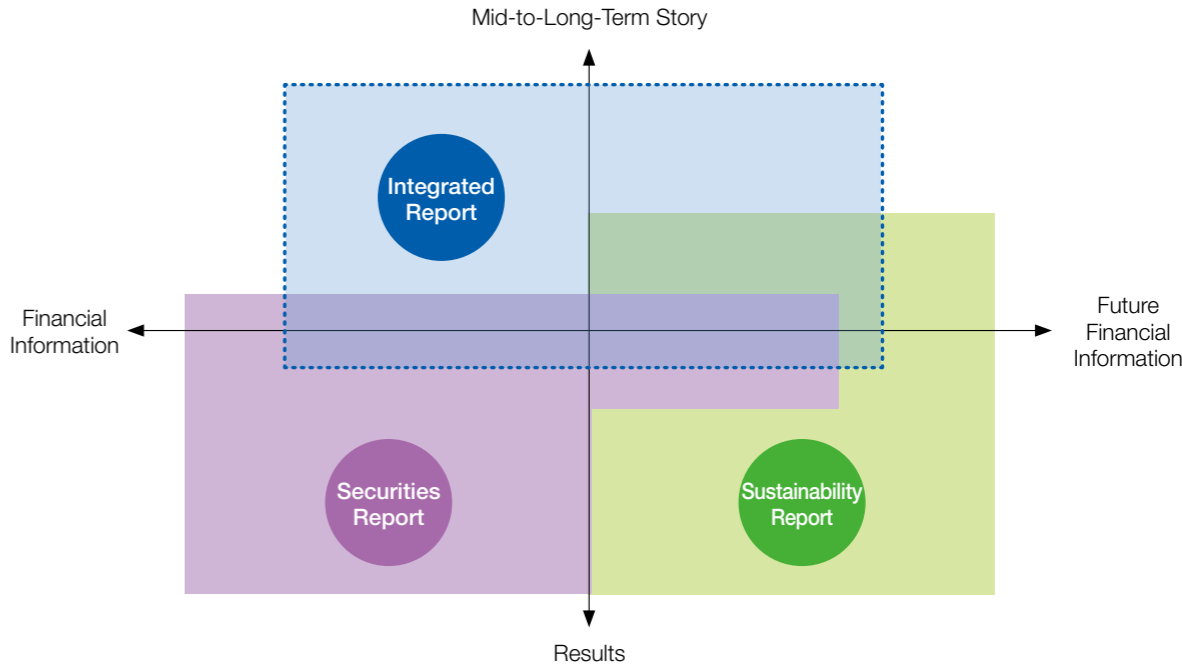
Based on this belief, in this year’s integrated report, we have clarified the appeal of the new Fuji Oil, which has transformed into a business holding company, as well as our policies and growth strategies with a view toward 2050. In addition, we have made efforts to provide even more accessible descriptions, including how Fuji Oil’s products are embedded in people’s daily lives. We also look at areas for which we receive a lot of questions. These include the structural reforms of Blommer and the expansion in demand for vegetable fats for chocolate (CBE) and compound chocolate due to soaring cocoa prices. We hope that this report will help everyone to better understand our company. We would like to state here that we prepared this report through repeated discussions by the executive management team and that it has been checked and approved by the Management Committee Meeting and the Board of Directors.



Sunao Maeda
Director, CFO (Responsible for Information Disclosure)

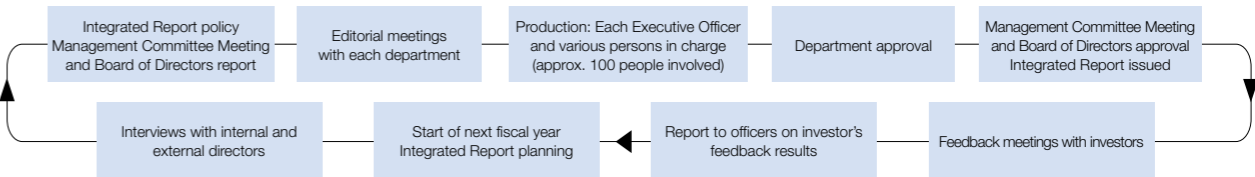


Positioning of Each Reporting Medium



Integrated Report Production Flow

Production: IR Section, Corporate Communication Department



Editorial Policy

The Fuji Oil Group publishes the Integrated Report and the Sustainability Report annually as tools for communicating with our stakeholders.

The Integrated Report provides a general overview of our Group business and outlines our medium- to long-term strategies. By communicating this information, we hope to encourage our stakeholders to continue engaging with us in enhancing our corporate value. On the other hand, the Sustainability Report complements the sustainability information in the Integrated Report and aims to comprehensively and honestly report our approach and initiatives to address the Group’s impact on sustainability to a broad range of stakeholders.



FUJI OIL CO., LTD.
IR Section, Corporate Communication Department

Integrated Report 2025 was prepared in accordance with the following editorial policy:

- 1 Report in a transparent manner on the Group’s measures for strengthening its business by incorporating the views of stakeholders obtained through discussions, as well as on issues and matters that may be construed negatively by readers
- 2 Provide information to investors and our wide range of other stakeholders within and outside the Group to enhance their awareness of the Group’s business model and value creation story over the short, medium, and long terms
- 3 Deepen discussions that contribute to management improvement through the production process

Reference Guidelines

- The International Integrated Reporting Framework issued by the IFRS Foundation
- “Guidance for Collaborative Value Creation 2.0,” Ministry of Economy, Trade and Industry

Company Names

Company names are presented as follows:

- Fuji Oil; FUJI OIL CO., LTD.
- the Fuji Oil Group/the Group; All Group companies in Japan and outside of Japan, including FUJI OIL CO., LTD.

Scope of Coverage

Activities of the Fuji Oil Group

Furthermore, business segment notations are indicated based on accounting segments.

Major Group Companies P110

Period Covered

Fiscal Year 2024 (April 1, 2024–March 31, 2025)
Details of some prior and more recent activities and initiatives are also included.

Changes in Accounting Standards

To enhance the international comparability of financial information in capital markets, we voluntarily adopted International Financial Reporting Standards (IFRS) starting in fiscal year 2025.

Forward-Looking Statements

Forward-looking statements such as earnings forecasts of the Fuji Oil Group and other projections contained in this report reflect the Group’s current analysis based on information available at the time of publication. Please be aware that actual results may differ from these forward looking statements due to various factors such as economic trends and the environment surrounding the Group.

This report has been translated from the original Japanese version. If there is any inconsistency between this English translation and the Japanese original, the Japanese version shall prevail.

Introduction

- 1 Solve Issues Facing People and the Earth and Achieve a Sustainable Future for Food
- 2 Change Generated by the New Fuji Oil

Value Creation Story

- 13 Destination: Fuji Oil Group Management Philosophy and Vision
- 14 History: The Business Model We Have Cultivated
- 16 Business: Making Products Globally
- 17 Products: Making the Best Use of Ingredients
- 18 Products: Supporting Deliciousness
- 20 Challenge: Creating the Future of Food
- 22 Value Creation Process for Realizing our Vision
- 26 Material ESG issues

Mid-Term Management Plan

- 28 Looking Back on Previous Mid-Term Management Plan
- 29 New Mid-Term Management Plan United for Growth 2027
- 32 Conversation between CEO and Outside Director

Business Strategy

- 36 COO Message
- 38 Blommer
- 40 Vegetable Oils and Fats Business
- 42 Special Feature 01 Vegetable Fats for Chocolate (CBE)
- 44 Special Feature 02 Growth Strategy Driven by Building a High-Quality, Sustainable Supply Chain
- 46 Industrial Chocolate Business
- 48 Special Feature 03 Compound Chocolate
- 50 Emulsified and Fermented Ingredients Business
- 52 Soy-based Ingredients Business
- 54 Taking on Challenges in New Business Fields
- 56 Special Feature 04 GOODNOON

Value Creation Platform

- 58 CFO Message
- 59 Financial Strategy
- 64 Research and Development
- 68 Production Activities
- 70 Human Resources Supporting Value Creation
- 76 Climate Change and Biodiversity
- 79 Human Rights Management
- 81 Sustainable Procurement

Governance

- 84 Message from Nomination and Compensation Advisory Committee Chairperson
- 85 Roundtable Discussion with External Directors
- 88 List of Directors
- 90 Corporate Governance
- 92 Board of Directors
- 96 Nomination and Compensation Advisory Committee
- 99 Audit Supervisory Committee
- 100 Sustainability Committee
- 102 Risk Management
- 104 Group Governance



CEO Message

Using problem solution as a driving force to propel the Fuji Oil Group towards new growth



Conversation between CEO and Outside Director

Pursuing growth fields and new business fields to achieve sustainable growth



Roundtable Discussion with External Directors

Embracing a new structure to enhance corporate value

Other Data

- 105 Data Highlights
- 110 Major Group Companies
- 111 Corporate Profile / Stock Information

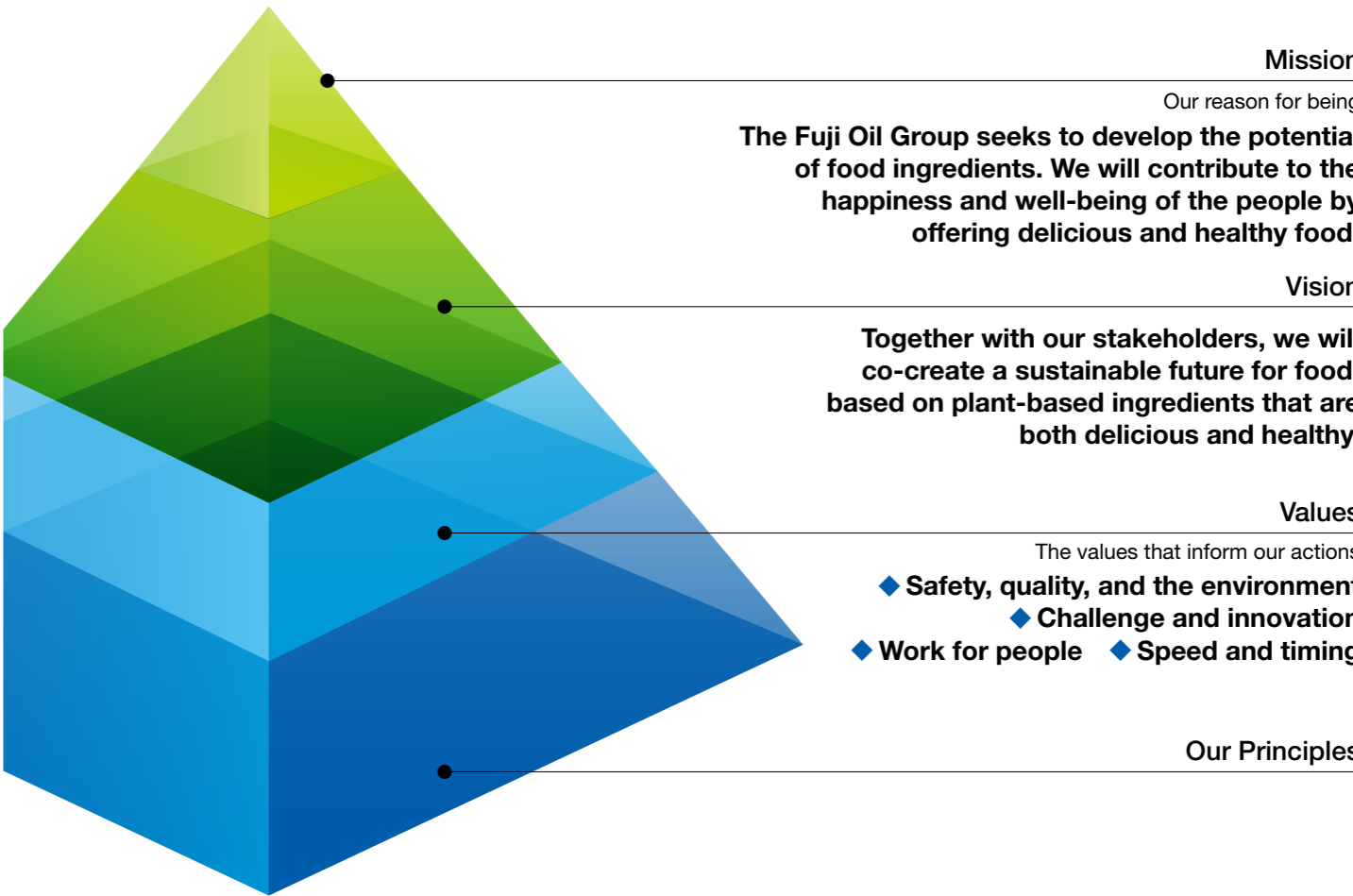
Destination

Fuji Oil Group Management Philosophy and Vision

Fuji Oil Group Management Philosophy

The Fuji Oil Group is strongly aware of our social responsibility as a food company. We have established the Fuji Oil Group Management Philosophy as our basic management policy. This management philosophy clearly states our mission, vision, values and principles. It serves as the guideline for all our group employees to share values and to use them as the standard for their decisions and actions.

Since our founding, we have pursued the potential of plant-based ingredients and provided value to society through products that combine both deliciousness and healthiness. “Together with our stakeholders, we will co-create a sustainable future for food, based on plant-based ingredients that are both delicious and healthy.” Based on this vision, we are currently aiming to solve social issues while achieving sustainable growth.



Vision

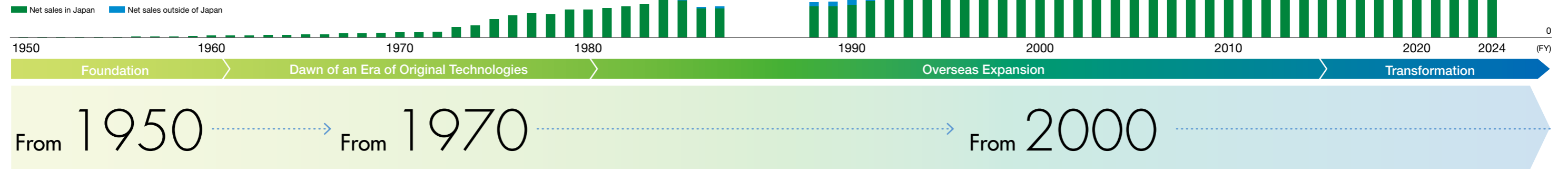
Together with our stakeholders, we will co-create a sustainable future for food, based on plant-based ingredients that are both delicious and healthy.

History

The Business Model We Have Cultivated

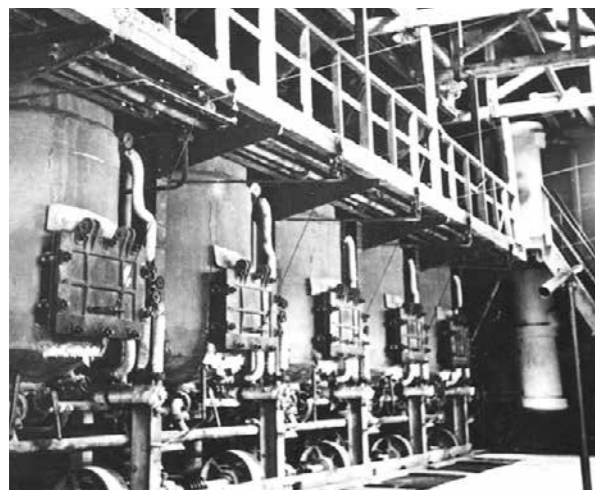


The Fuji Oil Group's Consolidated Net Sales



Not Imitating Others: Challenge and Innovation

In 1950, the Osaka plant of Fuji Sanshi became independent as an oil refinery, resulting in the founding of FUJI OIL CO., LTD. Fuji Oil, which started as a latecomer in Japan's oils and fats industry, found it difficult to procure sufficient oil and fat raw materials such as soybeans and rapeseed. Amid such an operating environment, Fuji Oil focused on solid fats from tropical regions, which were relatively unused in Japan at the time. Adhering to our founding spirit of not imitating others, Fuji Oil became Japan's first company to successfully extract coconut oil using the compression extraction method. From that success, we built a unique business foundation with raw materials and technology.

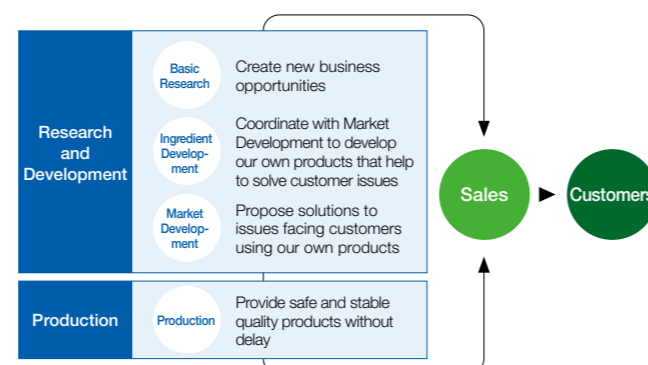


Japan's first compression extractor for tropical oils and fats

Establishment of a Solution-based Business Model for Customer

Fuji Oil has grown by solving customer issues and uncovering latent needs. We opened Fuji Sunny Plaza Tokyo as a place for co-creation with customers in 1977. We began employing a proposal-based sales approach on a full-scale basis. This is an approach to sales which goes beyond simply introducing products to making proposals for solutions that address the issues of our customers.

Fuji Oil's proposal-based sales approach gained widespread recognition following a rise in the popularity of tiramisu in 1988. An employee of Fuji Oil on an inspection tour in Europe instinctively felt that tiramisu would also be well-received by Japanese people. However, it was only possible to procure mascarpone cheese, a raw material of tiramisu, in Japan at that time by shipping it by air from Italy and it was extremely expensive to do that. Therefore, Fuji Oil developed cheese flavor ingredients as an alternative to mascarpone cheese. This made it possible to make tiramisu at an affordable price in Japan. Tiramisu has now become a standard dessert.



Since our founding, the Fuji Oil Group has strived to provide solutions to address the issues faced by our customers and society by continuously pursuing unique ideas and challenges with our core technologies in tropical oils and fats and soy protein. Based on our spirit of not imitating others, we have continued to pursue innovation. This has allowed us to meet the expectations of our customers, consumers and other stakeholders and to achieve sustainable growth.

To Solve Issues Facing People and the Earth

Technology

Since 2000, the Fuji Oil Group has made great progress in relation to deliciousness and healthiness in terms of technology.

◆ Low-trans-fatty-acid oils and fats technology using enzymatic interesterification:

There is now a need, especially in the United States, for a reduction in trans-fatty-acid oils and fats as excessive intake of them increases the risk of heart disease. The Fuji Oil Group has responded to market expectations with low-trans-fatty acid oils and fats technology using enzymatic interesterification technology.

◆ Ultra Soy Separation (USS) manufacturing method:

While pursuing the deliciousness inherent in soybeans, the Fuji Oil Group established the world's first USS manufacturing method to separate soy milk into soy milk cream and low-fat soy milk in 2012.

This technology is based on the idea of separating dairy cream and skim milk from milk. Applying this technology has produced new deliciousness and value in plant-based ingredients.

◆ MIRACORE™:

The feature of the Fuji Oil Group is that we make products applying our knowledge of plant-based proteins and oils and fats. MIRACORE™, a technology we launched in 2021, produces flavors and a sense of satisfaction just like that of animal-based foods by combining vegetable oils and fats and proteins. We deliver delicious, healthy products made from plant-based ingredients that people can enjoy, expanding food choices and contributing to the well-being of consumers and society worldwide.



Procurement

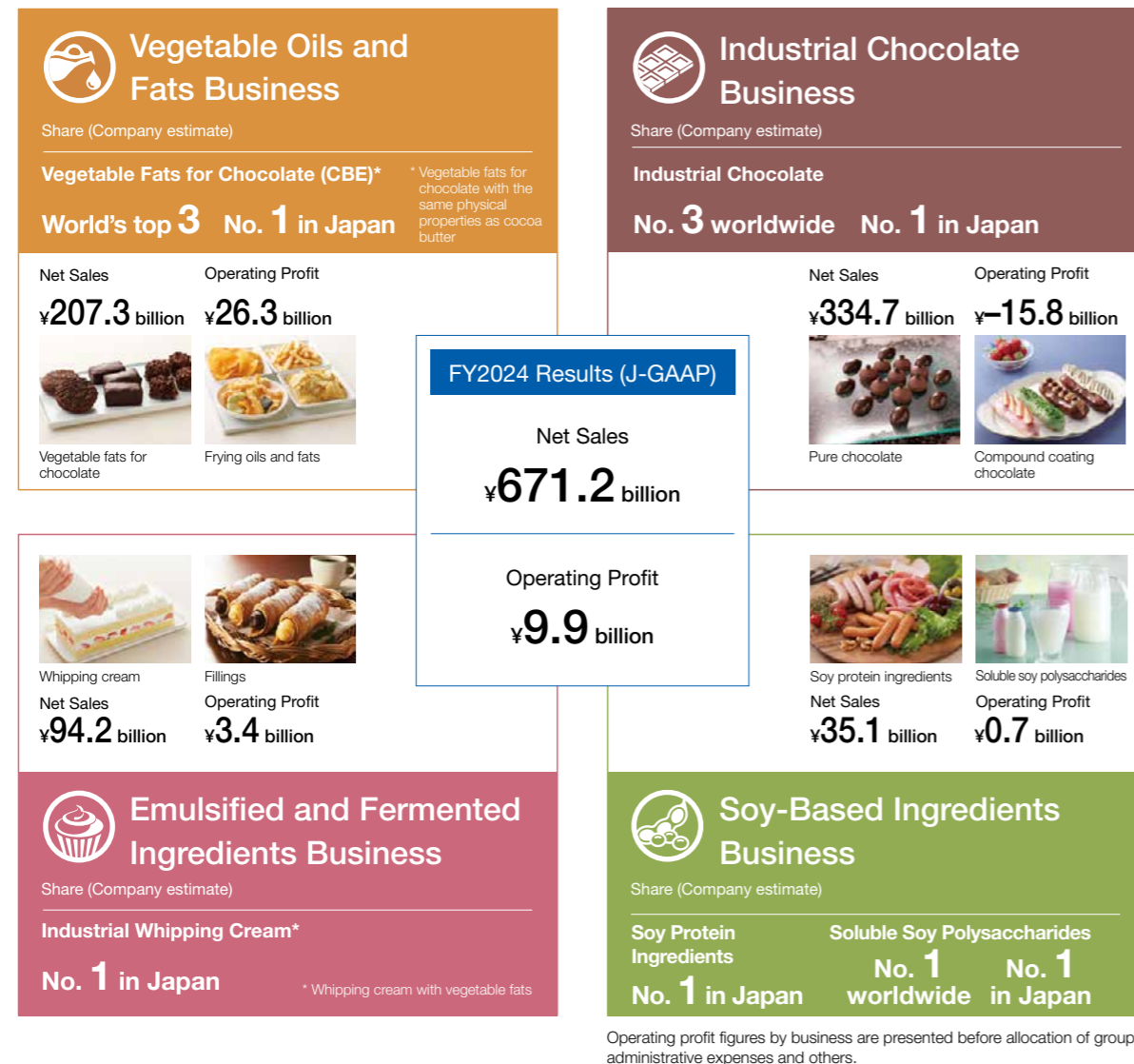
It has been pointed out that palm oil and cocoa, our main raw materials, have issues relating to the environment and human rights in their places of origin. The Fuji Oil Group joined the Roundtable on Sustainable Palm Oil (RSPO) in the same year it was established in 2004. We have promoted the sustainable procurement of main raw materials ahead of other Japanese companies. Since the 2010s, interest in sustainability has been rising in Europe and other countries. Demand from customers for our Group's traceable palm oil has also been increasing. The Fuji Oil Group forms partnerships with companies that operate palm plantations. In addition, we engage in activities rooted in local communities such as by running one-to-one supply chain transformation programs. In this way, we are building a robust supply chain.



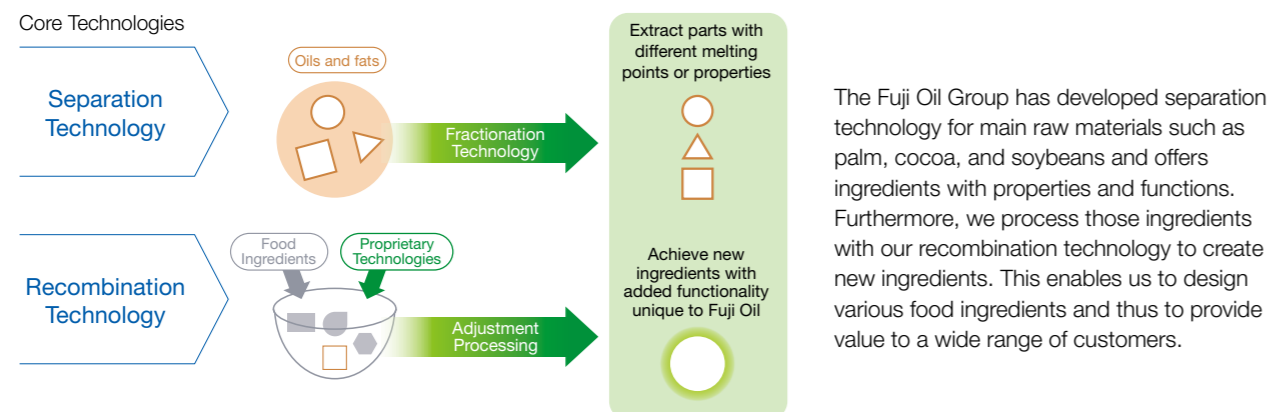
Palm

Making Products Globally

Since 1980, we have developed business globally with the aim of establishing a supply chain. We support diverse food cultures around the world.

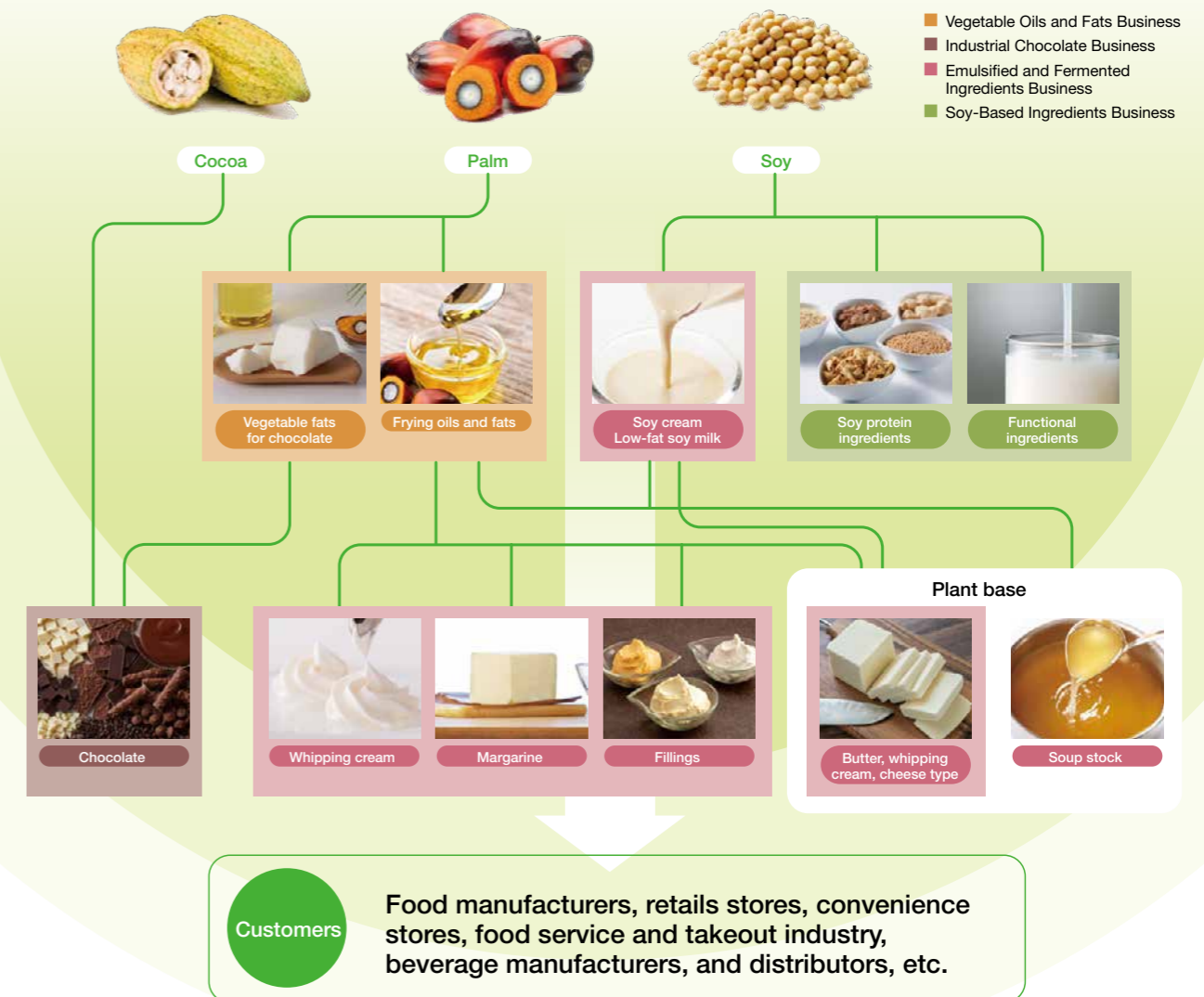


Unique Portfolio Based on Core Technologies

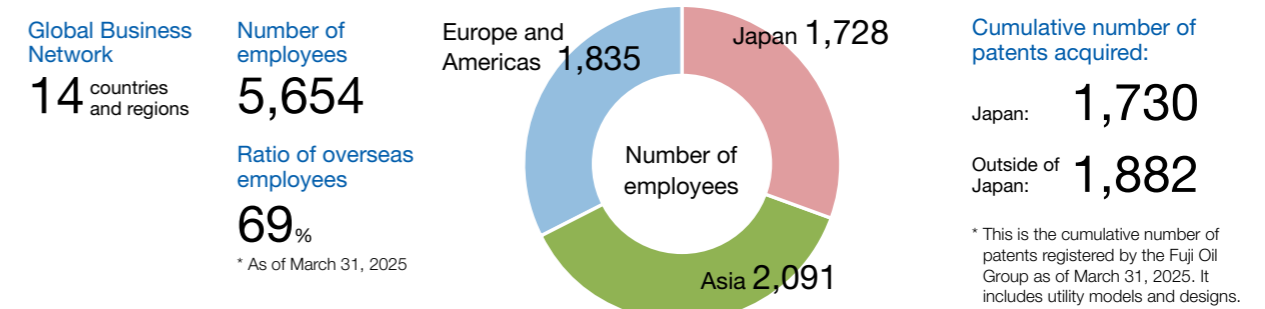


Making the Best Use of Ingredients

The Fuji Oil Group produces many products using palm, cocoa and soybeans as the main raw materials. We use those raw materials in a sophisticated manner without waste to create highly unique products.




Global Expansion



Products


Supporting Deliciousness

The Fuji Oil Group's products, including chocolate, bread, prepared foods and beverages, are used in all kinds of everyday food settings. They have naturally blended into the lives of consumers. We support food safety and deliciousness with our reliable technology and quality.




Whipping cream

Preserves the freshness of whipping cream with emulsification technology




Margarine

Maintains the deliciousness of long-life bread




Functional ingredients

Contributes to deliciousness by improving the looseness of noodles and cooked rice




Plant-based soup

Flavorful soup with a sense of satisfaction made using MIRACORE™ technology




Chocolate filling

Rich taste chocolate with a melt-in-your-mouth texture even after baking




Plant-based cheese and butter

Plant-based cheese and butter with outstanding richness and flavor even though it is derived from plants




Frying oils and fats

Achieves high quality even with long-term distribution by preventing the oxidation of oils and fats




Vegetable fats for chocolate

Prevents the softening and stickiness in chocolate that occurs when it is combined with cookies by adding oils and fats




Chocolate coating

Freely control the texture, such as realizing a crisp texture or a smooth feel, with the power of oils and fats



Soy protein ingredients

The delicious and refreshing taste of soy protein with outstanding flavor



High-protein chocolate

A combination of chocolate and protein that combines deliciousness with ease of eating

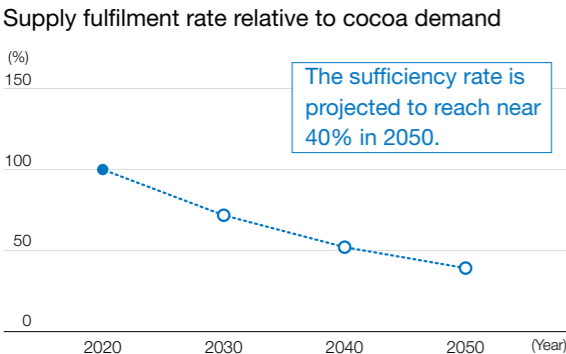
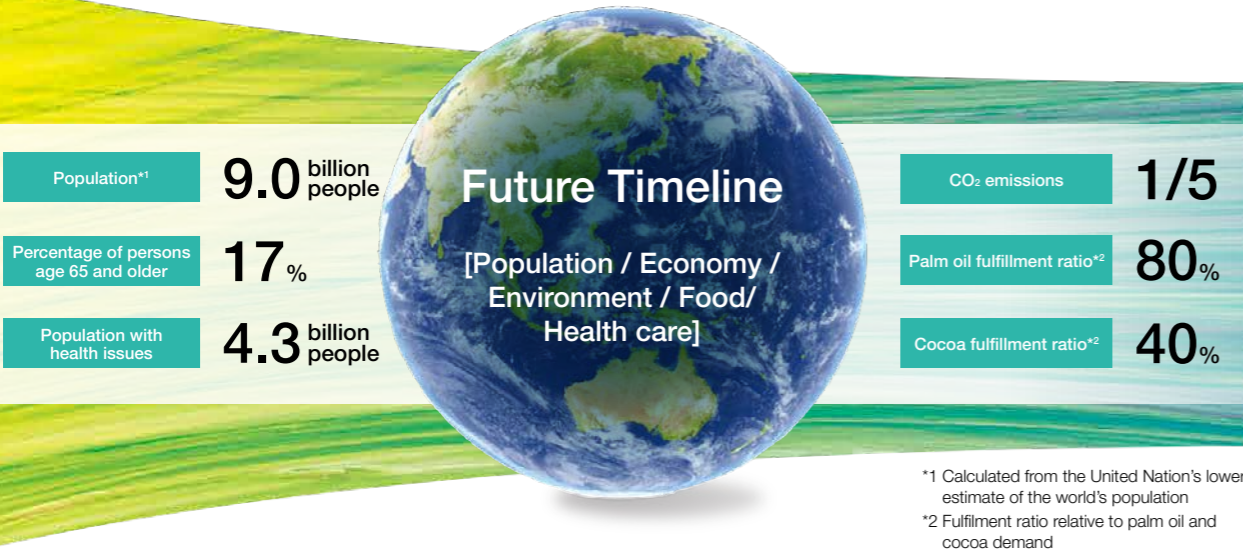


Creating the Future of Food

The World in 2050

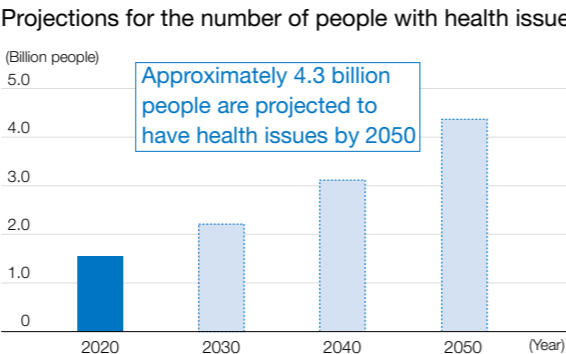
The environment influencing food is undergoing dramatic change due to population growth, environmental issues, increasing shortages of food resources and other factors. The Fuji Oil Group has prepared a Future Timeline looking ahead to the future in 2050 and is predicting the social issues that may occur in the future. The world's population is expected to reach approximately 9.0 billion in 2050. It is anticipated that 17% of those people will be aged 65 or older. Moreover, 4.3 billion people, equivalent to approximately half of the world's population, may face health issues such as obesity, diabetes and dementia. It is predicted that CO₂ emissions will be kept to about one fifth of current levels due to improved productivity. Nevertheless, there are also concerns about serious resource shortages such as it only being possible to supply approximately 80% of the palm oil and approximately 40% of the cocoa demanded.

To deal with these future issues, the Fuji Oil Group is working to create sustainable substitute ingredients to palm oil, cocoa and other natural resources and new ingredients that address health issues. We will contribute to society with innovative technologies and ingredients to support a sustainable future for food.



* Reorganized by Fuji Oil based on data from the Food and Agriculture Organization of the United Nations (UNFAO) and the United Nations Environment Program (UNEP).

The chocolate confectionery market is projected to expand due to an increasing global population and economic growth. It is difficult to increase the production of cocoa beans, the raw material for chocolate. As such, there are opportunities to fill the demand-supply gap with solutions such as cocoa substitutes.



*1 Reorganized by Fuji Oil based on data from the World Health Organization (WHO), National Cancer Center, and Alzheimer's Disease International (ADI).
*2 Calculated of predicted numbers for obese population, number of people with diabetes, and population with dementia.

As the global population increases, developed countries are experiencing population aging due to lower mortality rates and longer lifespans attributable to advances in medical care. Meanwhile, emerging countries are seeing an increase in lifestyle-related diseases as economic development continues. These conditions are expected to lead to increased health-consciousness.

Fuji Oil Group's Initiatives for a Sustainable Future for Food

Sustainable Palm Oil and Fat Alternatives Using Oleaginous Yeast

As part of the Biomanufacturing project promoted by the New Energy and Industrial Technology Development Organization (NEDO), we are collaborating with Niigata University of Pharmacy and Medical and Life Sciences to develop production technology for sustainable palm oil and fat alternatives using oleaginous yeast. We developed a breeding strain that has oil productivity at the highest level in the world in 2022. We have continued to improve it by breaking that record. We will continue to work together with industry, government and academia to implement this strain in society as a sustainable oil and fat raw material by around 2030.



Ano-The M: a new product in Japan



Treets Peanuts with ChoViva from Treets: a product made using ChoViva in Europe

Cocoa Alternative Ingredient Responsible for the Future of Chocolate

The Fuji Oil Group is actively intensifying research and development to be able to provide customers with a full set of options in response to the cocoa crisis. We launched "Ano-The M" as a symbolic new product in Japan in spring 2025. This is a milk chocolate type that is made without using any cocoa raw materials. We began collaborating with Planet A Foods in Europe in 2024. We are working to improve the quality of the company's ChoViva sustainable cocoa-free chocolate based on sunflowers and grapes. The Research Institute for Creating the Future and the Chocolate R&D Department joined this initiative in 2025. We are now working together to further improve the deliciousness of ChoViva.

Soy Peptides: Supporting Mental Capacity and Physical Strength in Competitive Settings

The Fuji Oil Group has accumulated a wealth of evidence relating to the effects of soy peptides on brain and physical functions through research on them. The e-sports market, which has been attracting attention in recent years, is a promising area to raise awareness among customers of the potential of soy peptides. Accordingly, we are currently proactively cultivating this market. We provided soy peptide-containing Karada Mainte as a "winning drink" at the Shogi Meijin Title Match held in Izumisano, Osaka in May 2025. This contributed to a setting that requires mental capacity and physical strength like with e-sports.



The e-sports market has been attracting attention in recent years



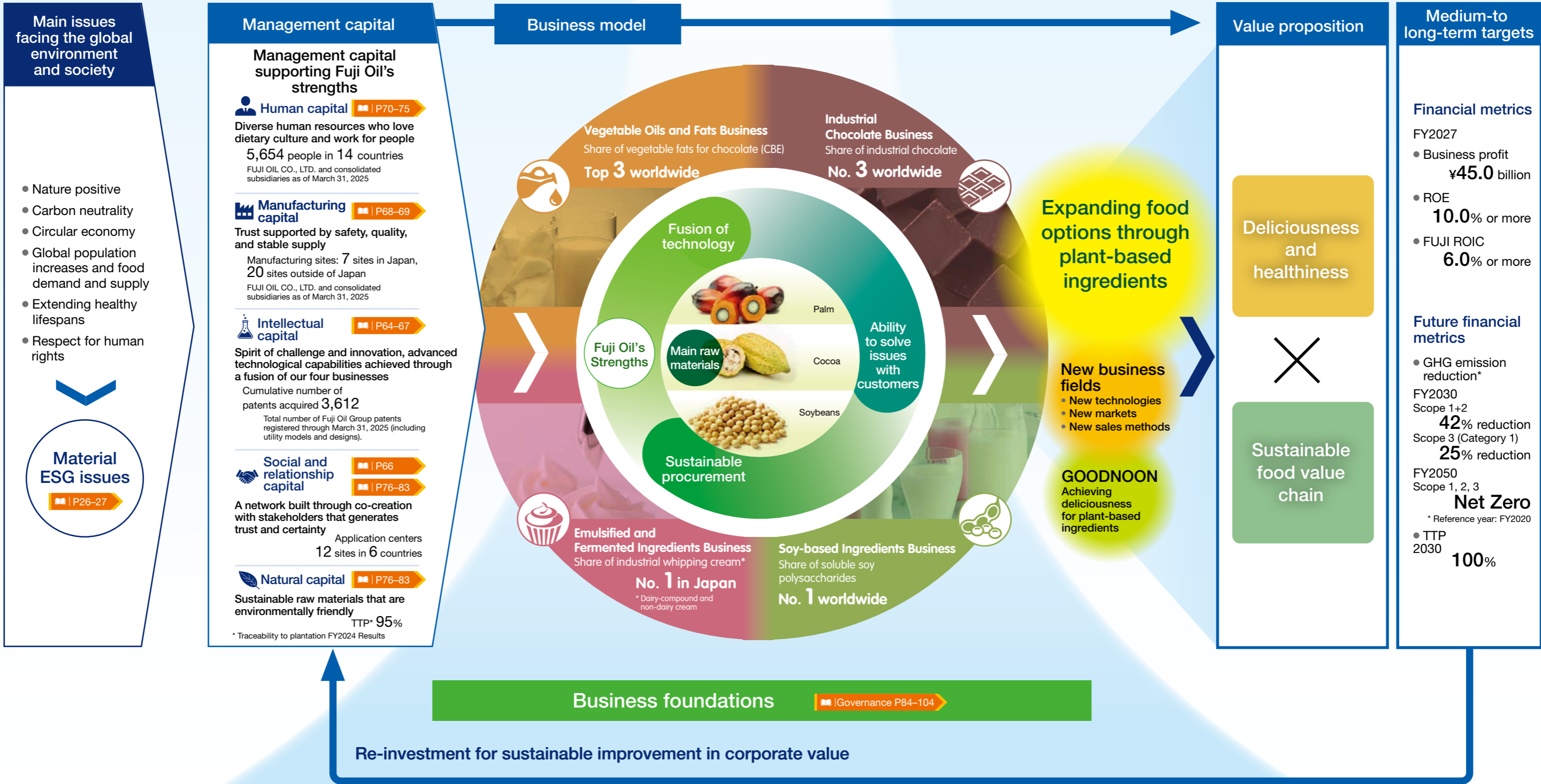
Karada Mainte

Value Creation Process for Realizing our Vision

The Fuji Oil Group creates value by combining the strengths of the four businesses that serve as the source of our management capital. We re-invest the profits and cash flow generated through this process towards making sustainable enhancements to our corporate value. Through this cycle of value creation, we are aiming to realize a sustainable future for food.

Vision Co-creating a sustainable future for food

P24-25



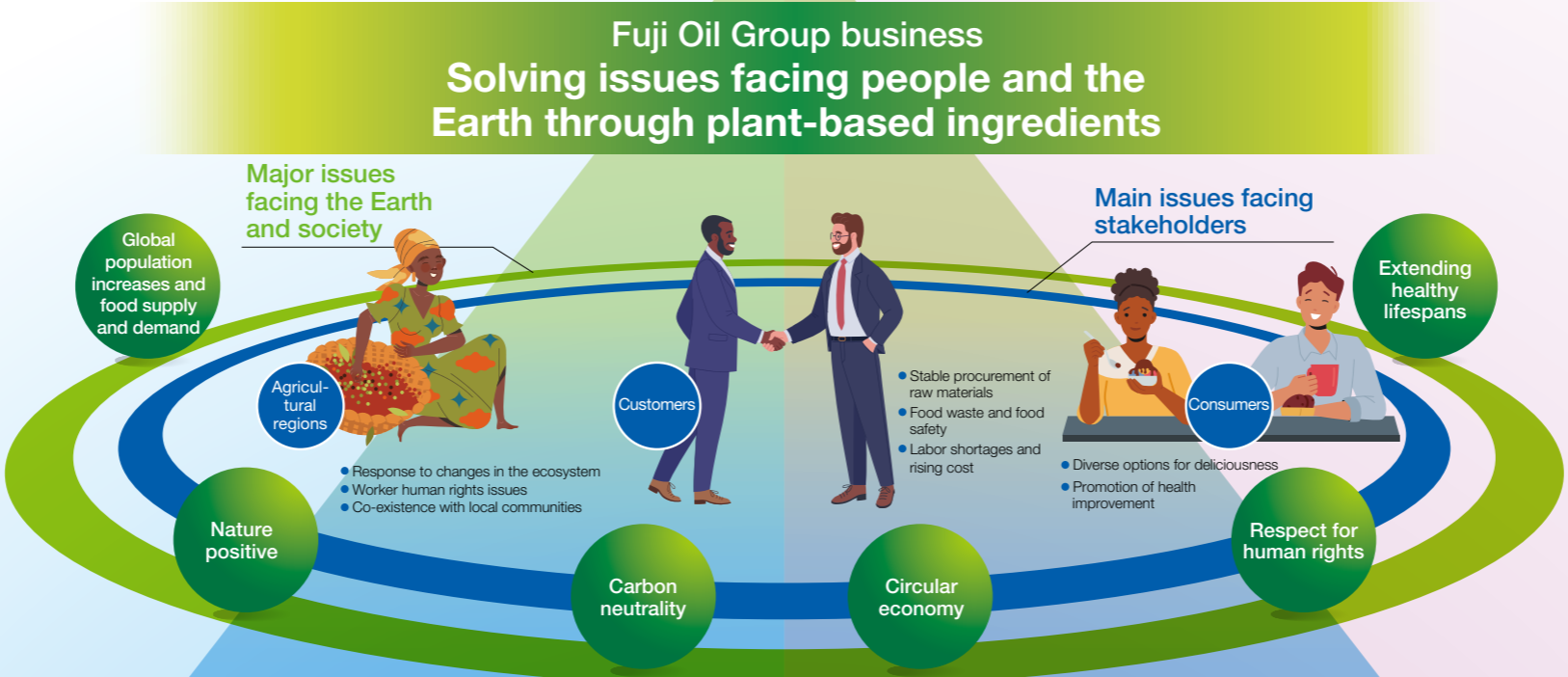
Realizing vision by offering solutions to stakeholder issues

Since our founding, the Fuji Oil Group has embraced a commitment to plant-based ingredients while refining our proprietary technology to offer products that contribute to solutions for the issues facing customers and consumers. The stakeholders with whom we engage today include not only customers and consumers, but span across our entire value chain, including the global environment, society, and raw material producer regions. Our Group will respond to the issues facing our diverse stakeholders by leveraging our unique management capital to create value through our three strengths: 1) our ability to solve issues with customers, 2) our fusion of technology, and 3) our sustainable procurement.

At the core of these strengths are our diverse human resources, employees who love food and are committed to serving others. By maximizing the potential of our human resources to generate synergy that transcends departmental boundaries, we will use plant-based ingredients to contribute solutions to the issues facing people and the earth. In doing so, together with our stakeholders, we will co-create a sustainable future for food.

Sustainable Future for Food

Sustainable growth for our entire value chain, including Fuji Oil



Solution case study (1)

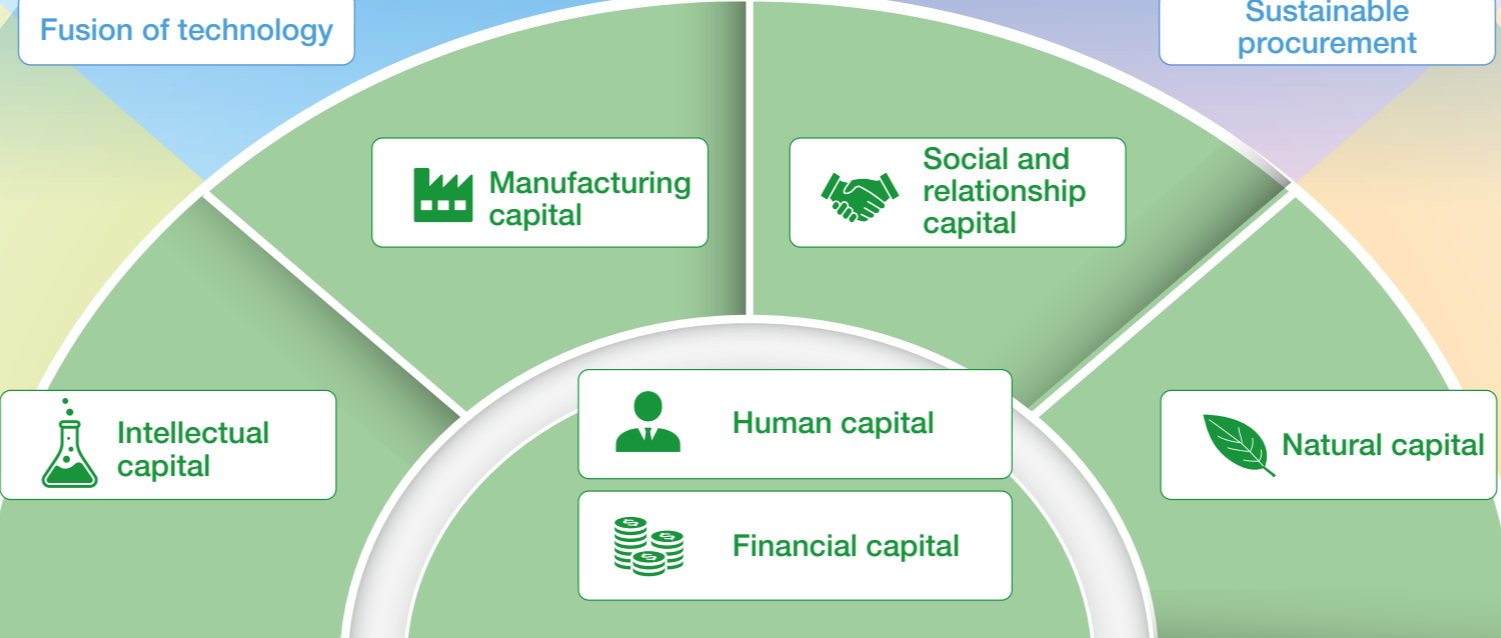
Fusion of technology

Fusing oil and fat technology with chocolate technology to improve the quality of ice cream

Through a fusion of oils and fat and chocolate technologies, we achieved an ice cream coating with a smooth melt-in-your-mouth feel and a crispy texture. By applying chocolate to the inside of cones and wafers, we also helped prevent moisture migration and maintain texture. These technologies not only improved flavor and texture but also contributed to increased shelf life and quality stability during transport, which contributed to overall quality.



Fuji Oil Group strengths and management capital for solving issues



Solution case study (2)

Ability to solve issues with customers

Supporting evolution in bread and dessert culture through proposals that reflect changes in the market

We accurately analyze the bread and dessert markets, which change with the seasons and lifestyle trends, to provide convenience stores and major bread and confectionery manufacturers with proposals for products and recipes that combine taste and workability. Through co-creation with our customers, we support the evolution of bread and dessert culture by promoting development that meets the needs of the times.



Solution case study (3)

Sustainable procurement

Stable provision of high-quality and sustainable oil and fat products

We have built a sustainable and high-quality supply chain by collaborating with upstream suppliers on expanding the handling of RSPO-certified palm oil and reducing processing contaminants*. We are responding to the trust we receive from customers and consumers by ensuring both stable raw material procurement and quality.



* Substances that may be accidentally produced during the food manufacturing process and that have the potential to have an adverse effect on human health. As the extent of the impact such substances have on human health is currently unknown, these substances are being studied by risk management organizations both inside and outside of Japan.



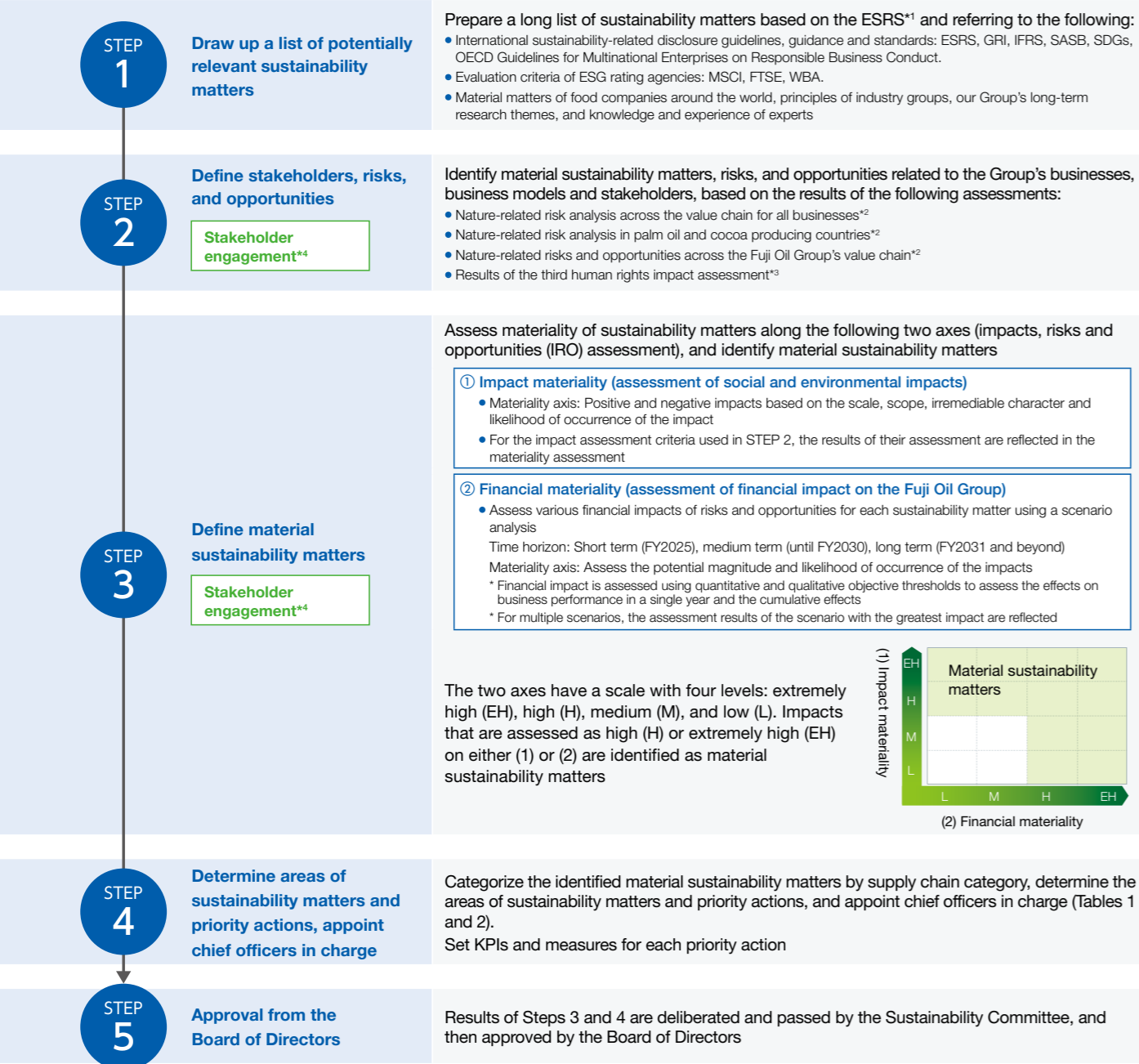
Material ESG issues

Please refer to Sustainability Report 2025 for details on material ESG issues.
Material ESG issues https://www.fujioil.co.jp/en/sustainability/sustainability_management/

Our raw materials are involved in a number of environmental and human rights issues throughout the food value chain, which stretches from production to consumption and disposal. Priority issues in the value chain that are related to sustainability risks and opportunities are identified as Group material ESG issues, which are used as a management strategy tool to help solve issues through our business. By addressing our material ESG issues to create a positive impact and reduce our negative impact, we aim to reduce risks and create opportunities for our business.

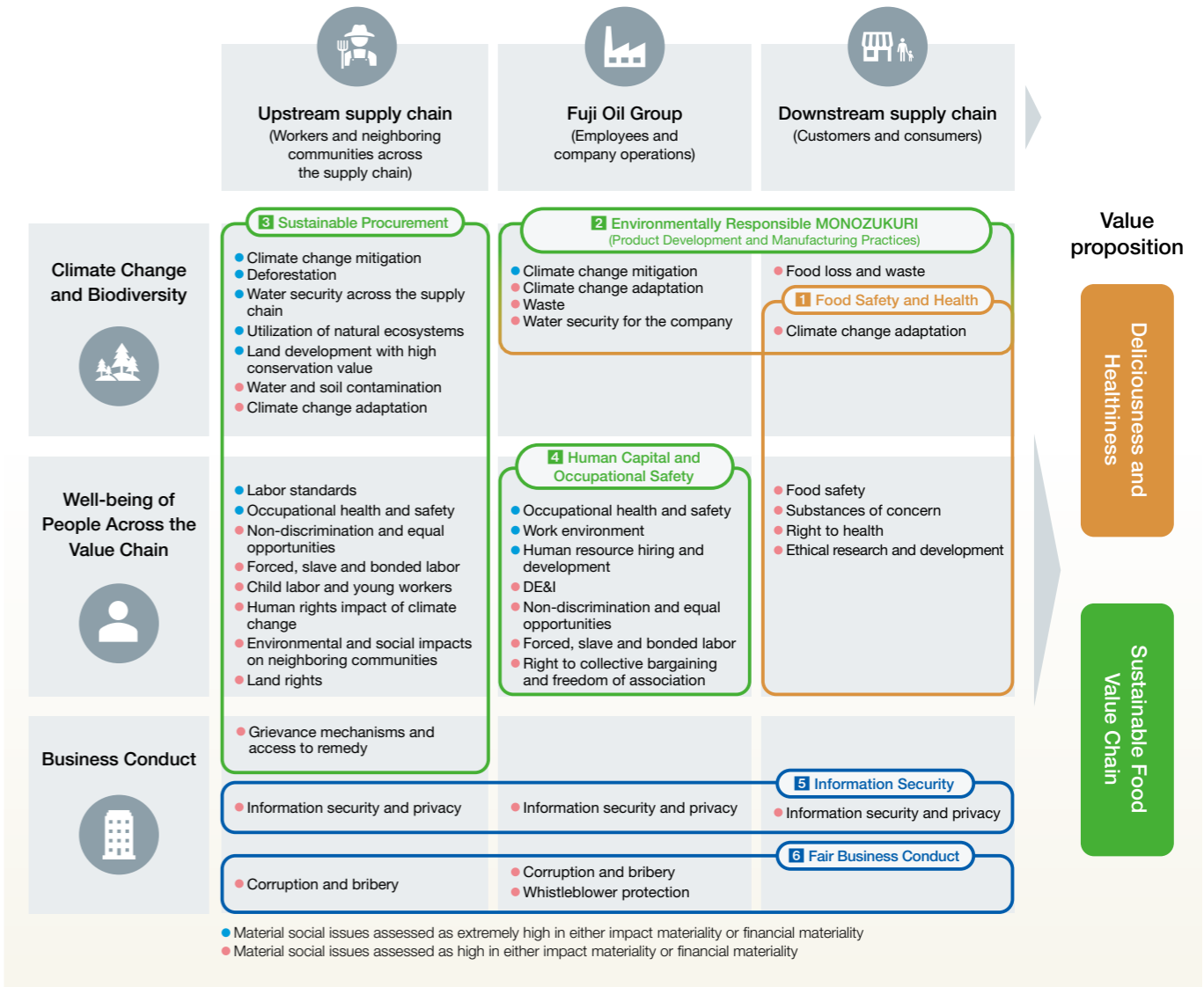
Each year, the Fuji Oil Group conducts a review based on its assessment of new global issues and stakeholder engagement, and selects material ESG issues and priority actions for the following fiscal year. For these material issues, managing officers are appointed under the supervision of the chief officer in charge to decide on targets and measures for promoting initiatives.

Material ESG issues assessment process (conducted in FY2024)



*1 ESRS: European Sustainability Reporting Standards *2 https://www.fujioil.co.jp/en/sustainability/environmental_management/
*3 https://www.fujioil.co.jp/en/sustainability/human_rights/
*4 Experts in the process of selecting material ESG issues (sustainability management in general), experts on human rights and biodiversity, institutional investors, our Group officers, outside directors, Business headquarters, Finance and Accounting headquarters, R&D headquarters, Safety, Quality and Production Technology headquarters, Human Resources & administration headquarters

(Table 1) Determine areas of sustainability matters and priority actions



(Table 2) Material ESG issues and Chief officer in charge

Theme	No	Sustainable Matters Areas	Material ESG issues	Chief officer in charge
			Priority action	
Deliciousness and Healthiness	1	Food Safety and Health	① Ensuring Product Safety and Quality Control	Head of Safety, Quality and Production Technology Headquarters
			② Reduction of Process Contaminants in Oils and Fats	Head of Oils & Fats Business Headquarters
			③ Solutions for Healthy and Well-being	Head of R&D Headquarters
			④ Creation of Diverse Plant-based Ingredients	Head of R&D Headquarters
Sustainable Food Value Chain	2	Environmentally Responsible MONOZUKURI (Product Development and Manufacturing Practices)	⑤ Reduction and Upcycling of Food Loss and Waste	Head of R&D Headquarters
			⑥ Establishment of Circular Food Systems	Head of R&D Headquarters
			⑦ CO ₂ Emissions Reduction	Head of Safety, Quality and Production Technology Headquarters
			⑧ Water Use Reduction	Head of Safety, Quality and Production Technology Headquarters
	3	Sustainable Procurement	⑨ Waste Reduction	Head of Safety, Quality and Production Technology Headquarters
			⑩ Biodiversity Conservation and Restoration	Head of Corporate Planning Headquarters
			⑪ Sustainable Procurement of Palm Oil	Head of Oils & Fats Business Headquarters
			⑫ Sustainable Procurement of Cocoa	Chief Operating Officer (COO) Head of Chocolate Business Headquarters
			⑬ Sustainable Procurement of Soybeans	Head of Soy Ingredients Business Headquarters
			⑭ Sustainable procurement of shea kernels	Head of Oils & Fats Business Headquarters
	4	Human Capital and Occupational Safety	⑮ Promotion of DE&I	Chief Financial Officer (CFO) and Head of Human Resources & Administration Headquarters
			⑯ Securing and Developing Human Resources	Head of Safety, Quality and Production Technology Headquarters
Business Conduct	5	Information Security	⑰ Reducing Occupational Accidents and Property Damage	Head of Safety, Quality and Production Technology Headquarters
			⑱ Information Security Management	Chief Financial Officer (CFO) and Head of Finance and Accounting Headquarters
			⑲ Operation of a Trustworthy Whistleblowing System	Chief Financial Officer (CFO) and Head of Legal Department
	6	Fair Business Conduct	⑳ Promoting Fair Business Practices	Chief Financial Officer (CFO) and Head of Legal Department

Looking Back on Previous Mid-Term Management Plan

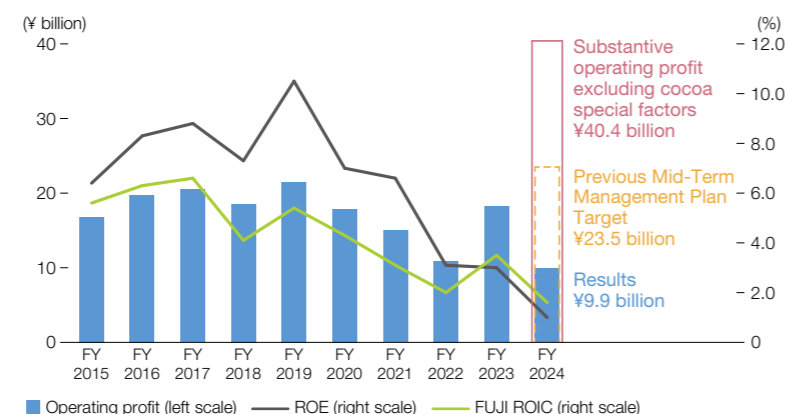
During the previous Mid-Term Management Plan for FY2022 to FY2024, we positioned restoring our core profitability and strengthening our financial position as our highest priority issues and worked to rebuild our business foundation. Amid an external environment that saw soaring cocoa market prices, the Fuji Oil Group accurately identified business opportunities to achieve significant growth in sales of vegetable fats for chocolate (CBE) and compound chocolate in FY2024. As a result, Vegetable Oils and Fats business achieved record high profits and several Group companies in the Industrial Chocolate business recorded favorable performance. On the other hand, financial challenges facing Blommer (US) became evident. As a handler of large volumes of cocoa beans, Blommer saw a major decline in profits due to significant increases in overhead attributable to special factors triggered by soaring cocoa market prices. Additionally, rising raw material prices also led to an increase in working capital, which resulted in a decline in the FUJI ROIC, an indicator of capital efficiency.

In non-financial areas, we achieved results that outperformed targets for FY2024. We worked to reduce CO₂ emissions by having Group companies engage in energy-saving activities and adopt renewable energy. We also adopted a system designed to increase the traceability of palm oil. Through these and other initiatives, we are making steady contributions to sustainability.

Financial Metrics

	FY2024 results	FY2024 targets
Operating profit	¥9.9 billion	¥23.5 billion
ROE	1.0%	8.0%
FUJI ROIC	1.6%	5.0%

The above figures are based on J-GAAP. For fiscal years prior to FY2020, ROIC is used. FUJI ROIC = Operating profit after tax / (Working capital + Fixed assets). FY2019 figures include a 15-month accounting period (Jan 1, 2019 – Mar 31, 2020) for 19 overseas subsidiaries due to a fiscal year-end change.



Non-Financial Metrics

	FY2022 results	FY2023 results	FY2024 results	FY2024 targets
CO ₂ emissions*1 reduction (Scope 1 + 2)	26% reduction	30% reduction	31% reduction	23% reduction
Sustainable procurement (Palm oil)	TTP*2 ratio 93%	95%	95%	85%

*1 Base year: FY2016, Target: consolidated subsidiaries

*2 TTP: Traceability to Plantation

	Achievements	Remaining management challenges
Strengthening of Business Foundation	<ul style="list-style-type: none"> Higher sales of vegetable fats for chocolate (CBE) and compound chocolate Achieved record-high profits in Vegetable Oils and Fats business Profitability of Emulsified and Fermented Ingredients business improved in Southeast Asia 	<ul style="list-style-type: none"> Delays in improvements at Blommer regarding cocoa-related factors Progress toward early profitability on some investments has not gone as planned
Strengthening Global Management	<ul style="list-style-type: none"> Adopted FUJI ROIC and implemented it at all Group companies Transitioned to a business holding company structure 	<ul style="list-style-type: none"> Working capital increased due to soaring raw material prices, and performance was significantly below ROIC target Global expansion of technological strengths and the creation of a value chain are underway
Enhancing Sustainability	<ul style="list-style-type: none"> Reduced CO₂ emissions through energy-saving activities and the adoption of renewable energy Adopted a palm oil traceability system → Achieved non-financial targets 	<ul style="list-style-type: none"> Some challenges took longer to address than expected due to limited and dispersed human resources

Refer to our website for details on the Mid-Term Management Plan.

Mid-Term Management Plan https://www.fujiol.co.jp/en/ir/policies_and_systems/mid-term_management_plan_2027/

New Mid-Term Management Plan

United for Growth 2027

– Driving sustainable innovation through global collaboration –



Fuji Oil Group aspires to co-create a 'Sustainable Future of Food' in collaboration with the diverse stakeholders in Fuji's eco-system, including our suppliers, business partners, customers, and local communities. Through the united aspiration of all Fuji Oil group companies around the globe, we will take on the challenges of people and the planet and aim to create sustainable growth and innovative value for our entire eco-system through plant-based ingredients.

Position of the New Mid-Term Management Plan

In light of changes in our operating environment, we have updated the basic policies of our Mid-Term Management Plan. During the period of the new Mid-Term Management Plan, United for Growth 2027, which we position as Phase 2, we will promote enhancements to overall Group governance and work to further strengthen our competitive superiority in growth fields such as vegetable fats for chocolate (CBE) and compound chocolate. Additionally, we will focus on the development of fields that will serve as new business pillars as part of efforts to achieve sustainable enhancements in corporate value.



Quantitative Target

Financial Metrics

	FY2024 results*1	FY2027 targets
Business profit	¥13.3 billion	¥45.0 billion
ROE	1.8%	10.0% or more
FUJI ROIC*2	2.1%	6.0% or more

*1 Our group has voluntarily applied IFRS since FY2025. Figures for FY2024 have been modified and are indicated based on IFRS.

*2 FUJI ROIC = Business profit after tax / (Operating capital + Fixed assets + Equity method investments)

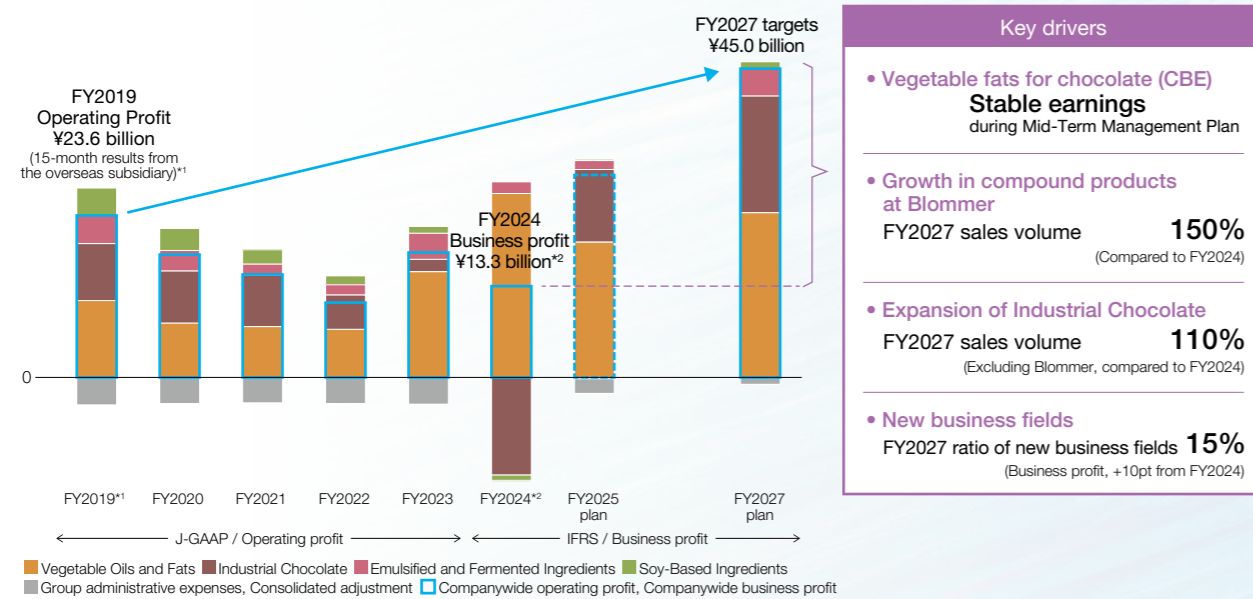
Future Financial Metrics

	FY2024 results	FY2027 targets
Total GHG emissions*1 reduction (Scope1+2)	10% reduction	20% reduction
Sustainable procurement (Palm oil)	TTP*2 ratio 95%	Maintain over 95%

*1 Base year: FY2020, Target: consolidated subsidiaries

*2 TTP: Traceability to Plantation

Business Profit Target



FY2019 to FY2023 results are operating profit based on J-GAAP. FY2024 results and the plan of FY2025 and 2027 are business profit based on IFRS.

*1 FY2019 figures include a 15-month accounting period (Jan 1, 2019 –Mar 31, 2020) for 19 overseas subsidiaries due to a fiscal year-end change.

*2 Our group has voluntarily applied for IFRS since FY2025. Figures for FY2024 have been modified and are indicated based on IFRS.

Basic Policies

Enhance Governance

Implement an effective governance structure across the business and functional axes

- ▶ Accelerate transformation into a business holding company structure and enhance governance
- ▶ Complete the turnaround of Blommer

Further Strengthen Growth Fields

Strengthen core competence of main strategic product streams with substantial market share

- ▶ Strengthen core competence of vegetable fats for chocolate (CBE)
- ▶ Expand compound chocolate sales

Establish New Business Fields

Establish and promote unique and innovative business fields in each business units and areas

- ▶ Create profitable new business fields in each business units through innovation

Enhance Governance

Transformation into a business holding company structure

In FY2025, our Group transformed into a business holding company structure. Through this transition, we aim to strengthen our management structure from a business-axis perspective and enable the delegation of authority to accelerate management decisions and business strategy. Dedicated human resources and finance staff will be assigned to each business headquarters. The head of each business headquarters will have the discretion to flexibly and optimally allocate resources based on the circumstances of each Group company. To address risks and opportunities associated with our supply chain and value chain, we share information and coordinate responses on both a business and functional basis to achieve rapid and efficient decision-making.

CEO Message P4

Group Governance P104

Complete the turnaround of Blommer

As our highest priority issue, we will promote core profitability improvement and product portfolio transformation at Blommer.

Blommer P38

Further Strengthen Growth Fields

Establish New Business Fields

During the new Mid-Term Management Plan, we will incorporate initiatives aimed at strengthening growth fields and establishing new business fields into the strategies of each business headquarters, and promote those initiatives as a Group-wide effort.

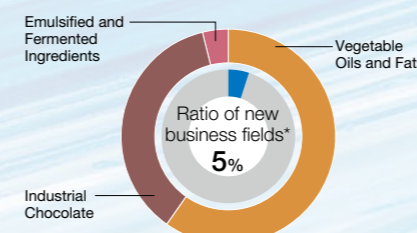
	Growth fields	New business fields
Vegetable Oils and Fats	Establish a competitive advantage of CBE by building a high-quality and sustainable supply chain	Expand sales of high-added-value products such as substitutes for animal-based fats, sunflower oil, and grapeseed oil
Industrial Chocolate	Conduct capital expenditures to expand sales volume of compound chocolate	Expand sales of solution-based products such as cocoa-free chocolate
Emulsified and Fermented Ingredients	Increase efficiency and profitability of production in Japan	Strengthen sales of cream products in China
Soy-Based Ingredients	Rebuild business in Japan and improve profitability	Increase deployment of solution-based products

Research and Development	Governance <ul style="list-style-type: none"> ▶ Establish a structure for the rapid Group deployment of products and technologies ▶ Formulate and implement a global IP strategy Growth fields <ul style="list-style-type: none"> ▶ Accelerate global solutions proposals through applications of our products ▶ Build fundamental technologies that strengthen the competitiveness of our core products New business fields <ul style="list-style-type: none"> ▶ Expand product lines for new business fields based on business strategy and contribute to profits ▶ Create technologies and markets that lead to next-generation businesses
Safety, Quality and Production Technology	Governance <ul style="list-style-type: none"> ▶ Reduce workplace accidents and food safety complaints Growth fields <ul style="list-style-type: none"> ▶ Use plant productivity metrics to stimulate improvement activities at the Group companies New business fields <ul style="list-style-type: none"> ▶ Develop technology for shift to smart plants ▶ Establish a quality assurance structure in new business fields
Human Capital	Governance <ul style="list-style-type: none"> ▶ Achieve unity by improving the Group's Hataraki-Gai* ▶ Fostering management talent and ensuring diversity ▶ Human resource development and optimal personnel placement aligned with business strategy Growth fields <ul style="list-style-type: none"> ▶ Sense of purpose and motivation derived from one's work. Use as a common internal term for employee engagement within the Group New business fields
Environment Sustainable Procurement	<ul style="list-style-type: none"> ▶ Promote Environment Vision 2030/2050, including FY2050 GHG emissions reduction targets (Scope 1, 2, 3), net zero, etc. ▶ Promote initiatives aimed at 2030 KPI such as sustainable procurement of palm oil, cocoa, soybeans, and shea kernels

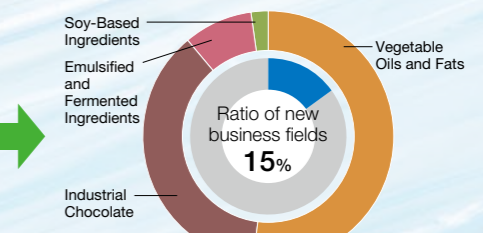
Ideal Business Portfolio

The Fuji Oil Group defines “new business fields” as initiatives related to new products and technology, new markets, and new sales methods. We are making a Group-wide effort to promote such initiatives as sources of new value creation that will contribute to solutions that solve the problems facing customers and society. In FY2024, new business fields accounted for 5% of business profits, but we will aim to increase this to 15% in FY2027 as we work to foster and monetize product groups that will serve as pillars of business in the future.

FY2024 business profit* composition



FY2027 business profit composition (image)



FY2024

- ▶ Growth for Vegetable Oils and Fats business
- ▶ The performance of Blommer on Industrial Chocolate business declined due to cocoa special factors
- ▶ Profits from Soy-based Ingredients business declined due to delays in profit realization at facilities where we made capital expenditures

The Current Mid-Term Management Plan

- ▶ Improve Blommer to drive growth for Industrial Chocolate
- ▶ Further strengthen the competitive advantages of core products
- ▶ Develop and realize profits from products in new business fields that will become future pillars of business

Taking on Challenges in New Business Fields P54

Pursuing Growth Fields and New Business Fields to Achieve Sustainable Growth

Transformation to a business holding company structure and challenges related to implementing structural reforms at Blommer, and measures to address those issues. Strengthening efforts in growth fields to ensure future growth, expanding new business fields, and permeating Group philosophy at the global level. CEO Tatsuji Omori and Outside Director Rie Nakagawa discussed these and other issues concerning the future of the Fuji Oil Group.

Enhancing governance by transitioning to a business holding company structure

Nakagawa: The Fuji Oil Group is engaged in initiatives to enhance its governance structure, including transforming to a business holding company structure from April 2025. Prior to this structural change, certain initiatives related to each business division were left up to each area. I felt that our business divisions should proactively take

responsibility for identifying our strengths and weaknesses on a global scale, and for analyzing market conditions in each region with a strong sense of ownership. What are your thoughts on this point, Mr. Omori?

Omori: The goal of the area-specific management system adopted under the pure holdings company structure was to promote global expansion and avoid reliance on Japan, which was projected to see market contraction due to low birth rates and population aging. In truth, increasing the sales ratio outside of Japan to above 60% through M&A and other initiatives was a tremendous success. However, as you suggest, while delegating decision-making authority to each area does enable flexible responses tailored to each specific region, certain challenges with that system became evident. Namely, labor shortages and other resource deficiencies in each area left us unable to sufficiently respond to issues that affected the entire division, such as soaring raw material prices or a global pandemic. By transforming to a business holding company structure, we have strengthened business-axis management and are addressing such vulnerabilities by empowering the heads of business headquarters the discretionary authority to implement responses tailored to the specific conditions of each Group company.

Tatsuji Omori

Representative Director, President and Chief Executive Officer (CEO)



Nakagawa: Based on my personal experience, when operating in a highly unpredictable environment, it is important to assume various risks and prepare prediction scenarios. I believe the company can strengthen its management structure from a global perspective if the Fuji Oil Board of Directors enhances its analysis related to budget management and forward-looking projections.

Omori: This is also an area in which I think we will benefit from these organizational changes. Previously, Board of Directors meetings mainly featured reports from each regional area. Going forward, however, the heads of each business headquarters—who are directly accountable for the performance of their respective businesses—will present their own areas. I believe this will lead to greater clarity and depth in the discussions. In addition to forward-looking predictions, we intend to actively share insights into market conditions and industry trends in each region, with the aim of fostering deeper and more constructive discussions.

Blommer structural reforms: Fuji Oil's highest priority issue

Nakagawa: An urgent issue for the Fuji Oil Group is Blommer. Nearly six years have passed since the acquisition, and we have now reached a stage where the results of our initiatives are being carefully assessed. Blommer started on structural reforms during the period of the previous Mid-Term Management Plan but with historical increases in cocoa bean prices and complex factors such as futures transactions, it seems the company struggled to outline effective measures to address issues. Also, my impression is that the company was reactive rather than proactive in its timing of implementing concrete measures. In particular, at past Board of Directors meetings, we received an explanation of phenomena indicated in the business report and the factors causing those issues. However, I felt like explanations concerning the company's forecasts and future outlook were insufficient. First, I would like to know how you are analyzing these issues.

Rie Nakagawa

Independent Outside Director

Nakagawa has served as an Outside Director for Fuji Oil since June 2023. She has held key positions related to the FA business, user service platforms, and sustainability platforms at machinery and industrial e-commerce companies. She has vast experience in the portfolio management, cash management, and sustainability fields.

Omori: As you point out, it was a problem that we failed to rapidly implement PDCA at Blommer and were late in responding to issues. For example, revenue pillars at Blommer included sales of pure chocolate in addition to processed cocoa products such as cocoa butter and cocoa powder. However, processed cocoa products have been shifting to a commodity for the past several years, making it difficult to undertake price initiatives. This was one of the reasons for low profits at Blommer. In response to this situation, we failed to more aggressively promote the shift to compound chocolate, an area of expertise for Fuji Oil.

Also, another issue was that soaring cocoa market prices exposed Blommer's own weaknesses in its management structure. You pointed out that while we are able to explain the past, our outlook for the future remains unclear. This is primarily due to historically high cocoa prices—unprecedented in our experience—as well as the time it has taken to strengthen our organizational structure. At present, we are adopting an integrated ERP system to promote visualization while also enhancing our policy of expanding compound chocolate.





Nakagawa: I see. Last fiscal year the company certainly struggled to respond to soaring cocoa prices but recently we have received explanations regarding specific measures and target figures. I feel that the fog over Blommer has lifted and the company has become easier to monitor. On the other hand, a key challenge remains: to what extent Fuji Oil's strength in compound chocolate can gain traction in the US market, which is traditionally dominated by pure chocolate. What is your view on that point?

Omori: Compared to other areas, compound chocolate has limited exposure on the US market. However, amid soaring cocoa prices, we believe we have an opportunity right now. We will proactively engage in proposal-based sales to promote demand creation among consumers.

Nakagawa: Needless to say, developing new markets comes with unexpected challenges. Moving forward, localization to suit target markets will be vital as you cannot simply adopt the Japanese model as is. You must take an approach that incorporates local lifestyles and perspectives. In this sense, I hope you will promote management that proactively incorporates local human resources and market nuances.

Simultaneously strengthening growth fields and expanding new business fields

Nakagawa: The Fuji Oil Group is simultaneously working to strengthen growth fields and expand new business fields. Regarding the former, my first question is

regarding the company's ability as a manufacturer to establish an effective and low-cost structure for supplying products. I believe such infrastructure enhancements, including reducing costs and improving production technology, will be of even greater importance moving forward.

Omori: From the perspective of our production structure, you are absolutely correct. With growth fields in particular, even if we are increasing current revenues, we will fall behind if we fail to make improvements. For vegetable fats for chocolate (CBE) and compound chocolate, in each area we must become an entity with overwhelming competitive strengths. To achieve this, we must diligently and aggressively address customer needs while also working to strengthen our product management, including limiting our SKU numbers.

Nakagawa: The other area I am looking at is achieving differentiation through application development. As the Fuji Oil Group is a supplier of intermediate ingredients, I believe the key to the company's future lies in what kind of added value you can deliver to customers who use ingenuity to create products that will please their consumers.

Omori: Thus far, our company has achieved growth by developing products and technologies that solve the challenges facing our customers and society. Within that process, we position application development, providing proposals that our customers incorporate into their products, as inseparable to achieving differentiation. One of our new business fields is establishing compound chocolate in the US market. For example, when coating biscuits, we consider what type of fat will prevent melting at room temperature yet allow the chocolate to melt in the mouth. When sandwiching cookies, if we want a softer, more easily processed chocolate, we use a different type of fat. We are currently advancing a wide range of proposals that showcase "what chocolate can do," and these ideas are being perceived as fresh and innovative in the U.S. market. We believe that communicating added value to customers through proposals created by our application team will help us expand our sales channels.

Nakagawa: When approaching customers with solutions to their problems, the knowledge and know-how that the company has accumulated over the years serves as leverage. I have high hopes that moving forward the company will continue to leverage its strengths all over the world.

Omori: Fuji Oil employees assigned to the Fuji Science & Innovation Center and our other research labs participate in an annual Idea Contest through which they compete on product creation based on completely open themes. Teams are engaged in initiatives that transcend divisional boundaries. Back before the development of MIRACORE™, which is widely used as a plant-based ramen soup, employees were already taking on the challenge of creating ramen soup using plant-based oils. It would be wonderful for you to visit the contest so that you can get a first-hand look at motivated employees taking on challenge of creating solutions to problems.

Nakagawa: The idea of an innovation contest with a customer perspective and problem resolution perspective is incredibly interesting. In businesses primarily focused on the B2B market, it is important to be aware of the tendency to limit the scope of ideas by thinking only within the context of your own company. For example, by utilizing open innovation, such as by inviting external individuals and organizations to participate in contests, you are perhaps more likely to generate more diverse and effective ideas.

Enhancing medium- and long-term corporate value

Nakagawa: Moving forward, human resources will be critical to solving customer issues and the inherent issues facing society, and to achieving further growth. I am paying close attention to initiatives such as engagement surveys and the diversification of management. What are your thoughts on these subjects?

Omori: We are working sincerely to improve engagement, and have demonstrated our seriousness by incorporating survey results into our KPI for executive compensation. We will continue striving for further improvement, including by diligently sharing our management policies with employees. Concerning the diversification of management, we currently have foreign nationals in key positions at Group companies overseas. Moving forward, we will continue developing our human resources to enable an even more diverse range of members to take on a broad range of roles as part of the Fuji Oil Group management team.

Nakagawa: When sharing policies with employees, I think it's important to clearly communicate each individual's role. For example, human resources in new business fields are extremely important, but endeavors in new business fields themselves represent investments for



the future. This means results can be difficult to see, so it's important to communicate the significance of the challenges they are undertaking. At the same time, existing mainstay businesses and the daily tasks that will have an immediate impact are just as important. It would be good to convey the message that each employee is supporting the company's growth.

Omori: I want to instill in all employees the awareness that they are leading our efforts in both growth fields and new business fields. Both fields exist in the oils and fats domain as well, with CBE being a growth field and stabilized DHA being a new business field. The key is to achieve both, and putting this into practice requires that we quickly implement the PDCA cycle. We will first take inventory of our daily operations to clarify any issues, thoroughly address them, and confirm our results.

Nakagawa: I feel that what supports Fuji Oil is its commitment to taking on new challenges and the desire to achieve innovation. When I visited the company in person, I was very impressed by the lively employees who seemed to enjoy working there. I hope that the company will continue to create new value together with its customers. This is the biggest key to enhancing medium- and long-term business value for shareholders.

Omori: Our strength is our ability to create products that solve problems. As a company, it is through monetization that we will transform those strengths into value. In our Mid-Term Management Plan, we aim to link challenges to corporate growth and make sustainable enhancements to our corporate value.

COO Message

Executive Responsibility and Promoting Strength-Driven Growth Strategy

Hiroyuki Tanaka

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



Launching a new structure and my perspective as COO

In FY2025, the Fuji Oil Group entered a new era as it transformed from a pure holdings company to a business holding company. This new structure clarifies business axes and executive responsibility to unify us in a way that I am confident will improve our business execution and our ability to respond to our external environment. Our current business environment is highly complex and filled with uncertainty, including rapid fluctuations in raw material market prices, geopolitical risks, and increasing calls for sustainability. The Chief Operating Officer (COO) is responsible for all aspects of the Group's business execution. I will fulfill this role by rapidly ascertaining the status of the Group and each business, and by engaging in decision-making backed by empirical evidence. While respecting conventional thinking about value creation, I will strive for the creation of a system that ensures data-driven accountability.

Including my previous positions, I personally have been involved in food raw materials markets for 35 years. Over that time, markets have always changed and I have experienced numerous unanticipated challenges and situations that could not be resolved through conventional solutions. The unprecedented stability in market prices seen prior to the previous Mid-Term Management Plan, the period between 2014 to 2020, resulted in an insufficient focus on risk management. More recently, we once again have been at risk of unforeseeable circumstances due to the COVID-19 pandemic and political instability. For these reasons, I will build a structure that promotes the rapid identification and mitigation of risks by continuously reviewing and strengthening our risk management structure from a global perspective, and by reinforcing risk management at Group companies outside of Japan. I believe the accumulation of these efforts will serve as a force that supports Group stability and growth.

Leverage strengths to promote growth and new pursuits

Through our new Mid-Term Management Plan, we will achieve steady growth in domains where we can leverage the strengths of our Group. In particular, vegetable fats for chocolate (CBE) and compound chocolate are product groups that reflect the Fuji Oil Group's technological strengths and have a long track record of applications. I believe these products can compete on global markets. We reached the conclusion that strengthening our supply chain is essential to Fuji Oil becoming a leader on these markets. Over the years, we have also worked to differentiate our products through our oil and fat manufacturing technology. Moving forward, we will engage in the management of trace elements contained in oils and fats to newly differentiate ourselves by focusing on raw materials.

Promoting collaborations with suppliers such as palm

plantations on the upstream of our supply chain will contribute to the stable supply of sustainable certified oils and fats while also enabling us to offer high-value-added products that provide superior quality and safety. For compound chocolate, in addition to overseas deployment of solution-based products and applications cultivated in Japan, we will also strengthen business by conducting capital investments in each area to strengthen our global supply structure. For Emulsified and Fermented Ingredients, we will aim for revenue growth by deploying strengths cultivated in Japan, product development that responds to market needs and applications that solve issues, into Asian markets.

We are treating Blommer as our highest priority task. The US chocolate market is centered on pure chocolate, meaning that business conditions have been difficult due

to stagnant demand triggered by high cocoa prices. However, by engaging in thorough risk management to restore profitability and promoting growth by expanding sales of compound chocolate, we absolutely will turn Blommer around during the three-year period of this Mid-Term Management Plan.

Challenging ourselves in new business fields is the process of fostering new pillars that will support the Fuji Oil Group in the future. In existing business fields, we will apply innovative perspectives to products, technology, markets, and sales methods to create and foster new business for each company and region. At the same time, we will pursue a fusion of technology that transcends the framework of each business to create new businesses unique to the Fuji Oil Group. Thus far, Fuji Oil has built an extensive track record developing products that respond to the needs of customers and society. There are new business fields in which we can leverage the Fuji Oil Group's capabilities as a solutions provider. The mindset and commitment of being a solutions provider is something that is hardwired into all our manufacturing, sales, and development teams. This is why I am confident that we can produce steady results in new business fields.

As we reevaluate our portfolio, beyond taking a

business-specific approach I believe we must also validate each product group. Fuji Oil Group business is divided into four categories. Just as the products supplied by Vegetable Oils and Fats serve as intermediate ingredients used by Industrial Chocolate and Emulsified and Fermented Ingredients, we will promote product collaborations between businesses to create value. For this reason, it is important that we prioritize evaluating the value of product groups more than evaluating value from a business unit perspective. We will reevaluate how we position product groups based on criteria such whether there is a need in society and if products are contributing to resolving customer issues. We will consider decommissioning products that offered value in the past but currently have no existing market demand. At the same time, we will examine products that currently do not generate profits but have the potential to contribute to customers and society in the future. We will apply a mid- to long-term perspective towards evaluating why such products are not generating profits and promoting necessary reforms.

We will leverage the strengths of the Fuji Oil Group to pursue both challenges and innovation towards the realization of sustainable growth for the entire Group.

Co-Creation with the ITOCHU Group

We collaborate with the ITOCHU Group, our major shareholders, to leverage their strengths towards maximizing the corporate value of the Fuji Oil Group. Mainly, we co-create new value through the following: 1) Strengthening raw materials procurement and logistics structure; 2) Strengthening management capabilities by accepted experts and management personnel dispatched from the ITOCHU Group; and 3) New product sales support in Japan and overseas.

1) Strengthening raw materials procurement and logistics structure

In light of our Group's long-term raw material demand, in collaboration with the ITOCHU Group we built a logistics scheme for tropical oils and fats, receive support for cocoa bean raw material procurement and are strengthening our risk management structure. These initiatives enable us to stabilize raw materials procurement and strengthen competitiveness, which contribute to stable production and product provision for our Group.

2) Strengthening management capabilities by accepted experts and management personnel dispatched from the ITOCHU Group

Amid increasing risks of dramatic fluctuations in raw material market prices due to geopolitical risks and climate risks, we accept personnel from the ITOCHU Group with expertise in specialized fields to strengthen our risk management related to raw materials procurement. At the initial stages of overseas business engagement, we accept personnel with expertise in areas such as finance, accounting, and business management to enhance the value of newly acquired businesses while also working to resolve challenges and mitigate risks. At Blommer, in particular, we are advancing business improvement efforts through involvement by personnel with expertise in business management and finance and accounting.

3) Value creation through new product market development and sales support

With a focus on our plant-based food products, we are engaging in non-traditional channels and markets. During these efforts, we use co-creation with the ITOCHU Group to provide products to the value chains ITOCHU possesses on the Japanese market and we leverage ITOCHU's overseas sales networks to promote sales. We assign employees to the ITOCHU Group to apply their knowledge related to the food industry and plant-based domains and enhance their business skills.

Initiatives conducted with ITOCHU Group are in accordance with policies concerning the protection of minority shareholder rights.

Blommer

Blommer Corporate Overview

Established	• 1939	Plants	• 2 plants in the US, 1 plant in Canada
Business	• Industrial Chocolate Business	Share	• No. 2* for market share in the US (No. 2 for chocolate, No. 1 for cocoa)

* At time of joining Group

Structural Reforms of Blommer

The US, where Blommer operates, is critical in the chocolate confectionery market in terms of both scale and growth potential. For this reason, we acquired Blommer in 2019. Since the acquisition, profitability declined as a result of changes in the external environment, including COVID-19 causing delays in investments to address deterioration, inflation, and rising interest rates. In response to this situation, in March 2024 we announced structural reforms mainly consisting of closing the Chicago Plant and conducting investments to increase production of compound products at the Campbellford Plant in Canada.

FY2019 to FY2023

Operating environment changes and challenges since the acquisition



- COVID-19 caused delays in investments to address deterioration, personnel shortages, and a rapid increase in personnel expenses



- Rising raw material prices
- Rising interest rates in the US

Plant productivity improvements were delayed, resulting in a decline in profitability

March 2024

Structural Reforms of Blommer

Closure of Chicago Plant

Strengthen Risk Management

Increase Campbellford Plant Production of Compound Chocolate

FY2024

Progress on structural reforms

- ▶ Completely closed the deteriorating Chicago Plant at the end of May 2024 to reduce costs
- ▶ Launched products such as the CBE compound ELEVATE to expand sales of differentiating products
- ▶ Investments in Campbellford Plant progressed according to plans

Impact of soaring cocoa market prices

Unlike the Fuji Oil Group's other industrial chocolate companies, Blommer has a high sales ratio of pure chocolate, meaning the company maintains vast cocoa bean inventory to ensure stable supplies. Due to a convergence of factors, including cocoa bean procurement characteristics, the market price environment, and market conditions in the US, FY2024 resulted in 30.5 billion yen in losses from the impact of soaring cocoa market prices (cocoa special factors).

Cocoa bean procurement characteristics

- Long contract periods and requires long-term storage
- Blommer uses futures transactions to hedge against cocoa price fluctuation risks

Cocoa market price environment

- Prices soared at the start of 2024 and remained volatile
- Price differences between contract months increased due to backwardation on futures markets

US market environment

Consumption of chocolate confectionery sluggish due to the impact of inflation and soaring cocoa prices

Strengthened management structure and implemented measures to reduce raw material procurement risks

Measures for FY2025 and Beyond

Restore Core Profitability

Blommer is working to restore core profitability and mitigate risks associated with raw material procurement, including by diversifying cocoa bean sources to reduce long-term inventory. Additionally, we dispatched additional personnel from Japan to strengthen support for business management and production improvements. Through these initiatives, we will reevaluate the company's revenue structure and steadily advance efforts to rebuild the business.

Product Portfolio Transformation

In the chocolate business, we are accelerating the shift to a product portfolio centered on value-added compound products. The new line at the Campbellford Plant, scheduled to come online in FY2026, will increase production capacity for compound products. As a result, we aim to increase the sales volume of compound products by 150% in FY2027 compared to FY2024.



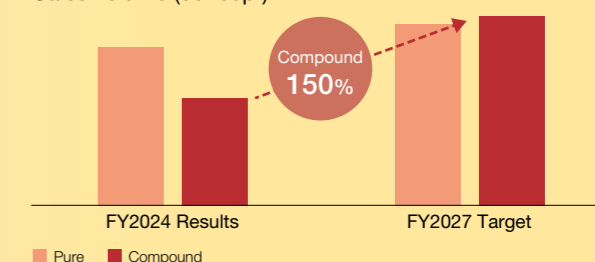
New line under construction at the Campbellford Plant (Canada)

FY2027 Target

Compound product sales volume (compared to FY2024)

150%

Sales volume (concept)



Case Study

Pursuing expansion of the CBE compound 'ELEVATE' in the US market

In 2024, Blommer launched its first CBE compound product line, named ELEVATE. Collaborating with Fuji Vegetable Oil, the oil and fat hub of the Fuji Oil Group, we were able to design products that strike an excellent balance between quality and cost. At a recent industry tradeshow we had visitors blind taste test samples of pure chocolate versus those from our ELEVATE line, and most couldn't tell the difference. The positive feedback overall has led to multiple customer contracts being written within fiscal year 2025. Although CBE compounds are still relatively unknown in the US market, we do believe CBE compounds can play a significant role in addressing market challenges such as the rising cost of cocoa. We are proud of what we have created and are fully committed to growing ELEVATE's presence in the U.S., because we truly believe in its potential.



Blommer Chocolate Company
Left: East Sales Director, Jason Fenske
Right: R&D Vice President, Melissa Tisoncik

Vegetable Oils and Fats Business



Tatsuaki Hirosawa

Senior Executive Officer
Head of Oils & Fats Business
Headquarters

Profile

After joining the company as sales staff in 1983, Hirosawa was seconded to FUJI OIL (ZHANG JIA GANG FREE TRADE ZONE) CO., LTD. in 1997. He experienced two overseas assignments: in 1997 at FUJI OIL (ZHANG JIA GANG FREE TRADE ZONE) CO., LTD. and in 2017 as Managing Director at FUJI OIL ASIA PTE. LTD. (Singapore). He served as Director and Head of the Sales Division at FUJI OIL CO., LTD. in 2017 and has held his current position since April 2025.

Accelerating our building of a high-quality, sustainable global supply chain

Fuji Oil's original Vegetable Oils and Fats business achieved growth by finding new opportunities in its unique vegetable fats for chocolate (CBE), which were created by leveraging proprietary fractionation technology applied to palm oil, its main raw material. Today, it serves as a core business for the Fuji Oil Group, which operates locations in nine countries around the world.

Our business policy for the Vegetable Oils and Fats business is to establish a high-quality and sustainable supply chain. Demand for products that consider the global environment and human rights is expected to continue expanding globally, particularly in Europe. To meet this demand, we plan to open a new site in Malaysia. The new facility will incorporate the latest technology and enable us to provide high-quality, sustainable certified oils. We will maximize how we leverage our supply capacity for high-quality sustainable oils in Southeast Asia, including our new site, to meet the growing CBE demand driven by the global increase in chocolate raw material prices.

We will steadily work to build a high-quality, sustainable supply chain and link that to solid growth for Fuji Oil.

Net Sales

¥207.3 billion (up ¥21.9 billion YoY)

While sales volume decreased in the Americas, net sales grew, particularly in Japan and Southeast Asia, thanks to strong demand for vegetable fats for chocolate (CBE) driven by soaring cocoa prices.

Operating Profit

¥26.3 billion (up ¥10.8 billion YoY)

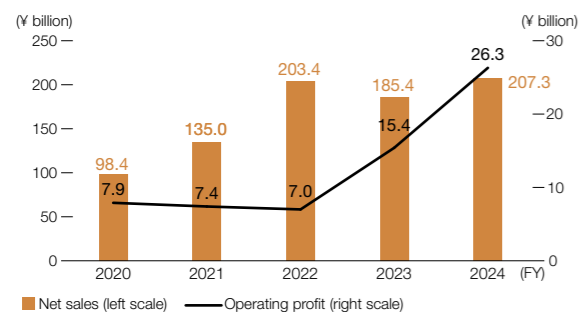
Profit grew, particularly in Japan and Southeast Asia, thanks to strong demand for vegetable fats for chocolate (CBE) driven by soaring cocoa prices.

FUJI ROIC

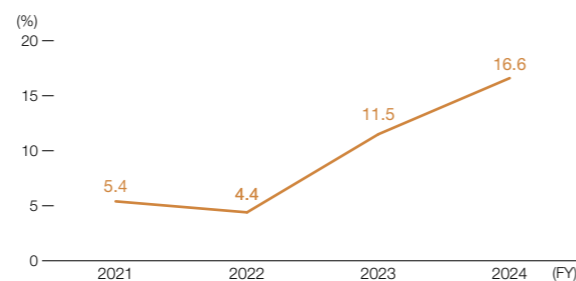
16.6% (up 5.1pt YoY)

Sales volume decreased in the Americas and working capital increased due to an accumulation of inventory to prepare for increased sales of vegetable fats for chocolate (CBE) in each area. However, growth in operating profit resulted in significant growth in the FUJI ROIC.

Net sales and operating profit (J-GAAP)



FUJI ROIC (J-GAAP)*



* FUJI ROIC = Operating profit after tax / (Working capital + Fixed assets)

About the Vegetable Oils and Fats

In our Vegetable Oils and Fats business, we use sustainably sourced palm oil and palm kernel oil as our main raw materials, and manufacture and sell distinctive oils and fats for food processing using in-house processing technologies, including our proprietary fractionation technology.

Our main products are vegetable fats for chocolate and oils and fats for food processing, which we not only sell to customers but also supply to our own Industrial Chocolate business and Emulsified and Fermented Ingredients business, supporting the business foundation of the entire group.

Core Product Line

- Edible oils and fats
- Oils and fats for food processing
- Vegetable fats for chocolate

Main Applications

- Chocolate
- Instant noodles
- Infant formula
- Ice cream
- Snacks, cookies
- Margarine, shortening

Main Raw Materials

- Palm oil
- Shea butter
- Sunflower oil
- Coconut oil
- Palm kernel oil

Share

- Vegetable fats for chocolate (CBE)

World's top 3, No. 1 in Japan

9 countries, 20 companies

* FUJI OIL CO., LTD. and major consolidated subsidiaries and equity-method affiliates as of August 1, 2025

963

Operating Base

¥151.8 billion

Number of Employee

¥4.6 billion

Segment Asset

Capital Expenditure

¥1.1 billion

Annual Production Volume

Approx. 900,000 tons

Market opportunities

- Growing demand for safe and reliable sustainable certified oils due to mandatory environmental and human rights due diligence and stricter regulations on trace elements, primarily in Europe.
- Global demand for vegetable fats for chocolate (CBE) is growing due to soaring cocoa prices caused by record-low cocoa bean harvests in West Africa.

Strengths

- Certified palm oil supply structure**
We supply sustainable palm oil produced at our Group company in Malaysia to customers and Group companies worldwide.
- Vegetable fats for chocolate (CBE) that can replace cocoa butter.**
We hold a Top 3 market share globally. Using palm, sunflower, and shea as raw materials, we are able to produce and supply products from our global bases, building a consistent supply chain from raw materials to customers.

Main policies of the Mid-Term Management Plan

Growth Fields

Accelerating the global expansion of certified sustainable palm oil and vegetable fats for chocolate (CBE)

In our Vegetable Oils and Fats business, we have worked to expand our range of certified sustainable palm oil and vegetable fats for chocolate (CBE) as priority initiatives. In recent years, demand for these products has been growing globally, presenting a significant growth opportunity for our Group. We will accelerate our efforts to capitalize on this trend and link it into solid growth. With the completion of JPG FUJI SDN. BHD. in Malaysia, which is currently under construction, we expect a dramatic increase in our supply capacity for certified sustainable palm oil. As for CBE, we will maximize our global production capacity by optimizing our production systems at our bases around the world.

New Business Fields

Using sustainable vegetable oil and fat ingredients to contribute to solving social and customer issues

In the processed foods industry, where animal-based fats are the norm, we launched the "Melavio" series in pursuit of new possibilities for vegetable oils and fats. By combining our strengths in high-quality sustainable oils and fats with our unique flavor and physical property control technology, we have achieved a rich, animal-based flavor while maintaining the light, healthy taste of plant-based oils and fats.

The Melavio series is more than just a substitute for animal fats; it is a product that will be actively chosen by customers who want to expand the possibilities of prepared foods, processed meat products, and processed seafood foods. Combining all of the delicious taste, ease of use, and sustainability that will be expected of oils and fats in the future, this product will serve as a partner that can accommodate a variety of applications and greatly expand possibilities for creating new products.

Melavio Series



Melavio Series

Special
Feature

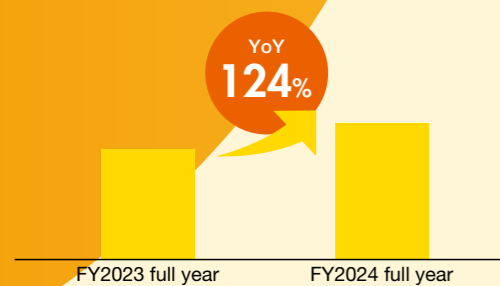
01

Creating the Future of the Chocolate Market

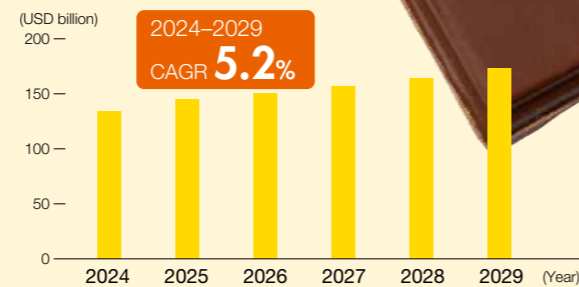
Vegetable Fats for Chocolate (CBE)

The chocolate confectionery market is projected to expand on population and economic growth. At the same time, historically poor cocoa bean harvests due to unfavorable weather in West Africa have led to a strain on global cocoa supply and demand. These conditions are driving increasing demand for vegetable fats for chocolate (CBE), which can serve as a substitute for cocoa butter.

CBE sales volume in the Fuji Oil Group
(Includes sales to Fuji Oil Group companies)



Global chocolate confectionery
market forecast



Quote: Euromonitor Chocolate Confectionery 2024
Geography: world, category: chocolate confectionery
Data type: Retail Value RSP

About Vegetable Fats for Chocolate (CBE)

Fats used in chocolate are referred to as vegetable fats for chocolate. Among those, CBE is a fat that can be used as a substitute for cocoa butter. This mainly uses palm oil, sunflower oil, and shea butter as raw materials.

Compared to cocoa butter, CBE not only offers superior cost performance, but also enables control the melt-in-your-mouth feel and texture as well as add functionality such as increased preservability.

Main ingredients in chocolate



Rapid increase in inquiries related to CBE, which can be used as a substitute for cocoa butter

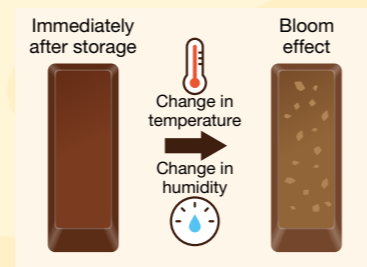
Functionality of CBE



Adjust melting point based on region or season



Improve production efficiency by adjusting solidification speed



Bloom* control

* Phenomenon of fat or sugar floating to the surface and turning white. This occurs when the tempering process is insufficient.

Fuji Oil Group's strengths in vegetable fats for chocolate (CBE)

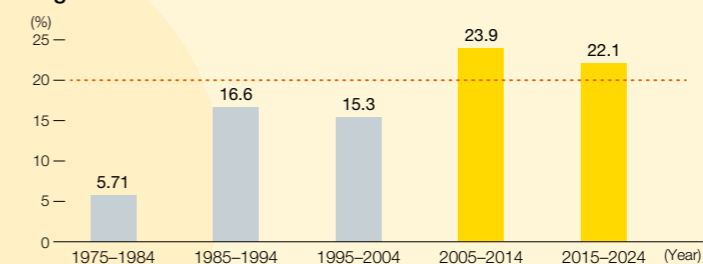
Share

Japan
No. 1Global
Top 3Fusion
of
Technology

The Fuji Oil Group has built a highly unique business portfolio by combining two businesses, Vegetable Oils and Fats and Industrial Chocolate. Our strength is in our ability to leverage the know-how we cultivated in the chocolate field to provide designs and proposals for oils and fats that are tailored to the needs of our customers.

Looking at patent applications, our company accounts for over 20% of all applications related to vegetable fats for chocolate, an indication of our overwhelming presence in the field.

Fuji Oil Group's composition ratio of patent applications related to vegetable fats for chocolate

Stable
Procurement
of Raw
Materials

The Fuji Oil Group has built a supply network consisting of Group companies specifically for ensuring the stable procurement of palm oil, sunflower oil, and shea butter, the main raw materials in CBE.

Palm oil

Sustainable certified oils are supplied by UNIFUJI SDN. BHD. To respond to recent CBE demand, we plan to dramatically increase production volume in FY2026 with the launch of JPG FUJI SDN. BHD. operations.

Shea butter

FUJI OIL GHANA LIMITED, which is located in West Africa near a shea production region, functions as a supply base and is enabling stable supply amid the strained supply and demand environment for shea butter that has continued since last year.

Sunflower oil

In FY2025, French company PROVENCE HUILES S.A.S joined the Fuji Oil Group. This company will not only contribute to the stable supply of sunflower oil, but it will also contribute to CO₂ emissions reduction when it begins operating a biomass power generation facility, which is scheduled to go online next fiscal year.

Sunflower oil

• PROVENCE HUILES S.A.S

Shea butter

• FUJI OIL GHANA LIMITED

Palm oil

• UNIFUJI SDN. BHD.
• JPG FUJI SDN. BHD.

Special
Feature

02

Growth Strategy Driven by Building a High-Quality, Sustainable Supply Chain

With Vegetable Oils and Fats, the foundational business of the Fuji Oil Group, building a supply chain specifically designed to secure a stable supply of high-quality raw materials is a critical matter related to ensuring the continuity of our overall Group operations. The production of palm oil, which we position as one of our main raw materials, has been pointed out for having a history of social issues such as an environmental destruction and human rights violations. Based on this background, the Fuji Oil Group has long aimed for the stable, sustainable procurement of high-quality raw materials by working in cooperation with local governments and farmers to build a supply chain that gives due consideration to the environment, human rights, and biodiversity. In recent years, we have seen the adoption of mandatory environmental and human rights due diligence in Europe and increasing demands related to the control of trace elements (process contaminants). As a company with a long history of initiatives related to sustainable procurement, we are aggressively advancing initiatives to leverage our unique position of being able to supply high-quality, sustainable products.



VOICE

Growth Strategy through Building a High-Quality and Sustainable Supply Chain

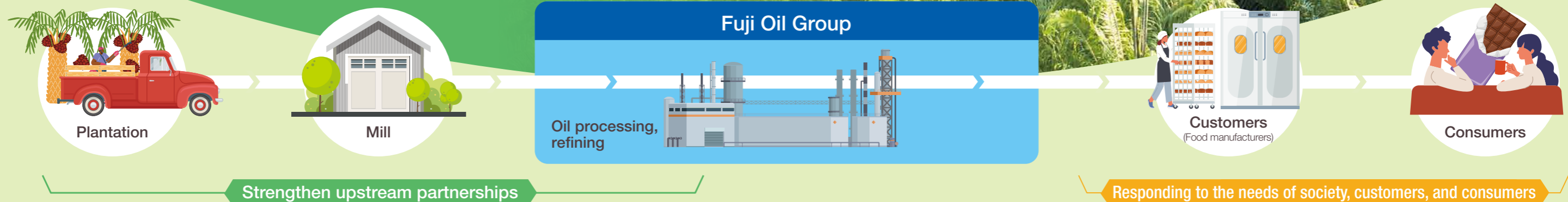
In today's fast-changing and competitive environment, upstream supply chain collaboration is not just a tactical choice, but a strategic necessity to sustain and grow our business. Strategic partnerships with reliable plantation companies that share our values allow us to improve visibility over sourcing practices, ensuring that palm oil is produced without deforestation, exploitation, or harm to biodiversity. This fosters agility, resilience, and long-term competitive advantage across Fuji's entire value chain by reducing risks, optimizing costs, maximising material availability and reliability. It also enables us to respond effectively to increasing regulatory requirements and meet growing customer demands for ethical, sustainable products that require stringent specifications on food safety.

Leveraging the success of UNIFUJI and the rising demand for such products, PALMAJU EDIBLE OIL (PAL) made a timely decision in 2021 to strategically focus primarily on producing sustainable palm supply chain and established sustainable supply chain in close collaboration with FUJI OIL (SINGAPORE), and other oils and fats business bases in Europe and the U.S., for their respective markets. As a result, PAL has transformed into a credible hub for providing high-quality sustainable oils and fats. Going forward, PAL together with UNIFUJI and JPG FUJI will need to work even more closely with each other to ensure that all Group companies in the entire supply chain can achieve optimum growth and profitability in the years ahead.



Teo Yong Wah
Director, PALMAJU
EDIBLE OIL SDN. BHD.

Palm oil supply chain



Strengthen partnerships with plantations and farmers

Palm oil

To establish a stable supply structure for sustainable certified palm oil, particularly RSPO-IP grade* palm oil, we formed a partnership with Malaysia's United Plantations to establish UNIFUJI SDN. BHD. in 2018 as a refinery joint venture. This company ensures traceability from the plantation to the customer and enables the supply of high-quality raw materials. To further expand supply capacity, in FY2026 we plan to launch operations at JPG FUJI SDN. BHD., a joint venture established in collaboration with Johor Plantations. JPG FUJI SDN. BHD. will use husk and fiber generated during the oil extraction process as fuel for biomass power generation to build a carbon-neutral production structure that will contribute to reducing environmental load.



Conceptual image of completed JPG FUJI SDN. BHD.
(including surrounding environment)

* RSPO certification is an international certification system that is widely recognized within the palm oil industry. This system outlines environmental and social standards to which plantations, farms, and companies handling certified palm oil are expected to conform. There are four grades based on the level of strictness applied to traceability. Among those, IP Grade demands the strictest level of traceability management.

Sunflower oil, grapeseed oil

PROVENCE HUILES S.A.S is a French company that joined the Fuji Oil Group in April 2025. PROVENCE HUILES S.A.S produces sunflower oil, a main raw material in vegetable fats for chocolate (CBE), beginning from extraction, and is expected to serve as a supply base for major raw materials in the future. The company has also formed partnerships with local agriculture associations to receive supplies of grape seeds generated during wine production. Producing grapeseed oil from supplied grape seeds contributes to the reduction of waste products. This company will not only contribute to the stable supply of raw material oil, but it will also contribute to CO₂ emissions reduction when it begins operating a biomass power generation facility, which is scheduled to go online next fiscal year.



- ☒ Building a highly transparent supply chain
- ☒ Reducing environmental load
- ☒ Stable supply of vegetable fats for chocolate (CBE), which are seeing increased demand
- ☒ Reduce palm oil process contaminants



Industrial Chocolate Business

Hiroyuki Tanaka

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



Profile

Has sales and management experience in the Food Resources Division of a major Japanese trade company. Joined our company in 2022 after two secondments to our company (serving as a director for both Harald and Blommer). Served as Chief Strategy Officer from that same year before assuming his current position in April 2025.

Global expansion of compound chocolate

The losses at Blommer in FY2024 increased due to a sharp rise in cocoa prices attributable to poor cocoa bean production in West Africa from the second half of FY2023, additional costs for cocoa raw materials due to the unprecedented shift in prices (sharp rise, high short-term prices and low futures prices), and, in the US, a delay in reflecting the surge in manufacturing costs due to inflation in selling prices. On the other hand, rising cocoa prices caused the price of pure chocolate to soar, which led to strong demand for compound chocolate, enabling the Fuji Oil Group to steadily seize growth opportunities in the Japanese, Brazilian, Asian, and European markets. In addition to cost stability, oil and fat technology enables compound chocolate design that is tailored to customer applications and concepts. Unlike other companies, as a manufacturer that both manufactures vegetable fats for chocolate and produces chocolate itself, the Fuji Oil Group is able to offer flexible, high-value-added proposals. This adaptability supports our competitive advantage. Under our new Mid-Term Management Plan for FY2025 to FY2027, we will expand our compound chocolate production capacity through capital expenditures in key areas with the goal of further increasing sales volume.

About Industrial Chocolate

We manufacture and sell a variety of chocolates for industrial use, including for confectionery, bakery, and frozen desserts. In recent years, we have been developing sales of pure chocolate in markets outside of Japan while also focusing on expanding sales of compound chocolate that incorporates our oil and fat technology. As the leader in major markets for compound chocolate sales, we are engaged in product development that reflects customer and market needs while also working as a Group overall to strengthen our product and supply capabilities for Industrial Chocolate.

Core Product Line

- Pure chocolate
- Compound chocolate
- Chocolate for ice cream coating
- Molded chocolate

Main Applications

- All products using chocolate
(Chocolate confectioneries, western-style confectioneries, sweet baked goods, ice cream)

Main Raw Materials

- Cocoa
- Sugar
- Vegetable fats for chocolate

Share

- Industrial chocolate

No. 3 worldwide, No. 1 in Japan

Operating Base

9 countries, 12 companies

* FUJII OIL CO., LTD. and major consolidated subsidiaries and equity-method affiliates as of August 1, 2025

Number of Employees

2,570

Segment Assets

¥311.0 billion

Capital Expenditures

¥16.5 billion

R&D Expenses

¥1.5 billion

Annual Production Volume

Approx. 400,000 tons

Market opportunities

- Increasing demand for compound chocolate due to soaring cocoa prices
- Increasing chocolate consumption due to population growth and the diversification of consumption occasions
- Increasing demand for ethical products focused on health and sustainability (low sugar, protein content, plant-based products, etc.)

Strengths

- Business synergy within the Group**
Product development based on a fusion of Group internal businesses, technology, and ingredients for product differentiation by increasing added value. For example, using vegetable fats for chocolate to add functionality.
- Customer relationships and service**
We respond to diversifying customer needs and gain customer trust by developing products closely tied to the market, proposing applications that take advantage of product characteristics, and utilizing Group know-how in production processing technology and production management.

Net Sales

¥334.7 billion (up ¥81.3 billion YoY)

Net sales increased on higher sales prices, which reflected a rise in prices for cocoa and other raw materials, as well as the increase in sales volume in Japan and Southeast Asia and the impact of yen depreciation.

Operating Profit

-¥15.8 billion (down ¥17.7 billion YoY)

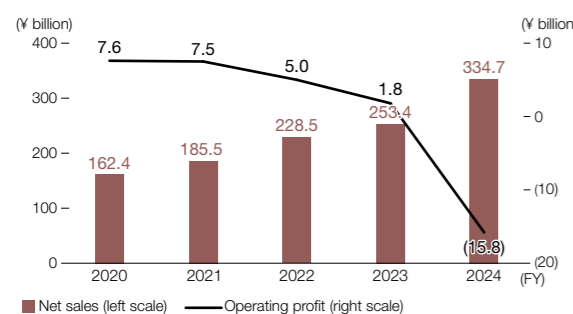
While we captured compound chocolate demand in Japan, Brazil, Australia, and China driven by soaring cocoa prices, profit decreased significantly due to profits being offset by a rapid increase in costs related to cocoa raw materials at Blommer.

FUJI ROIC

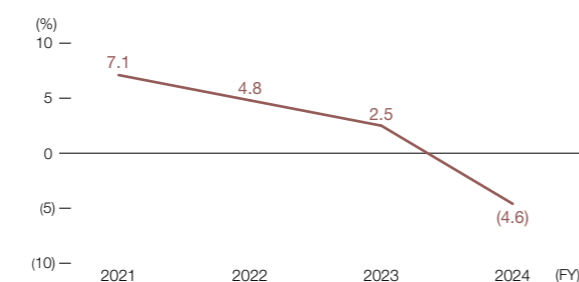
-4.6% (down 7.1pt YoY)

In addition to an increase in working capital due to soaring cocoa prices, the massive decline in profit recorded by Blommer due to cocoa raw material factors resulted in a significant decline in the FUJI ROIC for the business overall despite the FUJI ROIC improving for businesses other than Blommer.

Net sales and operating profit (J-GAAP)



FUJI ROIC (J-GAAP)*



* FUJI ROIC = Operating profit after tax / (Working capital + Fixed assets)

Main policies of the Mid-Term Management Plan

Growth Fields

Expand sales volume through capital expenditures for compound chocolate

In response to the sharp rise in cocoa prices and steadily growing global demand, we are aiming for further growth by making capital expenditures at four bases in Japan, Brazil, Europe, and Australia to expand production capacity for compound chocolate with higher added-value functions.

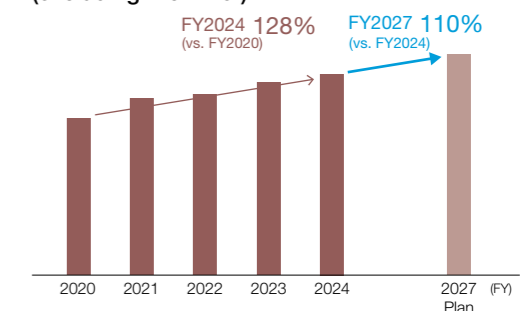
In Japan, we are constructing a new plant as part of an investment to replace existing plants. Through this investment, we will strengthen our product lineup to address labor shortages, a recent challenge in the Japanese market. In Brazil, we will expand the production line at our second plant, which began operations in FY2023, and promote the development of new products that utilize Fuji Oil's technologies, which will lead to increased sales volume.

New Business Fields

Manufacturing that does not depend on cocoa raw materials and the expansion of sales into new markets

As a new challenge that differs from our previous businesses, we are offering new value by launching "Ano-The M," a milk chocolate-type product that does not use any cocoa raw materials, in Japan in March 2025. For businesses outside of Japan, we are developing chocolate products made with no cocoa raw materials. In addition to our existing health-conscious products (sugar-free, high-protein), we will also respond to peripheral markets by introducing fillings that utilize Fuji Oil Group oil and fat technology and chocolate processing technology.

Industrial Chocolate sales volume (excluding Blommer)



Special
Feature

03

Creating the Future of the Chocolate Market

Compound Chocolate

Amid growing weather risks in global cocoa bean production and increasing demand due to population growth, compound chocolate, which utilizes vegetable fats for chocolate, is expected to contribute significantly to the stable supply of chocolate to people around the world and is projected to see steady growth. The Fuji Oil Group has built a unique value chain that positions us as a rare player that has both a Vegetable Oils and Fats business, which includes vegetable fats for chocolate, and an Industrial Chocolate business within its own Group. Our strength is in our one-stop development system that extends from oil and fat raw materials to chocolate products. In the field of compound chocolate in particular, we have established a competitive advantage that no other company can match. We leverage our advanced technological capabilities cultivated through co-creation with customers to deploy products and solutions not only in Japan, but also in the global market.

About compound chocolate

Typically, chocolate is made by blending cocoa raw ingredients (cocoa mass, cocoa butter) with sugar and dairy products. On the other hand, chocolate that uses vegetable fats for chocolate instead of cocoa butter is called compound chocolate. The Fuji Oil Group uses vegetable fats for chocolate produced by our Vegetable Oils and Fats business to manufacture compound chocolate in our Industrial Chocolate business. There are many types of vegetable fats for chocolate, and the characteristics of chocolate can be changed by combining fats and oils with secondary raw materials.

Vegetable Oils and Fats business

Combinations of vegetable fats for chocolate

A B C D E ...

Combinations of sugar, dairy, and other secondary raw materials

a b c

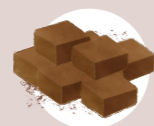
Industrial Chocolate business

Compound chocolate



Sets quickly

A B C a



Melts in your mouth smoothly

A D b c



Uses by squeezing

B D E c

Fuji Oil Group strengths in compound chocolate

Co-creating with customers

Many of the Fuji Oil Group's products are customer-exclusive products developed and provided to meet the individual needs of customers. We have built strong relationships by diligently addressing the challenges our customers face and quickly providing optimal solutions. Through these efforts, we have gone beyond simply supplying products. Through repeated co-creation with our customers, we have also improved our own technical and proposal capabilities.

VOICE

Creating Value Together Through Customer-Centric Collaboration

At INDUSTRIAL FOOD SERVICES PTY. LIMITED (Australia), customer-centric collaboration isn't just a value—it's how we do business. We partner closely with our customers to meet their unique needs, whether it's co-developing product designs or accelerating delivery timelines. We're right there with them, even on the factory floor, when that's what it takes.

Our partnership with Noshu in the low-sugar compound space is a great example. Together, we tackled the complex challenge of balancing indulgent taste with functional performance. Through open idea exchange and shared problem-solving, we transformed this challenge into a breakthrough—successfully launching two new, value-added products that stand out in the market.

We're excited to continue building bold, innovative solutions side by side with our customers—because real growth happens through co-creation.



Natalie Vethanayagam

INDUSTRIAL FOOD SERVICES PTY. LIMITED (Australia)
Head of Innovation



Products adopted by Noshu

Global Expansion of Distinctive Products

In Japan, chocolate is consumed at a wide range of temperatures, from room temperature to refrigerated to frozen, and the variety of chocolates available is diversifying. We have developed and launched a wide range of unique and distinctive products for the Japanese market, meeting a wide range of uses, needs, and functionality. Our products are used in various applications, including cookies and other baked goods, donuts, Japanese sweets, eclairs, ice cream, and frozen cakes.

We have also expanded our business outside of Japan by meeting consumer needs in each region. We are also expanding our research and development globally, and are filing patent applications in Japan and other regions.

Due to soaring cocoa prices in FY2024, vegetable fats for chocolate (CBE) garnered much attention. Sales of CBE compound grew particularly in the US, Brazil, and Europe, where chocolate consumption is high. We will continue to accelerate sales expansion of compound chocolate, which leverages our strengths in vegetable fats for chocolate.



CBE Compound at HARALD INDÚSTRIA E COMÉRCIO DE ALIMENTOS LTDA (Brazil)



CBE Compound at Blommer Chocolate Company (US)

The number of active patents related to chocolate and cocoa by country



* As of March 31, 2025



Emulsified and Fermented Ingredients Business



Shuichi Fujisaki

Executive Officer
Head of Emulsified & Fermented Ingredients Business Headquarters

Profile

Joined the company in 1986. After accumulating vast experience in the Production Division, on two separate occasions he was seconded to WOODLANDS SUNNY FOODS PTE. LTD. in Singapore before being named Managing Director of the company in 2015. He was named General Manager of the Emulsified and Fermented Production Department in 2019 and Head of the Emulsified and Fermented Ingredients Unit in 2021 before assuming his current position in April 2025.

Proposing solutions-oriented ingredients through globally integrated operations

In an environment of social issues such as food diversification and sustainability, Emulsified and Fermented Ingredients business leverages our unique technology to provide solutions-oriented ingredients that combine deliciousness and functionality. With a strong foundation in the confectionery and bakery industries, we create innovative new value in food and contribute to the evolution of food.

We offer dairy-compound products tailored to the needs of the Japanese, Southeast Asian, and Chinese markets. We also provide export functions for products such as preparations and frozen dough from Asia to the Japanese market. Leveraging our international raw material procurement capabilities and flexible product development system, we are also working to develop high-value-added products and provide solution-oriented ingredients that help address labor shortages.

With our transition to a business holding company structure from FY2025, Japanese and overseas will unite as one to promote Emulsified and Fermented Ingredients business. By combining the knowledge and strengths of each site, we will apply a greater sense of speed towards implementing initiatives focused on customer and market needs.

About Emulsified and Fermented Ingredients

In our Emulsified and Fermented Ingredients business, we leverage our proprietary emulsification and fermentation technologies to develop dairy-compound products (such as whipping cream, margarine, fillings, and cheese-flavored ingredients) that combine vegetable oils and fats with dairy ingredients. We also offer plant-based products that do not contain dairy ingredients.

Combining deliciousness and functionality, these products are widely sold in confectionery and bakery markets, particularly in Japan, Southeast Asia, and China.

► Core Product Line

- Whipping cream
- Cheese flavor ingredients
- Margarine
- Preparations
- Fillings

► Share

Industrial whipping cream*

No. 1 in Japan

* Dairy-compound and non-dairy cream

► Main Applications

- Western-style confectioneries
- Products for cooking applications
- Bread
- Beverages

► Operating Base

4 countries, 9 companies

* FUJII OIL CO., LTD. and major consolidated subsidiaries and equity-method affiliates as of August 1, 2025

► Number of Employees

1,216

► Main Raw Materials

- Vegetable oils and fats
- Dairy ingredients
- Sugar

► Segment Assets

¥60.3 billion

► Capital Expenditures

¥2.3 billion

► R&D Expenses

¥1.1 billion

► Annual Production Volume

Approx. 220,000 tons

Market opportunities

- Growing demand for compound products that combine new deliciousness and functionality to meet diversifying food needs.
- Increasing opportunities to propose solutions that address social issues such as labor savings, food waste reduction, and food diversification.
- Changing food cultures in East and Southeast Asia.

Strengths

- Sales and development structure that enables solution-based proposals
Emulsified & Fermented Ingredients Business Headquarters has a FUJISUNNY Plaza in all of its business locations (Japan, China, Singapore, and Thailand) to provide solution-based proposals that meet local needs.
- Developing distinctive products using proprietary ingredients
By using USS and other proprietary ingredients as intermediate ingredients, we can develop products with distinctive flavors and functions.
- Developing products that promote sustainability
Through USS and other ingredients, we are developing product groups that address sustainability needs, including plant-based products that do not use dairy ingredients.

Main policies of the Mid-Term Management Plan

Growth Fields **The evolution of core products and new business expansion through building customer relationships outside of Japan**

By incorporating new technology to our dairy-compound cream, which boasts the top market share in Japan, we aim to provide even more deliciousness to the confectionery and beverage markets.

In Thailand, we are working to capture new customers. In addition to being used in overseas export products, a point of focus for Thai companies, we have begun supplying key raw materials to major global companies that have expanded into Thailand. Going forward, we will use our structural transformation as an opportunity to leverage the strengths of our united Group, share success stories from each country, and develop those into global success stories.

New Business Fields **Leveraging our overseas sites to incorporate new technologies and ideas into global markets**

In Japan, we are taking on the challenge of further enhancing deliciousness and functionality by introducing new technologies with the goal of expanding our portfolio into new markets and products. We are also collaborating with our overseas sites to develop products for the Japanese market, including preparations with increased functionality and products that address labor-saving needs.

In China, we launched a confectionery cream as a new product with a proposal for its application in “mochi dorayaki,” which incorporates the Japanese trend. This proposal led to the adoption of this product by a leading bakery franchise in Jiangxi Province. The pop-up shown on the right was used, and the product is being sold as a mainstay item in stores. This is the result of our proposal-based sales, and we will aim to expand this approach to other leading stores.



Pop-up used by a leading bakery franchise in China

Net Sales

¥94.2 billion (up ¥4.3 billion YoY)

Net sales increased on higher selling prices to reflect the rising cost of raw materials such as palm oil and palm kernel oil, as well as the impact of yen depreciation.

Operating Profit

¥3.4 billion (down ¥0.3 billion YoY)

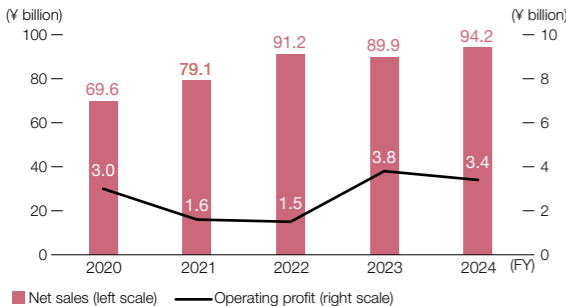
Profit decreased due to rising fixed costs in Japan and China, and lower profitability in China.

FUJI ROIC

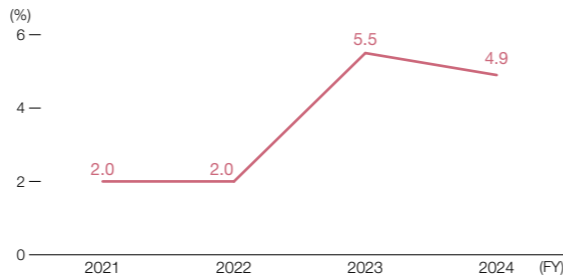
4.9% (down 0.6 pt YoY)

While operating profit grew in Southeast Asia, the FUJI ROIC declined due to decreased profitability in China and increased fixed costs such as labor costs in each area.

Net sales and operating profit (J-GAAP)



FUJI ROIC (J-GAAP)*



* FUJI ROIC = Operating profit after tax / (Working capital + Fixed assets)



Soy-based Ingredients Business



Kiyohito Suzuki

Executive Officer
Head of Soy-based Ingredients
Business Headquarters

Profile

Joined the company in 1989. After accumulating experience mainly in the Sales Division, Suzuki served as president of SHANDONG LONGTENG FUJI FOODSTUFFS CO., LTD. After returning to Japan, he assumed the role of General Manager of the Marketing Division Market Development Department. He later served as Head of the PBFS Business Division at Fuji Oil Holdings from 2019 and also served as Head of the Soy Business Division at FUJI OIL CO., LTD. from 2021. He has held his current position since April 2025.

Work to restore immediate profitability while addressing the future of food

When we look to the future of food, we can see a clear trend toward a shift in protein sources from animal to plant-based. Soybeans are a food ingredient that are not only rich in protein, but also in lipids and other nutrients. They are relatively easy to cultivate and are produced in large quantities worldwide, making them an essential part of the diet of the future. The Fuji Oil Group's Soy-based Ingredients business mainly produces soluble soy polysaccharides and soy protein ingredients. Recognized for its technology development capabilities, consistent quality, and ability to provide timely solutions to problems, our products are being used as ingredients in a variety of products, including health and nutritional foods, beverages, various processed foods, and pet foods. In this business, we have already completed the investments necessary for future business growth and have increased our production capacity. We are currently focusing on developing new solution-based products while also working on market development and sales expansion in both growth fields and new business fields. At the same time, we are also working to restructure less profitable businesses. By steadily implementing both of these measures, we will improve the FUJI ROIC.

Net Sales

¥35.1 billion (down ¥0.4 billion YoY)

Net sales decreased due to the impact of the transfer of a soy protein food products plant.

Operating Profit

¥0.7 billion (down ¥0.4 billion YoY)

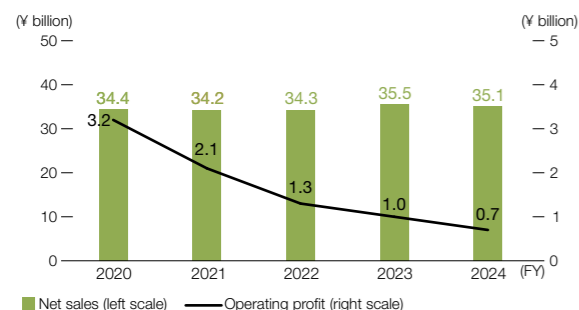
Profit decreased on decline in sales volume in Japan and China.

FUJI ROIC

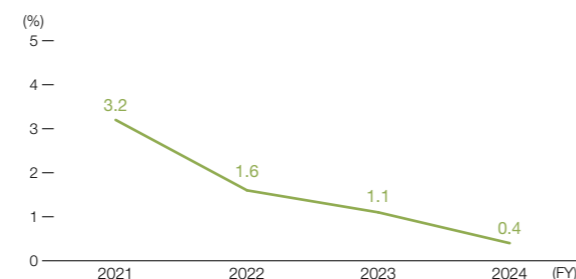
0.4% (down 0.7 pt YoY)

While the transfer of a Japanese soy protein food products plant led to a reduction in fixed assets and the optimization of raw materials and product inventory, the FUJI ROIC declined due to a decline in operating profit.

Net sales and operating profit (J-GAAP)



FUJI ROIC (J-GAAP)*



* FUJI ROIC = Operating profit after tax / (Working capital + Fixed assets)

About Soy-based Ingredients

With product groups that include soy protein ingredients (granulated and textured), functional ingredients (polysaccharides, peptides, etc.), and soy protein foods, we develop and propose products that address various dietary issues and consumer needs from the perspective of offering deliciousness, nutrition, health, functionality, and more. Leveraging our many years of knowledge and technology related to soybeans, we will continue to contribute not only to delicious food, but also to food enjoyment and diversity.

Core Product Line

- Soy protein ingredients (granulated soy protein, textured soy protein)
- Functional ingredient (soluble soy polysaccharides, soluble pea fiber, peptides)
- Soy protein foods

Main Applications

- Ham and sausages
- Protein
- Frozen foods and prepared foods
- Food service and school lunches
- Beverages

Main Raw Materials

- Soybeans

Share

- Soy protein ingredients
 - Soluble soy polysaccharides
- No. 1 in Japan** **No. 1 worldwide, No. 1 in Japan**

Operating Base

4 countries, 6 companies

* FUJI OIL CO., LTD. and major consolidated subsidiaries and equity-method affiliates as of August 1, 2025

Number of Employees

449

Segment Assets

¥41.7 billion

Capital Expenditures

¥2.3 billion

R&D Expenses

¥1.3 billion

Market opportunities

- Demand for plant-based protein increasing amid concerns about global animal-based protein shortages and rising prices
- Continuously increasing health demand

Strengths

- Structure for developing solution-based products**
We have years of knowledge and technology related to soybean. By combining that expertise with oils and fats and other ingredients, we have the ability to develop solution-based products.
- Production capacity for stable quality**
Providing stable quality products through practicing rigorous production process management
- Build a broad customer base**
We have a wide customer base in the food industry, including customers from other businesses, and have built strong relationships. We apply our accumulated know-how to engage in the market with timely proposal-based sales

Main policies of the Mid-Term Management Plan

Growth Fields

Promoting a transformation in our product portfolio

We strengthened our supply capabilities by investing in a textured soy protein plant in Chiba, Japan and a polysaccharide plant in Germany. At the same time, we also transferred some of our soy protein foods plants to further transform our product portfolio. We are introducing new, solution-based products for the health and nutrition markets and processed food markets in Japan and China. We strive to balance volume and profitability while expanding sales into global markets.

New Business Fields

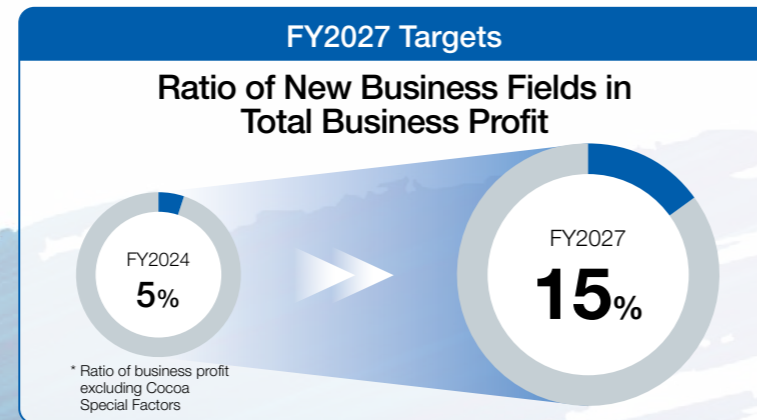
Strengthening product development to solve social issues

The market for protein-enriched products is expanding in global market. We are expanding our line of new products that address social issues, such as products suitable for protein-blended beverages in acidic environments, which was difficult to achieve with conventional technology. We are also developing products that contribute to process streamlining in processed food manufacturing plants. By upcycling whey, a by-product of soy protein production, we aim to reduce food waste and contribute to a resource-circulating society.



Image of an acidic beverage containing protein

The Fuji Oil Group defines its efforts in new technologies, new markets, and new sales methods as new business fields. We are promoting these efforts company-wide as a source of new value creation that contributes to solving the problems facing customers and society.



Taking on Challenges in New Business Fields

Employee's Voice



HARALD
INDÚSTRIA E
COMÉRCIO DE
ALIMENTOS
LTDA (Brazil)



Industrial Chocolate
business

Create New Value in the Market through Innovation

We are responsible for Marketing and Product Development at HARALD. HARALD has been increasingly focusing on innovation, both for differentiation and for building superior financial results, ensuring a healthy operation even in Brazil's challenging economic environment. For successful innovation, it is essential to place the consumer at the center, truly understand their desires, deliver a high-quality product that effectively meets their expectations, and communicate the value proposition clearly—making sure the superior value we deliver is recognized. The launch of "TOP" in pistachio flavor reflects this movement! With a focus on specialty stores and food service, the products were very well received in the market and exceeded expectations, surpassing the project goal by more than 200%! We have high expectations to grow even further through innovation in 2025, and our consumer-oriented approach, combined with the knowledge, expertise, and engagement of all areas at HARALD, will continue to be essential to our success.

From left
Cecília Martins – Marketing Director
Rosileide Ferreira – R&D Manager
Marianne Oliveira Ramos – Product Marketing Manager

Transforming Portfolio Potential through Stretchable Cheese Filling Development

The development of cheese fillings was initiated in 2019 with technical insights and foundational support from FUJI OIL Group companies. Finally, from 2025, through co-creation between R&D, Application, and Sales combined with customer feedback, we designed a stretchable cheese filling with a satisfying taste and a unique texture. This product marked the first major entry into the savory segment, an area previously not included within our product line-up at FUJI OIL (THAILAND) CO., LTD. As we move forward, we aim to expand the range into multiple variants, explore cafe and food service channels, and launch new product formats. These next challenge will allow us to grow alongside changing consumer trends and deepen partnerships across Thailand's bakery sector.

FUJI OIL
(THAILAND)
CO., LTD.



Emulsified and Fermented
Ingredients business

From Left
Karoon Sangrungruang
– Application Department, Senior Bakery Chef
Patcharin Khamngern
– R&D Department, Assistant Supervisor
Tharathep Rattanawan
– Sales Department, Senior Sales Executive

FUJI OIL
CO., LTD.



Soy-based
Ingredients business

We have developed a variety of functional ingredients made from soybeans, including soy polysaccharides. In FY2025, we launched the groundbreaking new food ingredient SOYACELL. SOYACELL is a new functional food ingredient made from okara (soybean refuse), which is produced during the soy protein product manufacturing process, achieving both environmental impact reduction and upcycling.

Through a collaboration between our Ingredient Development and Market Development, we have identified numerous applications for this product that maximize its characteristics. In particular, we are seeing continued adoption in the confectionery and bakery markets. We aim to further expand this product both in Japan and overseas as a product that can contribute to both environmental friendliness and the creation of new value in the food industry.

From left
Nanae Fujii
Senior Manager of Soy Ingredients R&D Department Section II
Hiroaki Fukuhara
Soy Ingredients R&D Department Section II

Bringing SOYACELL, Environmentally Friendly Food Ingredients, to the Confectionery and Bakery Markets



Special Feature

04

GOODNOON

Commitment to achieving a world where everyone can enjoy delicious food

GOODNOON

We want to co-create a sustainable future for food using plant-based ingredients that are both delicious and healthy.

We launched GOODNOON as the flagship brand for realizing that vision.

Serving as a food standard for a new generation by increasing diverse options for deliciousness to realize a world where everyone can enjoy food.

That is the GOODNOON value proposition and ambition.

GOODNOON Focus and Requirements

Singular Focus

Surprisingly delicious

- Brings happiness and excitement, provides a surprise that you want to share with others
- Provides the fundamental value of food that drives consumers to want more

Innovation

- Is there new value, food experience, or technological innovation?

Easy to understand

- Can the product's positive characteristics be understood by everyone?
- Can the message be conveyed simply?

Solutions to social issues

- Are diverse social issues or needs being addressed?

Four Requirements

Health of people and the Earth

Healthy for people

- Includes essential nutritional components
- Nutritionally balanced
- Deliciousness that pleases the mind and body

Healthy for the Earth

- Does it have a low environmental impact?
- Does it achieve good resource efficiency?

The GOODNOON Value Proposition

The future we aim to achieve through GOODNOON

Increase the diversity of delicious options and realize a world where everyone can enjoy food

GOODNOON Value Proposition

The uniqueness and superiority of the Fuji Oil Group's value proposition

= Plant-based ingredients × technological capabilities and assets to enable diverse business × network and trust with customers

BtoB

Expand the scope of the plant-based ingredients market.
Work with other market participants to lead market development.

BtoC

Establish a reputation as a brand for delicious foods.
Being chosen by consumers requires a sustained commitment to deliciousness.

Internal

Maintain commitment to leading in the discovery and resolution of market challenges.
Pursue a formula that leads to consumers choosing plant-based ingredients.

BtoB

Expand GOODNOON certified products

As of September 2025, 35 products have been registered as GOODNOON certified products. These are mainly from the soy milk cream butter series, plant-based chocolate, MIRA-Dashi™ series, and Prime Soy series. In addition to food ingredients, we launched Mirai European-style Curry, a more highly processed product, for commercial use. Using MIRA-Dashi™ and soy milk cream butter, the curry has been praised for its authentic flavor featuring distinctive spices despite being a retort product. This product is increasingly being adopted by restaurants and hotels.

BtoC

To be chosen by consumers

To be recognized as a choice for deliciousness, we need to raise awareness of GOODNOON and give more people the chance to experience our products. In addition to industrial products, the GOODNOON brand offers an array of retail products to provide opportunities for consumers to make direct purchases. In 2024, we also participated in the ufu.fes2024 live event hosted by the online media platform ufu. At this event, we were able to gauge direct reactions and receive opinions from consumers through sweets created in collaboration with chefs.



GOODNOON retail products

Promoting GOODNOON activities at the EXPO 2025 Osaka Kansai

To promote GOODNOON, FUJI OIL CO., LTD. held an event from August to September 2025 at the ORA Dining Pavilion "UTAGE" during the EXPO Osaka. Prior to the event, we worked with famous chefs to develop new, never-before-seen sweets and breads using GOODNOON products.

At the Expo event, we held a Future

Recipe Experience Session where customers were able to sample these items and then name them based on their own sensibilities. Chefs also took to the stage on the day of the event to talk about the background to the development and the appeal of GOODNOON products, creating a lively atmosphere at the venue. Many customers came up with original and appealing names that we, as employees, would never have thought of on our own. This event served as a reminder of the importance of engagement with consumers.



A seminar by Mr. Takaaki Nishikawa, owner and chef of the Kobe-based boulangerie "Ça marche"

Internal

Activities to increase brand awareness for GOODNOON

To increase brand awareness within the company, we hold events such as recipe contests and experience sessions in the company cafeteria. By giving employees the opportunity to taste and enjoy the deliciousness of GOODNOON products, we are fostering understanding and appreciation for GOODNOON and laying the foundation for brand development.



Winning entries from the in-house recipe contest



Recipe contest winning entries served in company cafeteria



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

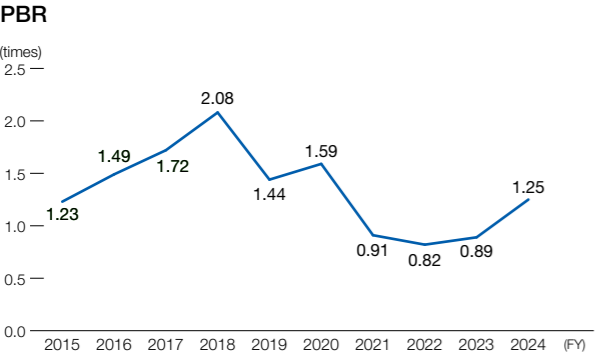
Sunao Maeda

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

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

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

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

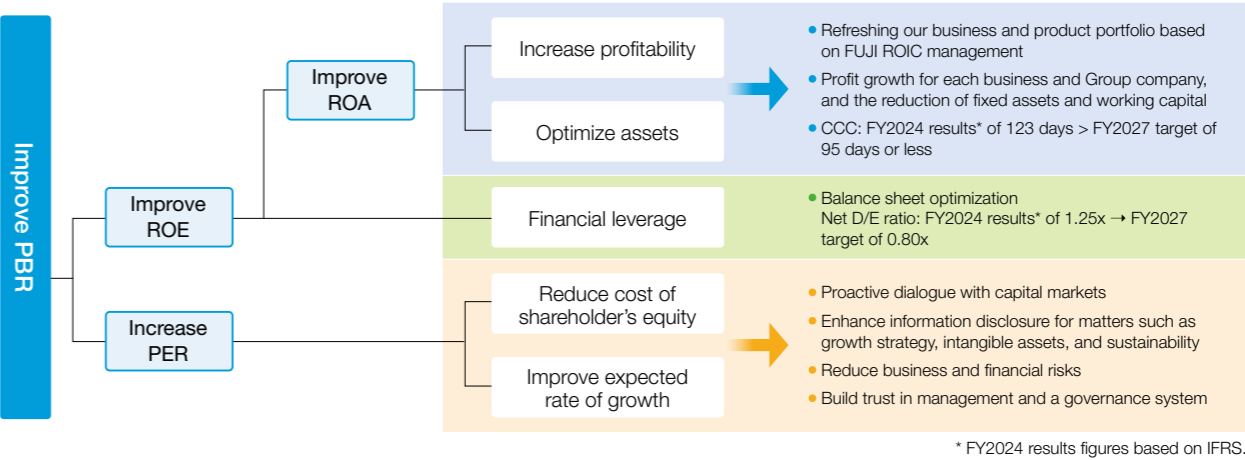
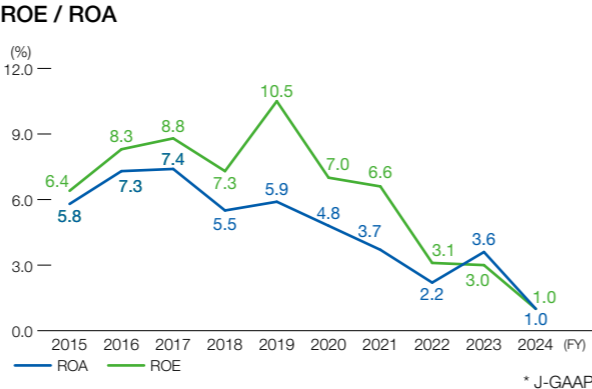


shorter by FY2027. (3) Use the investment management review system, which we restructured in FY2025 in response to the launch of the new corporate structure, to reinforce the approach of investment and withdrawal decisions based on capital costs and achieve the early discovery and resolution of problems.

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

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

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



Financial Strategy

Approach to Cash Allocation

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

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

Feature: Growth Strategy Driven by Building a Supply Chain P44

Industrial Chocolate Business P46

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

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

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

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

Cash in	Cash out	Details
Operating CF 130.0 billion yen over the three-year cumulative period	Investment CF 80.0 billion yen over the three-year cumulative period	Conduct investments to strengthen our supply chain for Vegetable Oils and Fats and expand production capacity for Industrial Chocolate
Utilization of cash and deposits on hand	Reduce interest bearing debt 80.0 billion yen (compared to end of FY2024)	Reduce interest-bearing debt to address the risk of rising interest rates and strengthen our financial position
	Shareholder returns dividend payout ratio of 30% to 40%	Optimize net D/E ratio: 1.25x (end of FY2024) → 0.80x (FY2027 target)

Promoting the FUJI ROIC to Enhance Capital Efficiency

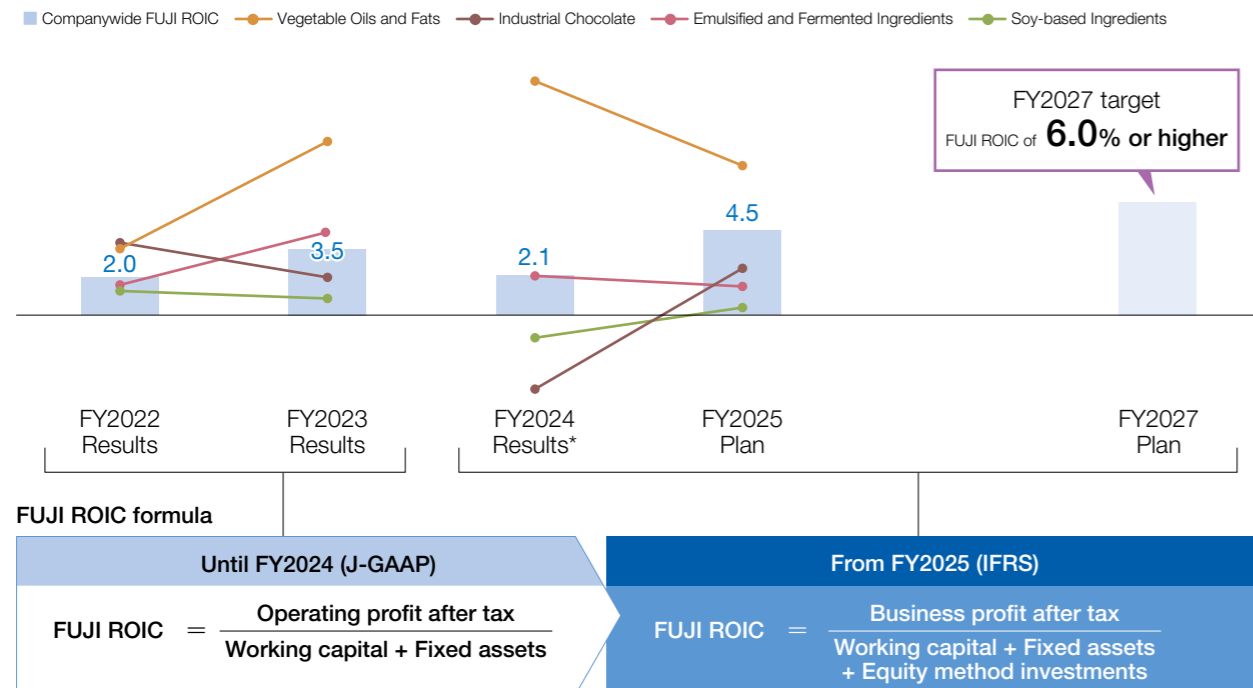
Since FY2022, the Fuji Oil Group has adopted the FUJI ROIC as a proprietary metric for appropriately assessing and managing capital efficiency. By setting working capital and fixed assets as the denominator of invested capital, we aim to make it easier to implement specific measures on a business- or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

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

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

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

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



* FY2024 results are recalculated based on IFRS.

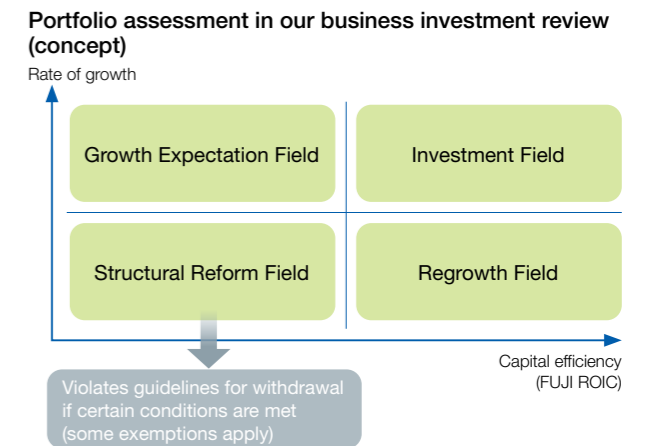
Revisions to investment management rules

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

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

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

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



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

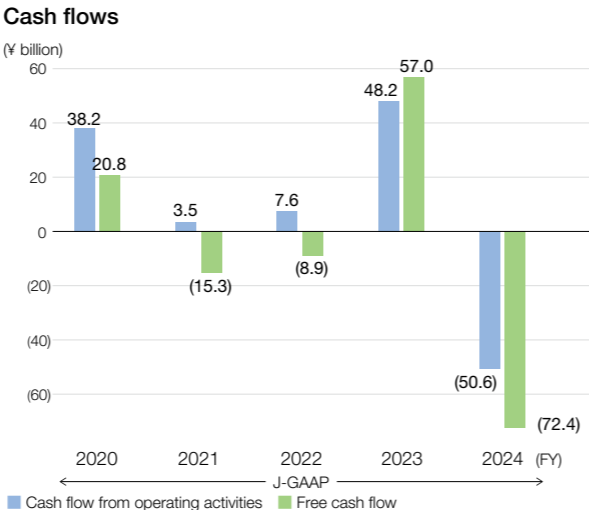
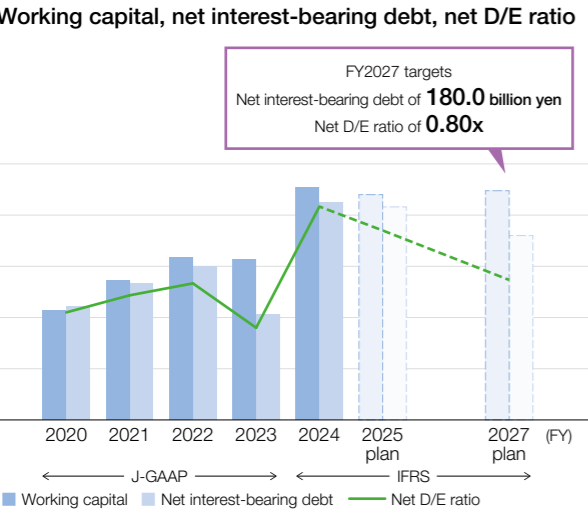
At HARALD, we have positioned FUJI ROIC as a key indicator in our efforts to promote asset-efficient management and have incorporated it into our daily operations. In early 2024, cocoa price the main raw material was surged and requiring immediate action. To secure of profits (numerator of FUJI ROIC), we reflected increase of raw material cost in sales prices and implemented price revisions at an early stage. It was very difficult and sensitive action because of we were necessary to take care about competitors' movement and price due to avoid decreasing of our market share. But HARALD got success and made surplus volume in both low/high season. And working capital (denominator of FUJI ROIC), we accelerated the collection of accounts receivable by the shorten receivables terms, as well sales campaign in advance with the tough negotiation between our customers, appropriate raw material management and purchase, and maintained inventory at appropriate levels without excess or shortage. As a result, we were able to keep working capital at the same level as the previous year despite the surge in raw material prices. In addition, the "Mundo plant (2nd factory)" began operations in April 2023, resulting in an increase in fixed assets, but we have been able to effectively translate this expansion in production capacity into growth in sales volume. HARALD will continue to focus on FUJI ROIC and pursue management that balances profits and assets.

HARALD INDÚSTRIA E COMÉRCIO DE ALIMENTOS LTDA (Brazil)
 Top row from left: Chief Financial Officer Valmir Rogério Trovo, Chief Supply Chain Officer Oscar Devotto Silveira
 Bottom row from left: Industrial Director Ricardo Fernandez Santos, Chief Commercial Officer Mauro Rodrigo Degraf

Building a sound financial base

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

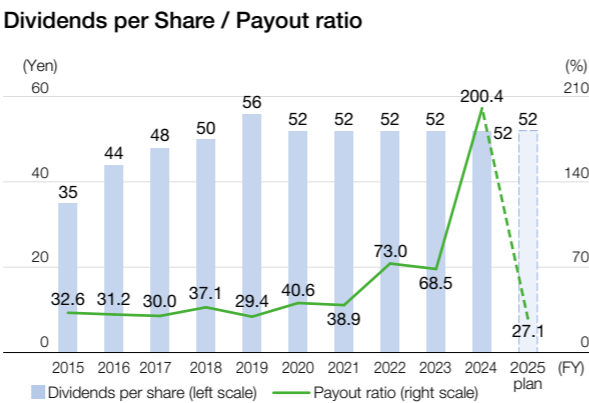
Additionally, we will utilize the cash generated during the period of the new Mid-Term Management Plan to steadily reduce interest-bearing debt. We are working to further strengthen our financial base and have set a target net D/E ratio of 0.80x for FY2027, which is one step toward improving our financial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



Policy on shareholder returns

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

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



Voluntary adoption of international financial reporting standards (IFRS)

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

Operating profit (J-GAAP)
+ Adjustment for differences in accounting standards
+ Other non-operating income and expenses, exchange gains and losses
+ Share of profit of entities accounted for using the equity method
Business profit (IFRS)

Enhancing Corporate Value through Dialogue With Capital Markets

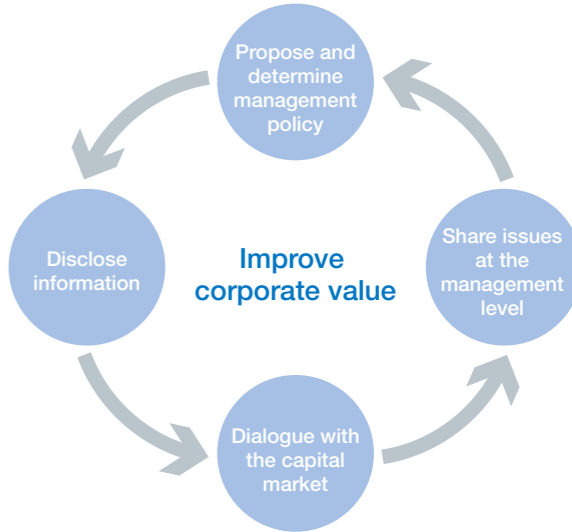
We strive to disclose information in a highly comprehensible and transparent manner so that shareholders and investors can accurately understand our Group's business activities and financial position. We view dialogue with capital markets as an important activity that contributes to enhancing our corporate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

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

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

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

Cycle of increasing corporate value through dialogue with the market



An IR meeting overseas

Response that reflects investor opinions

Main opinions	Responses
Not aware of the status of improvements at Blommer or its cocoa special factors	<ul style="list-style-type: none"> We held small meetings about Blommer and plant tours for analysts We disclosed a breakdown of cocoa special factors in the financial results briefing materials
The impact of soaring cocoa prices is unclear	<ul style="list-style-type: none"> Explanation at CEO small meetings We enhanced information in the financial results briefing materials from the first quarter of FY2024 onwards
Understanding vegetable fats for chocolate is of interest	<ul style="list-style-type: none"> We held small meetings specifically focusing on vegetable fats for chocolate We will expand the information in the Integrated Report 2024/2025.

IR Activity Results

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



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

Ichiro Nakamura
Executive Officer, Head of R&D Headquarters

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

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

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

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

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

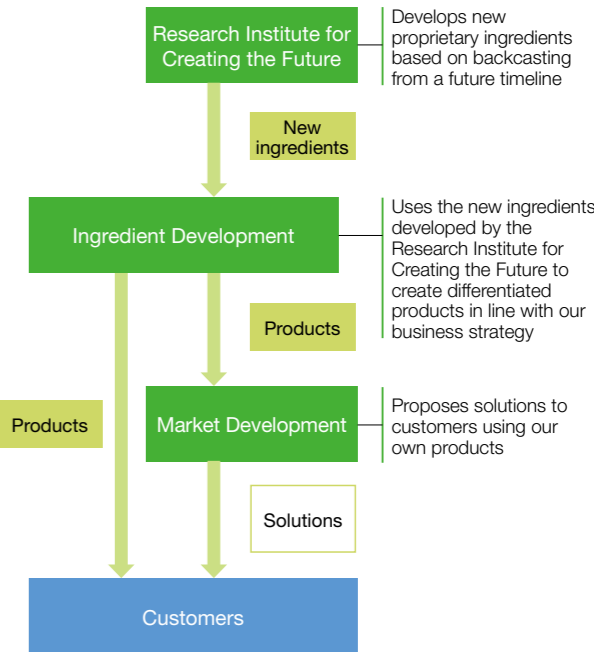
The Fuji Oil Group's research and development is the source of innovation aimed at solving social issues. It is the driving force behind our contribution to the prosperity of people and the Earth through sustainable business. We will continue to pave the way for the future with the power of technology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

Research and Development Structure and Strategy

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

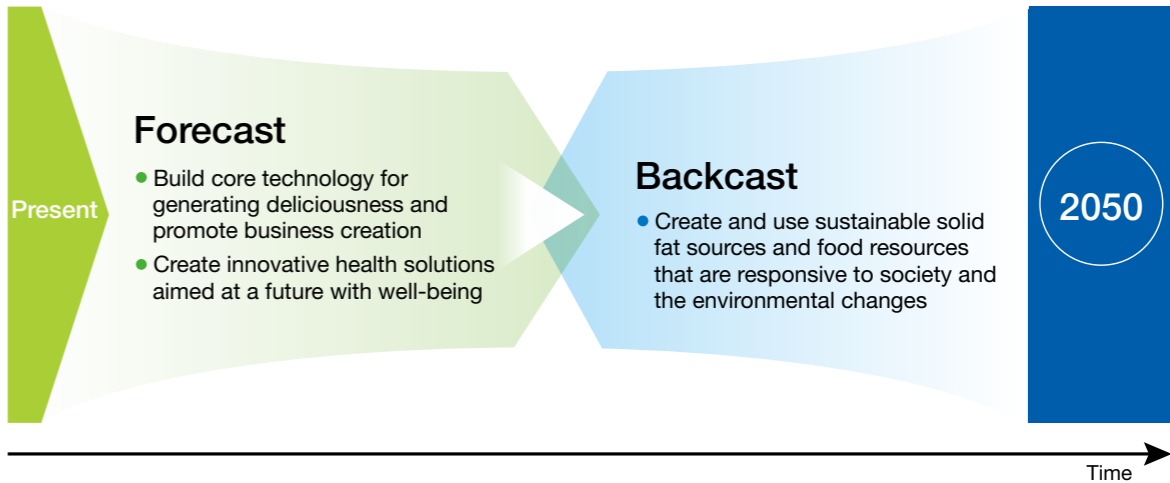
Ingredient Development links the new proprietary ingredients created by the Research Institute for Creating the Future to business strategy and commercializes them. Market Development creates application recipes using those products and proposes them to customers through sales.

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



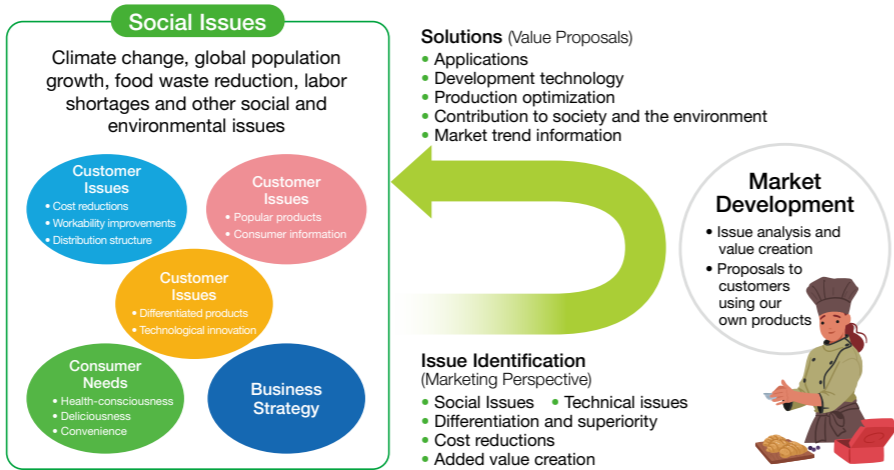
Research Institute for Creating the Future

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



Co-creation with Customers: Turning Technology into Value

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



Case Study

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

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

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

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



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



SUZETTE Co., Ltd.
Section Manager
Merchandise
Department
Mr. Tsuyoshi Ito

Accelerating the pace of global coordination in market development

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

Global Expansion of Our Co-creation Business Model

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

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



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

Intellectual Property Strategy

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

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

Fields of oils and fats and chocolate

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

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

■ Vegetable Fats for Chocolate (CBE) P42

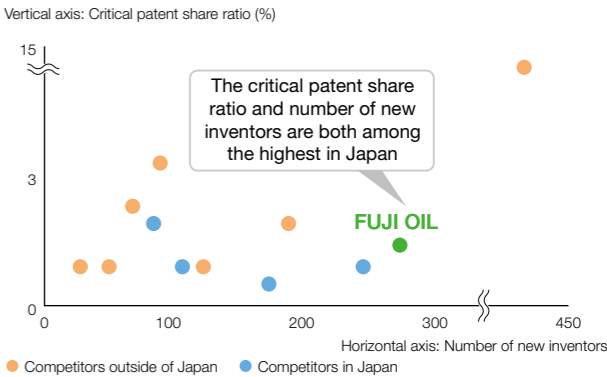
■ Compound Chocolate P48

Field of plant-based foods (PBF)

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

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

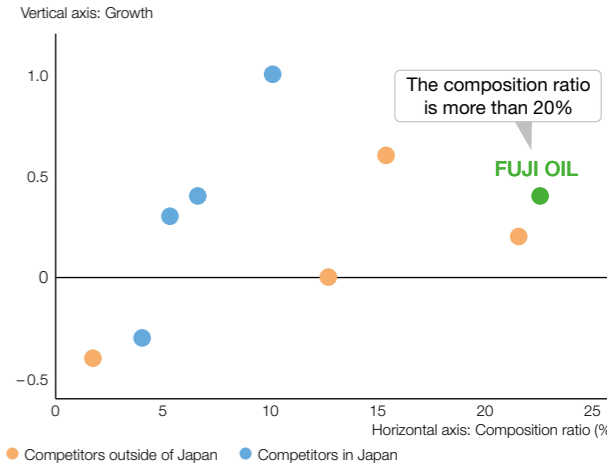
Critical Patent Share Ratio and Number of New Inventors (Fields of Oils and Fats and Chocolate)



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

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

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



- Population: Patent clusters prepared based on PBF-related patent classifications and keywords (since 2016)
- Vertical axis (growth): Rate of increase in the number of patent applications filed from January 2020 to March 2025 (2) with respect to the number of patent applications filed from 2016 to 2019 (1) (Common logarithm rate of change)
- Horizontal axis (composition ratio): Percentage of patent applications within the number of patent applications filed from January 2020 to March 2025 (2)

Production Activities

Manufacturing Capital

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

Production

Bottom-up Improvement Activities (Japan)

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

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

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

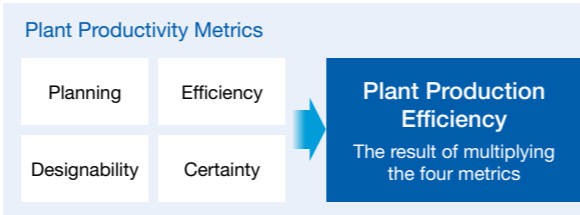
PIC: Productivity Improvement & Challenge



PIC results presentation event

Initiatives to raise productivity at Group companies outside of Japan

The Fuji Oil Group has adopted Group-wide common productivity metrics. This enables us to focus on plant productivity improvements that promote increased utilization rates for existing equipment and reduce manufacturing costs. We grasp the productivity of each plant by using five metrics, planning, efficiency, designability, certainty, plant production efficiency. We clarify the strengths and weaknesses of each plant to identify and share successful examples from each Group company. This contributes to improving plant productivity and leads to increased profit margins. In addition, we periodically share relevant information, including productivity metrics, with management. Management then uses the gained insight towards management decisions on matters such as the appropriate allocation of management resources and investments.



Case Study Improving Efficiency Using the Plant Productivity Metrics

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

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



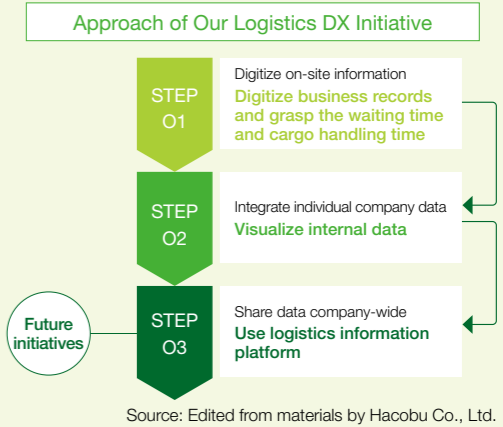
Members of the Production Department at PT. FREYABADI INDOTAMA

Logistics

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

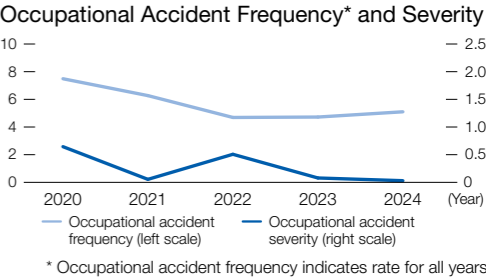
Initiatives to Solve Logistics Issues by Promoting Logistics DX

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



Occupational Safety

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



Case Study Raising Awareness through Hazard Training Classes

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

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

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



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

Human Resources Supporting Value Creation

Human Capital

The Fuji Oil Group comprises diverse human resources working at 39 companies* in 14 countries.

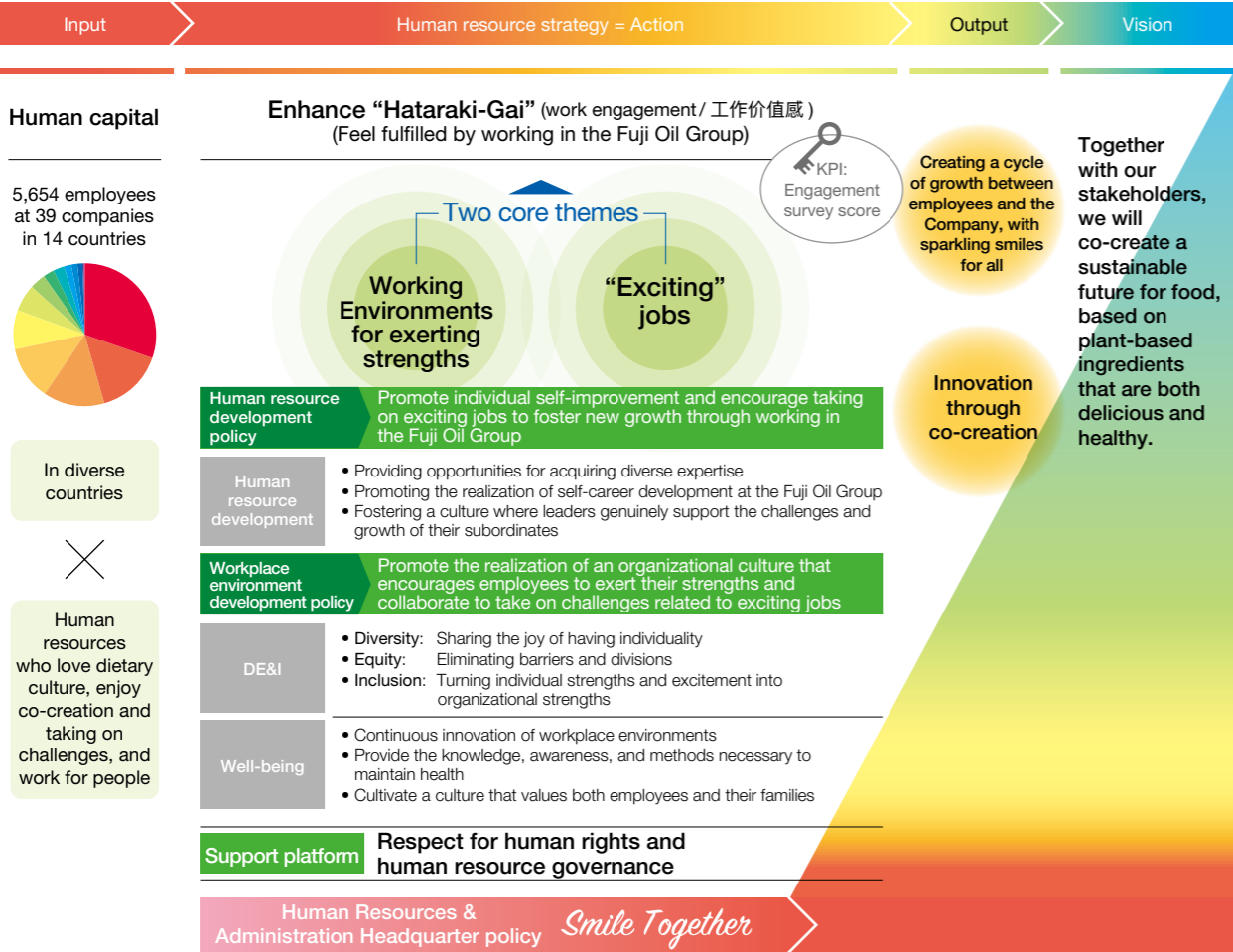
Under the business holding company structure we started in April 2025, Group companies are uniting in our aspiration using plant-based ingredients to provide solutions to the challenges facing people and the Earth and to create sustainable growth and innovative value. As part of this initiative, we evaluated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

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

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

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

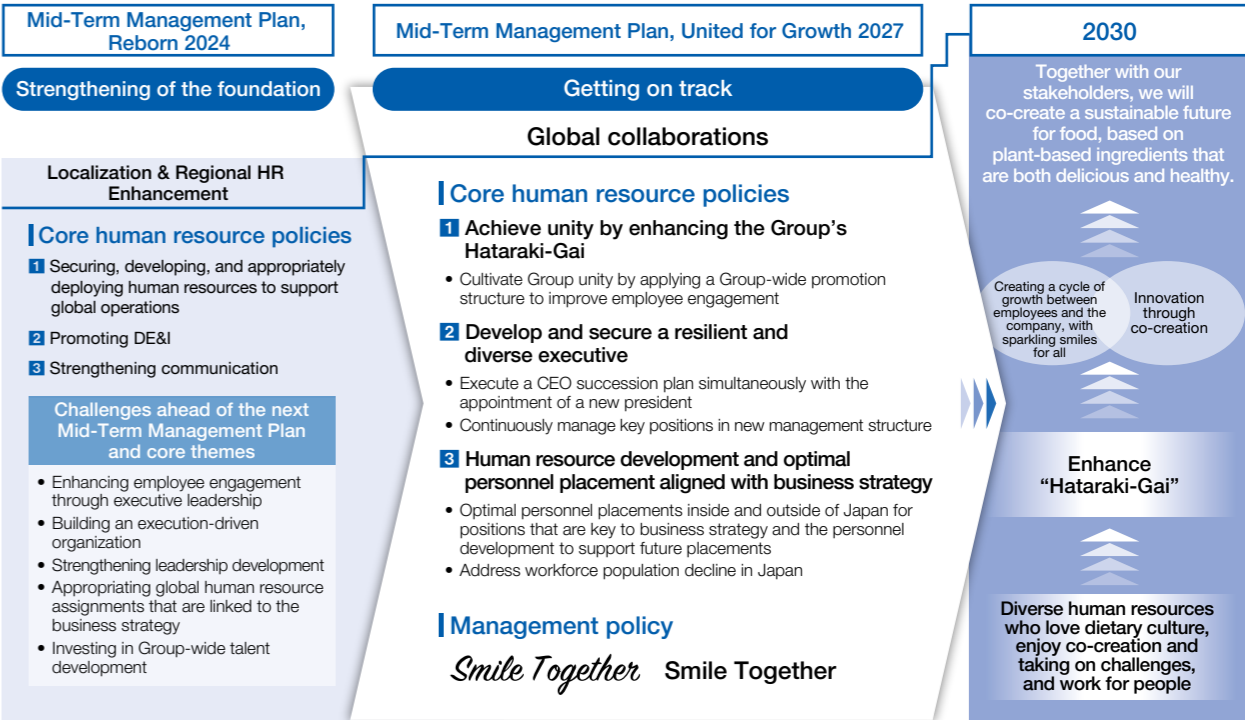
* FUJII OIL CO., LTD. and consolidated subsidiaries as of March 31, 2025



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

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

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



Development of Executive Talent Aligned with Business Strategy

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

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

| Nomination and Compensation Advisory Committee P96

Development of managerial talent across Group companies

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

Strengthening Alignment with Business Strategy

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

Human resource development to support globalization

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

Human resource development and projects for realizing our vision

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

Autonomous career formation

FUJI OIL CO., LTD. works to provide opportunities for advancement through career formation and appropriate position placements. We provide a wide range of training, including rank-based, selection-based, application-based, and seminar-style training. We also offer a support program that provides subsidies for skills improvement through online education and support for job-specific credential acquisition and learning. During performance evaluations, we create opportunities for managers to provide feedback on key points for achieving growth and self-improvement. Additionally, once per year, we provide opportunities for employees to hold meetings with supervisors based on their career improvement communication sheet, a tool for full-time employees to evaluate their career thus far and provide a visual representation of their future career outlook.

FY2024
Total number of participants
in application-based training
Eligibility: FUJI OIL CO., LTD., Fuji Oil Holdings
1,938

Circuit activities and education programs for supporting DX promotion

In 2022, FUJI OIL CO., LTD. launched the Circuit Activity Project, which is designed to increase the speed of company-wide decision-making and operational improvements. This project functions as a framework for driving internal problem-solving, and thus far has involved a diverse range of initiatives. Last year, we evaluated the adoption of generative AI by employees on a voluntary basis, which led to recommending the integration of Microsoft Copilot on a company-wide level. Moving forward, we will leverage generative AI to increase the quality and speed of employee activities and link that to productivity improvements across our entire organization. To further promote the utilization of digital technology, we also established the FUJI Digital Academy (referred to as FUJIDIGI) to promote the development of IT and DX human resources. During the first year, we started with 123 individuals, but we will gradually expand eligibility with the goal of eventually developing every employee into a digital human resource who is capable of contributing to value creation.



FUJIDIGI course

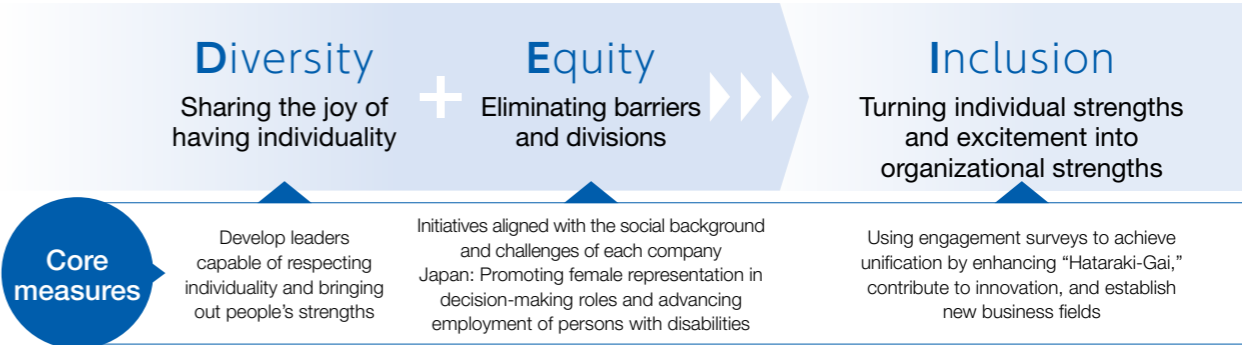
Production Workstyle Reform Project

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

Promoting Corporate Unification

DE&I Vision

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



Well-being (Health and Productivity Management)

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

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

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



Great People Mental Health certification obtained by Harald (Brazil)



Members from FUJI OIL EUROPE

Engagement Survey

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

At the same time, survey results indicated that overall Group management members lacked the approaches and skills expected of new leaders in modern times, including “respecting individuality while supporting growth”. Also, we identified insufficiencies in the abilities of leaders to communicate our mission, vision, policies, and strategies. As a result, we position the need for corporate culture reform through leadership development as a major issue facing the Group as a whole. One management issue particularly facing FUJII OIL CO., LTD. is its low score for “philosophy and strategy”. While each survey is leading to an improvement in the overall score for the company, there has been no change in this trend. We recognize that using the timing of our transformation to a business holding company structure to reaffirm our shared vision and mission, and to increase understanding of and commitment to management policy and business strategy, is our highest priority issue and something that management must take the lead in addressing. To that end, we will also approach this problem as one of our ESG material issues.

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

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

Blommer Chocolate Company
(USA)

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

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



Fostering communication with HR Team members

Engagement Survey (in Japan)

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

Total score						
1st 65	➡	2nd 66	➡	3rd 68	➡	4th 68
<Positive change> Culture of taking on challenges		<Management issues> Philosophy and strategy				
1st 57	➡+5	4th 62		1st 63	➡+1	4th 64
Largest improvement by element				Scores have declined for some elements.		

Subjects: FUJII OIL CO., LTD. (FUJII OIL CO., LTD. and FUJII OIL HOLDINGS INC. prior to FY2024)

Global Engagement Survey

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

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

Subject: 18 Fuji Oil Group consolidated subsidiaries outside of Japan



Engagement training by CEO

At FUJII OIL GHANA LIMITED, we identified “recognition,” “consideration of opinions,” and “opportunities for learning and growth” as key issues, and conducted employee training sessions led by CEO to improve engagement. We believe it is important for employees to understand the meaning and significance of engagement, so the CEO personally provided explanations, including in the local language. By sincerely addressing employees’ opinions and questions and deepening understanding through dialogue, we believe this has helped foster awareness for the next survey and laid the foundation for workplace improvement.

FUJII OIL GHANA LIMITED
(Ghana)

PALMAJU EDIBLE OIL SDN. BHD
(Malaysia)

Recognizing the opportunity for improvement related to “respecting individuals” and “supporting growth,” in February 2025, PALMAJU EDIBLE OIL SDN. BHD launched the 3E (Employee Engagement Excellence) Campaign through a joint collaboration between three departments: Safety, Quality Control, and Human Resources. Aiming to strengthen communication and raise awareness among all employees, the company engaged in a variety of initiatives to share various information with employees. These initiatives included town hall meetings and training sessions, exhibition booths and VR education, health checkups, and presenting in-house awards. Going forward, the company will strive to create a workplace where employees can exert their strengths by fostering an even better work environment and corporate culture.



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

FUJII OIL (ZHAOQING) CO., LTD.
(China)

Recognizing the challenge of creating a workplace that respects employee feedback, FUJII OIL (ZHAOQING) CO., LTD. conducted in-house training to enhance employee understanding of company products that have received a lot of feedback. Through video learning materials and tasting experiences, employees learned how products manufactured at each site are used by customers and were able to see the entire manufacturing process, from raw materials to the end product. This provided an opportunity to better understand the purpose and meaning of their own work. We believe this was a meaningful opportunity that also led to stronger communication between employees across departments.



We invited the development team from FUJII OIL (CHINA) INVESTMENT CO., LTD. to hold in-house training aimed at promoting understanding of our products

Climate Change and Biodiversity

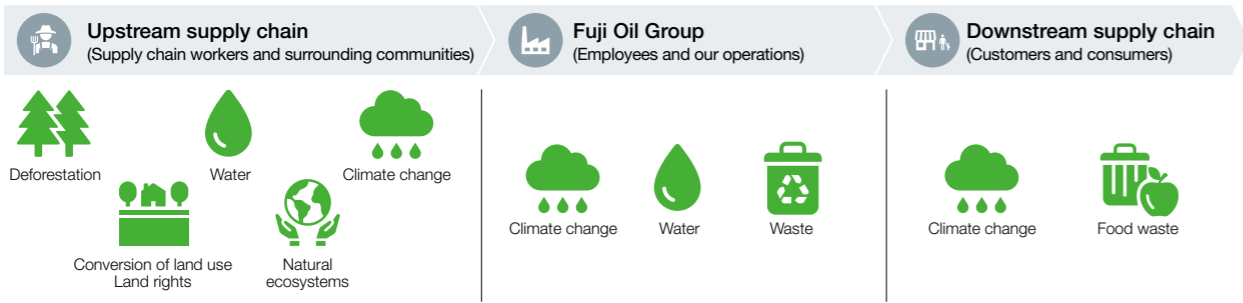
Social and Relationship Capital

Natural Capital

The Fuji Oil Group's business activities benefit from nature and ecosystem services such as the air, water, soil, forests and plants. At the same time, they also have impacts on nature and ecosystem services through our global value chain that includes raw material production, procurement and transportation, and product processing. We recognize that changes in the climate and nature are important both in terms of risks and opportunities for all the Group's business activities. We are striving to appropriately respond to these risks by working to reduce CO₂ emissions, conserve natural ecosystems and sustainably use natural capital. At the same time, we are developing technologies and products which will have a positive impact on the natural environment by incorporating the nature positive* concept to obtain business opportunities.

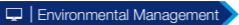
* A concept to stop and reverse the loss of biodiversity to put nature on the path to recovery.

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



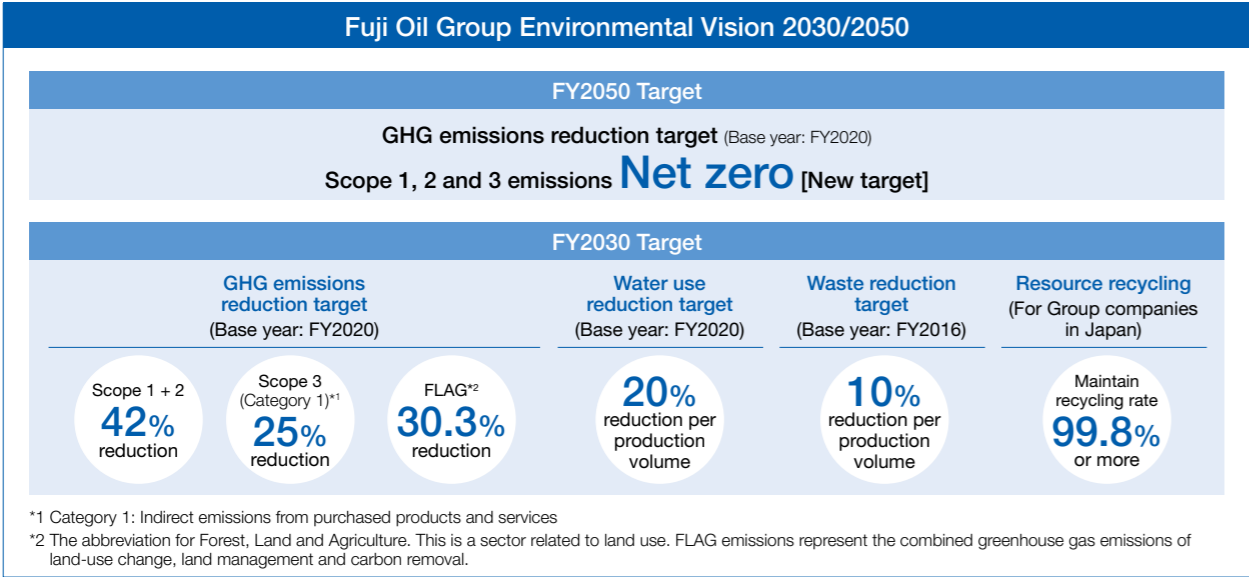
Management of Climate- and Nature-related Impacts, Risks and Opportunities

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

Please refer to Sustainability Report 2025 for details on TCFD and TNFD.
 https://www.fujiol.co.jp/en/sustainability/environmental_management/

Revision of Our Environmental Vision

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



Previous targets and FY2024 results

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

* Excluding Fuji Brandenburg GmbH

 Data Highlights ▶ P107

Activities to reduce CO₂, water and waste at production sites

Reduction in CO₂ emissions

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



Solar panels installed in FUJI OIL GHANA LIMITED

Reduction in water use

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

Reduction in waste

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

Introduction of internal carbon pricing

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

Supplier engagement

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

Water risks

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

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

Please refer to Sustainability Report 2025 for details on Biodiversity.
Biodiversity Conservation and Restoration <https://www.fujioil.co.jp/en/sustainability/biodiversity/>

Biodiversity

We are working to understand our dependency and impacts on nature and our nature-related risks and opportunities based on the LEAP approach* advocated by the TNFD.

FY2022	Grasped the relationship between all our businesses and biodiversity along our value chain. Organized biodiversity issues concerning our business overall. Identified and listed our assumed nature-related risks and opportunities.
FY2023	Used a geographic information system (GIS) to conduct analysis with various indicators on our dependency and impacts on nature and ecosystem services in the countries where we procure palm oil and cocoa, our main raw materials, based on the LEAP approach advocated by the TNFD. Grasped the perspectives we should pay attention to and priority regions in our Group's value chain.
FY2024	Listed nature-related risks and opportunities in our value chain. Began disclosures in line with the TNFD recommendations.

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

Case Study Conserving and Restoring Biodiversity in Sustainable Procurement

Palm oil Commitment to important ecosystems and community rights through landscape initiatives

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



Discussing customary rights and resolving conflicts about land ownership



Conflict management with elephants by the Koperasi Perlindungan Sungai Ara agricultural cooperative

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

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

Cocoa Shea Forest conservation and regeneration

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

Cocoa

FY2024 Results
Trees planted:
128,371

70,023 trees planted in partnership with AGRO-MAP
58,348 trees planted through our own efforts as part of the Cocoa and Forests Initiative



Tree planting

Shea

FY2024 Results
Trees planted:
7,018



Human Rights Management

Social and Relationship Capital Human Capital

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

Please refer to Sustainability Report 2025 for details on Human Rights Management.
Human Rights Management https://www.fujioil.co.jp/en/sustainability/human_rights/

Human Rights Due Diligence

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

Priority human rights risks	Main initiatives (FY2020 to FY2024)
Occupational health and safety Relevant stakeholder group: Employees	<ul style="list-style-type: none">• Took strict measures to prevent infection (during the COVID-19 pandemic)• Promoted staggered work hours, remote work and flexible work hour systems• Conducted joint on-site audits of individual Group companies with safety officers from regional headquarters across the globe• Strengthened measures to raise employee awareness of occupational safety
Human rights of supply chain workers (focusing on working environment on plantations, occupational health and safety, non-discrimination and equal opportunity, forced and child labor, land rights) Relevant stakeholder group: Supply chain workers	<ul style="list-style-type: none">• Formulated medium- to long-term targets and KPIs for the sustainable procurement of palm oil and cocoa• Formulated the Responsible Soybeans and Soy Products Sourcing Policy and the Responsible Shea Kernel Sourcing Policy and set KPIs• Formulated the Fuji Oil Group Supplier Code of Conduct, published it, and then distributed it to suppliers and collected their agreement with it• Palm oil: Responded to the increase in the number of grievances we received and promoted the Labor Transformation Program (LTP) for our suppliers• Cocoa: Ensured CLMRS covers 100% of the farmer groups in our Group's direct procurement supply chain• Shea kernel: Promoted the Tebma-Kandu shea kernel sustainability program• Established Sustainable Development Teams to serve as the hub of sustainability information within European Group companies
Diversity and inclusion (D&I), human rights in the workplace (harassment, forced labor) Relevant stakeholder group: Employees	<ul style="list-style-type: none">• Formulated the Fuji Oil Group Human Rights Guidelines• Identified DE&I material ESG issues for each region and addressed the priority issues• Held Human Rights Week at Fuji Oil Holdings and FUJI OIL CO., LTD. and raised awareness to prevent harassment in departmental training sessions• Took measures linked to the results of the engagement survey

Third human rights impact assessment

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

Rightsholders*	Upstream supply chain	Direct operations	Product use
	<ul style="list-style-type: none">• Workers at plantations• Workers at supplier companies Including tier 2 and beyond	<ul style="list-style-type: none">• Local communities Residents near our company or supplier factories, etc.• Employees Including regular and non-regular staff such as temporary workers	<ul style="list-style-type: none">• Customers• Consumers
Priority human rights risks	<ul style="list-style-type: none">• Labor standards• Occupational health and safety• Non-discrimination and equal opportunities• Forced, slave and bonded labor• Child and young workers	<ul style="list-style-type: none">• Land rights• Environmental and social impacts on neighboring communities• Workplace environment• Occupational health and safety• Non-discrimination and equal opportunities• Right to collective bargaining and freedom of association• Forced, slave and bonded labor	<ul style="list-style-type: none">• Food safety• Right to health
	(Business ethics)	• Fraud, bribery and corruption • Ethical research and development • Information security and privacy	
	(Issues across fields)	• Grievance mechanisms and access to remedy • Diversity, equity and inclusion • Climate impact on human rights	

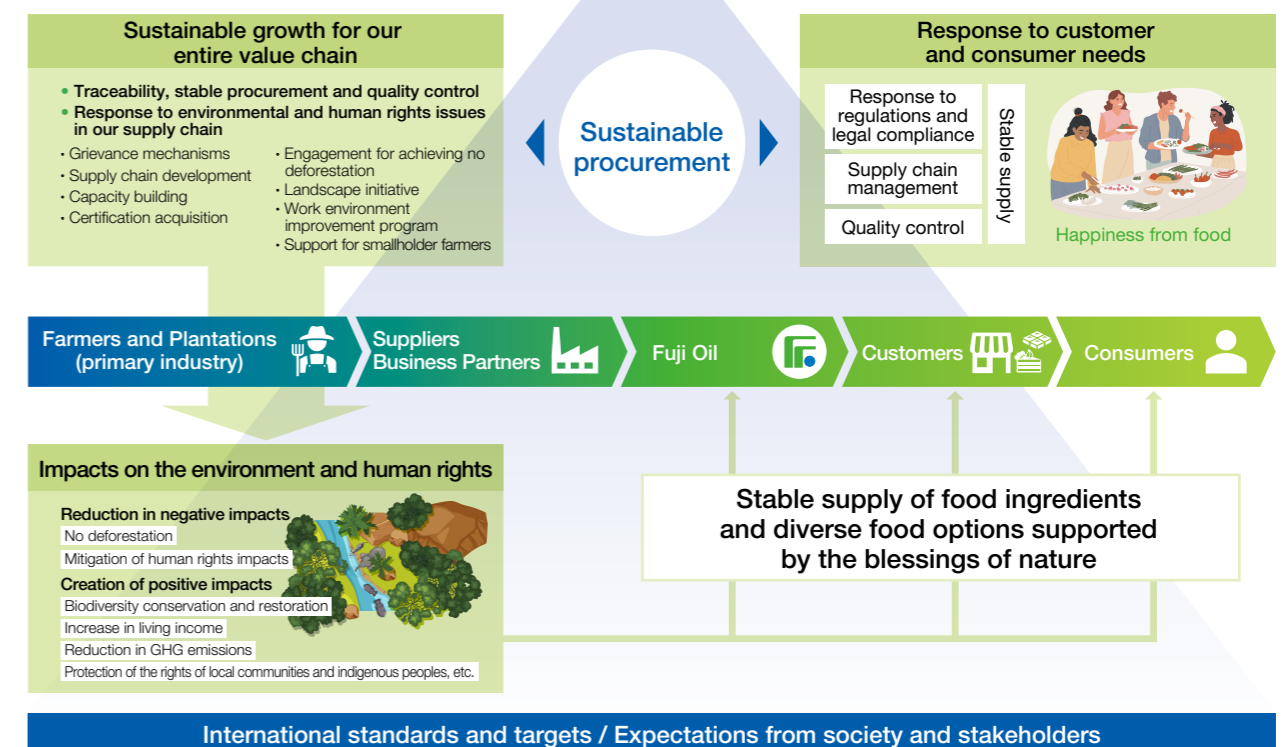
• Risks that should be addressed with the highest priority • Risks that need to be addressed but are relatively low priority

* Individuals or groups whose human rights could be impacted or have been impacted by the company's business, products, or services

In addition, we conducted a gap analysis for human rights due diligence with the United Nations Guiding Principles on Business and Human Rights and the state of initiatives in the food industry.



Cocoa



Please refer to Sustainability Report 2025 for details on Sustainable Procurement of Palm Oil.
Sustainable Procurement of Palm Oil https://www.fujioil.co.jp/en/sustainability/palm_oil/

Sustainable Procurement of Palm Oil

Background

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



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

*1 TTP: Traceability to plantation
*2 PALMAJU EDIBLE OIL SDN. BHD (Malaysia): Oils and fats production site of a wholly owned subsidiary of FUJI OIL CO., LTD.

Please refer to Sustainability Report 2025 for details on Sustainable Procurement of Cocoa.
Sustainable Procurement of Cocoa <https://www.fujioil.co.jp/en/sustainability/cocoa/>

Sustainable Procurement of Cocoa

Background

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



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

*1 We plan to plant a variety of shade tree saplings, totaling one million trees, over a 10-year period from 2021 through 2030.
*2 Worst Forms of Child Labour (WFCL). The International Labour Organization (ILO) Convention No. 182, known as the Convention concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour, prohibits hazardous work that may harm the safety, health, or morals of children. This includes the sale and trafficking of children, debt bondage, forced or compulsory labor, prostitution and pornography, illegal activities such as crime, and recruitment of children for use in armed conflict.
*3 Applies to West Africa
*4 Child Labour Monitoring and Remediation System

Please refer to Sustainability Report 2025 for details on Sustainable Procurement of Soybeans.
Sustainable Procurement of Soybeans <https://www.fujioil.co.jp/en/sustainability/soy/>

Sustainable Procurement of Soybeans

Background

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



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

* RTRS: Round Table on Responsible Soy Association

Please refer to Sustainability Report 2025 for details on Sustainable Procurement of Shea Kernels.
Sustainable Procurement of Shea Kernels https://www.fujioil.co.jp/en/sustainability/she_a_kernel/

Sustainable Procurement of Shea Kernels

Background

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



Social Issues	Social Issues in the Supply Chain	Medium- to Long-Term Goals	KPIs		FY2024 Results
			2030	2025	
Global Environment	Loss of parkland	Forest conservation, support to women's empowerment	(1) Tree planting: 6,000 trees per year (2) Traceability to the regional level, including procurement from the Tebma-Kandu cooperatives*1: 75% (3) Procurement of shea kernel from the Tebma-Kandu program*2: 50%	(1) 6,000 trees planted per year (2) 70% (3) 30%	(1) 7,018 trees planted per year (2) 91% (3) 15%
Human Rights	Poverty among farming families		(4) Percentage of shea kernels crushed and fractionated (separated) in West Africa: 100% (5) Non-fossil fuel energy*3 used at FUJI OIL GHANA LIMITED (steam generation): 100% (6) Percentage of Group-donated storage buildings being used to generate alternative income for Tebma-Kandu cooperatives: 80%*4	(4) 100% (5) 100% (6) 20%	(4) 100% (5) 70% (6) —

*1 Cooperatives registered in the Tebma-Kandu program and partners that are operating in accordance with Tebma-Kandu principles.
*2 The KPI was changed from "direct procurement of shea kernels from Tebma-Kandu cooperatives" to "procurement of shea kernels from the Tebma-Kandu program." This includes procurement volumes from new partners who have aligned with the aims of Tebma-Kandu, in addition to the cooperatives that have been active from the outset based on the concept of the Tebma-Kandu program.
*3 We use shea olein, a byproduct obtained when fractionating shea butter, as biomass fuel.
*4 Because the KPI for value creation in local communities, "permanent, direct employees at FUJI OIL GHANA LIMITED: 50% increase (base year: 2017)," was achieved as of FY2022, we set a new KPI to replace it from FY2024. Percentage of storage buildings for shea kernel storage donated by FUJI OIL GHANA LIMITED that are generating income through the use of vacant space or periods outside the shea season to store harvests other than shea.

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

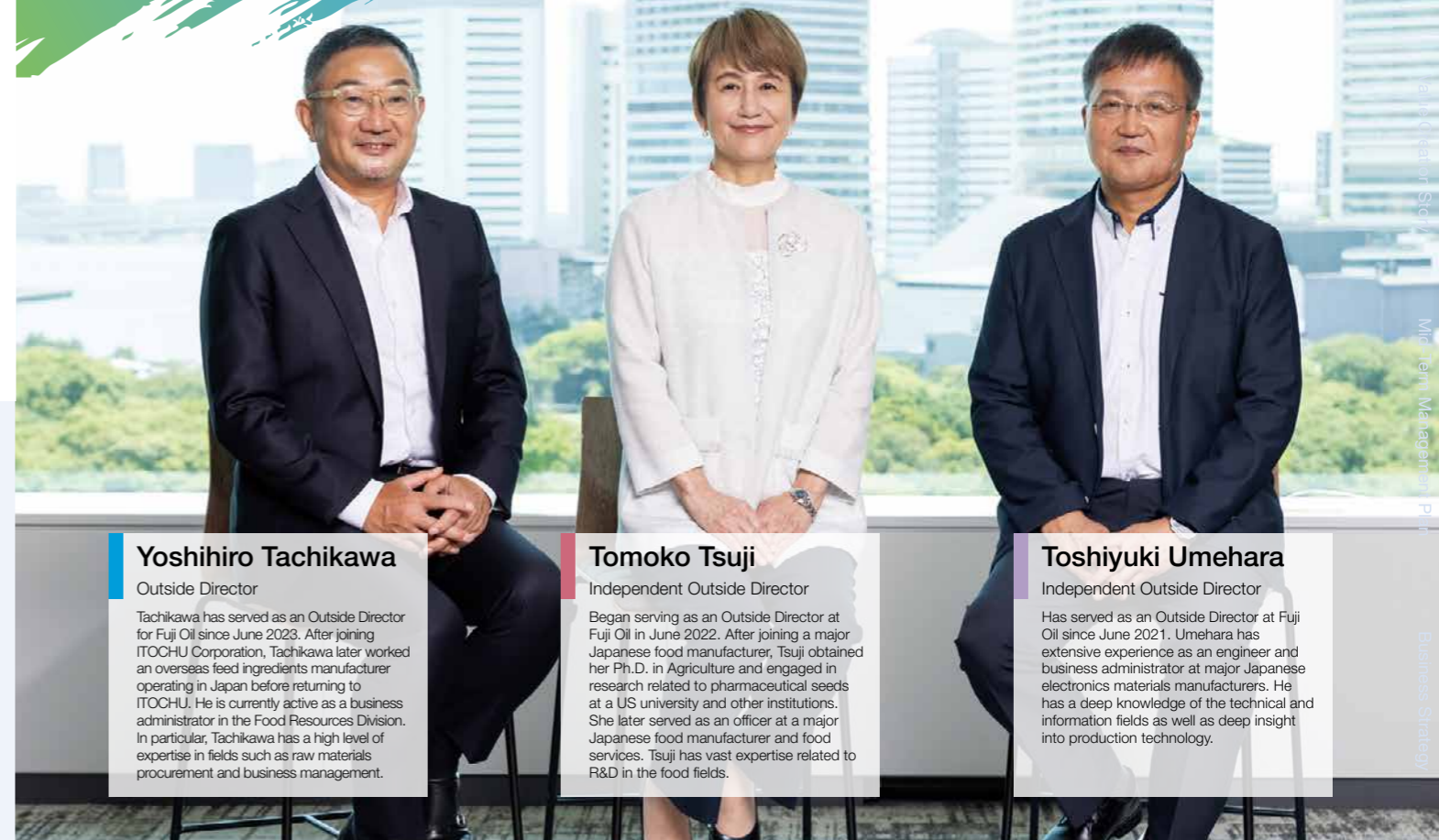
With the transition to a business holding company structure in FY2025, the Nomination and Compensation Advisory Committee deliberated 14 times to discuss the revisions necessary to achieve an appealing incentive-based remuneration system that ensures the directors and executive officers in charge of 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

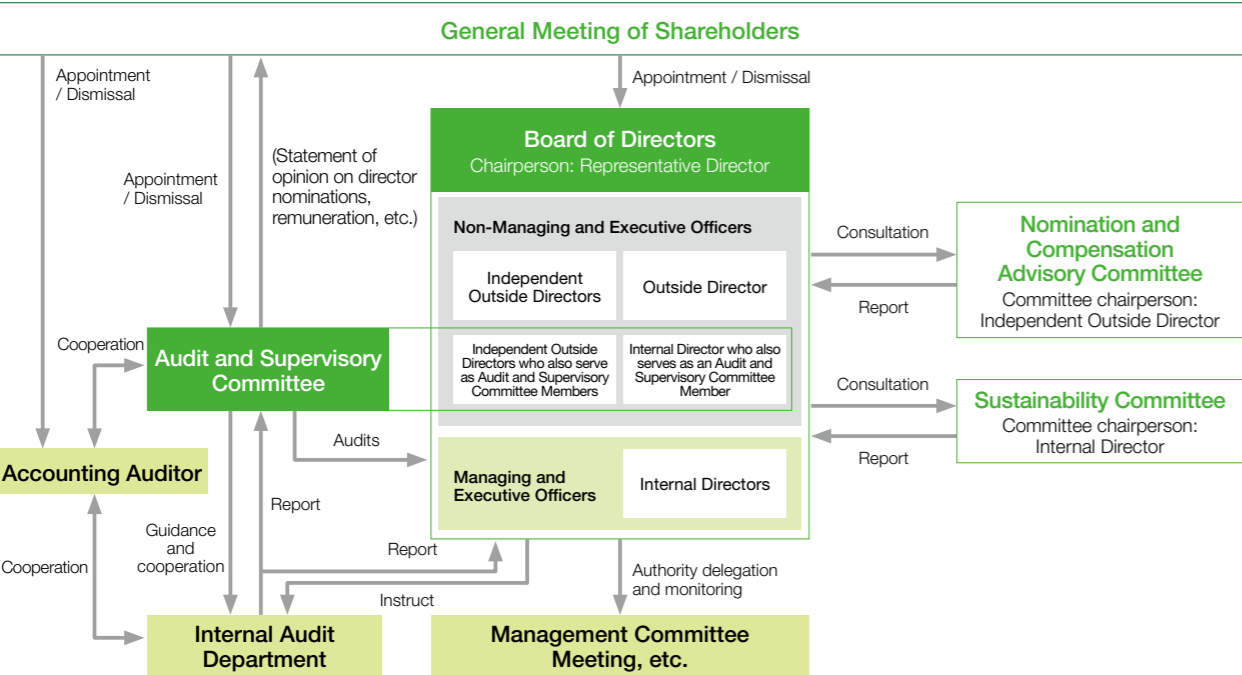
Corporate Governance

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)



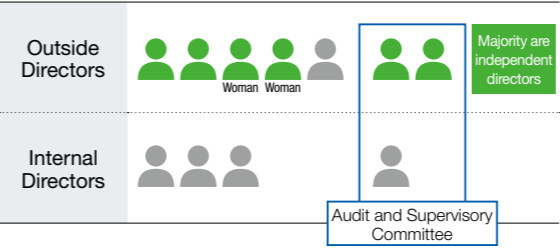
Evolution of Initiatives to Strengthen Governance

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.

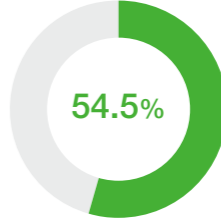
FY	Major Event	Number of Directors ^{*1}	Of Whom, Outside Directors ^{*1}
2015	<ul style="list-style-type: none"> Established the Nomination and Compensation Advisory Committee and the ESG Committee Transitioned to a holding company structure and localized business operations through delegation of authority 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

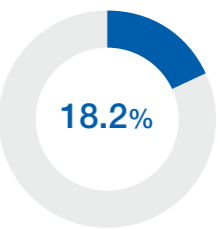
Composition of the Board of Directors



Independent Outside Officer Ratio



Female Officer Ratio



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
					Independent	Independent	Independent		Independent		Independent	Independent
Years of service*		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

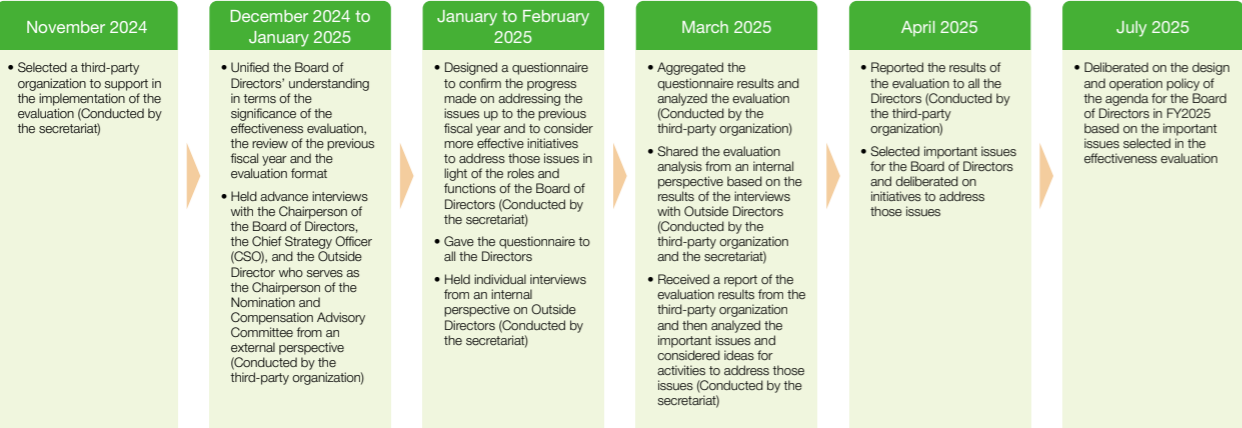
Evaluation of the effectiveness of the Nomination and Compensation Advisory Committee and the Audit and Supervisory Committee
- 4

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.

<ul style="list-style-type: none"> Stimulation of discussions relating to medium- to long-term strategies <p>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.</p>	<ul style="list-style-type: none"> Enhancing of discussions based on KPI progress <p>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.</p>
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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

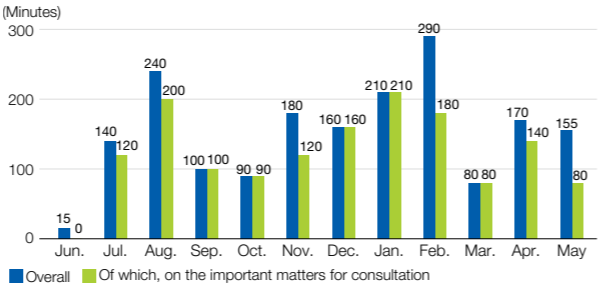
The matters for consultation by the Nomination and Compensation Advisory Committee are based on the basic matters to be deliberated as stipulated in the committee regulations. These matters are determined by the Board of Directors based on the important management issues for that fiscal year. In FY2024, 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



* Includes extraordinary committee meetings and CEO Review Meetings, etc.

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

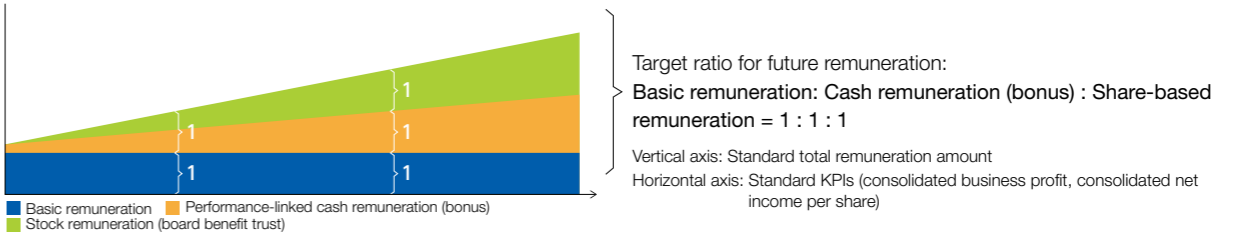
Revision of Director remuneration and basic policy

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 =

Basic amount of remuneration by position (i)

 ×

Performance-linked coefficient (ii)

 ÷

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

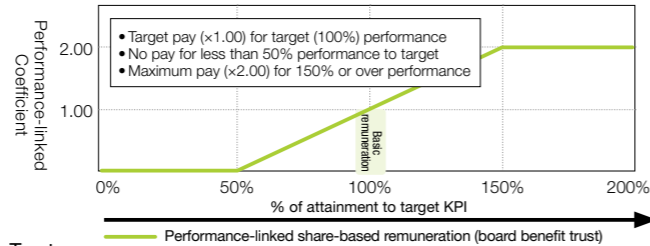
(ii) Performance-linked coefficient

<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

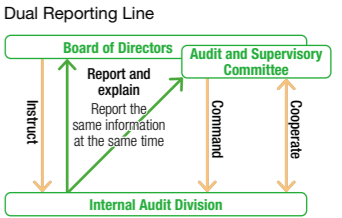
- (Notes) 1. The above amount includes remuneration for 4 Directors who stepped down from their positions upon the adjournment of the 96th Ordinary General Meeting of Shareholders held on June 27, 2024.
2. The total amount of remuneration of Directors excludes the portion of employee remuneration for 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. FUJII 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

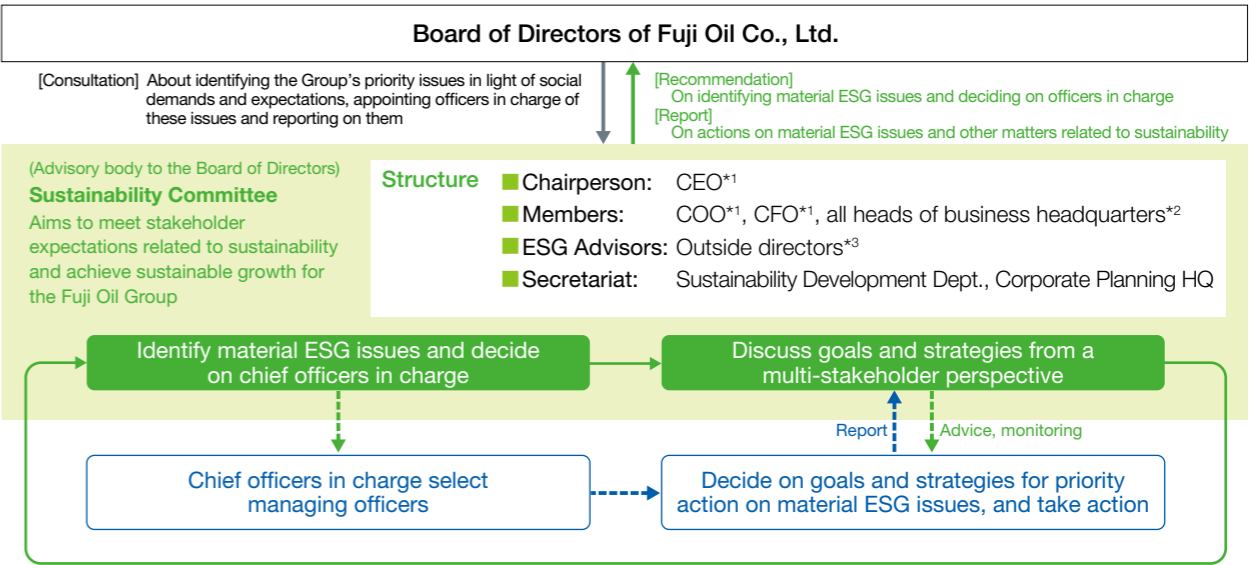
Sustainability Committee

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.



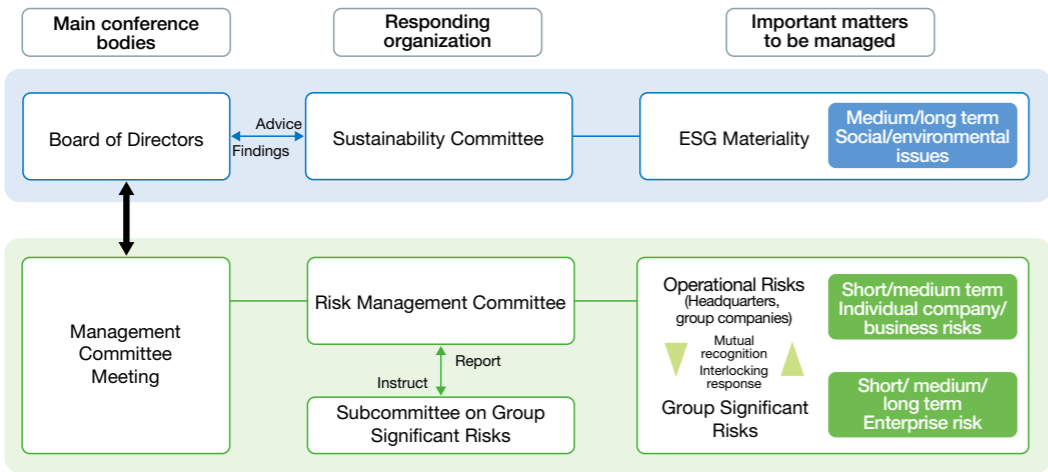
Yasuhiro Tani
Independent / Outside
Audit and Supervisory Committee Member (ESG Advisor to the Sustainability Committee)

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

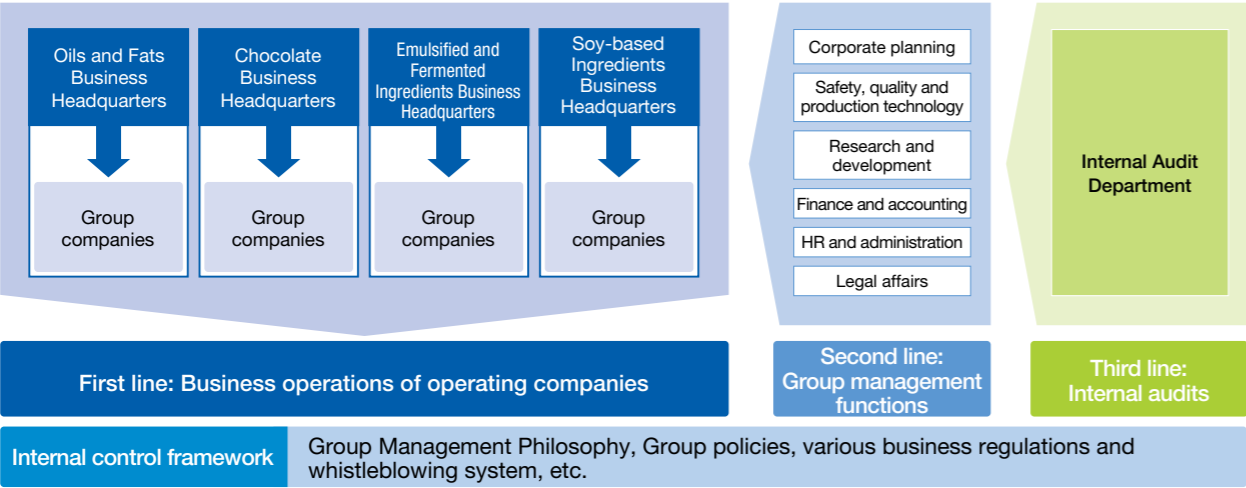
Our Group identified the following significant risks that could have a significant impact on investor judgments and as requiring management. FUJI OIL CO., LTD., the headquarters, has designated a risk response supervising headquarters/departments for each risk, and has formulated response policies. Please 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.

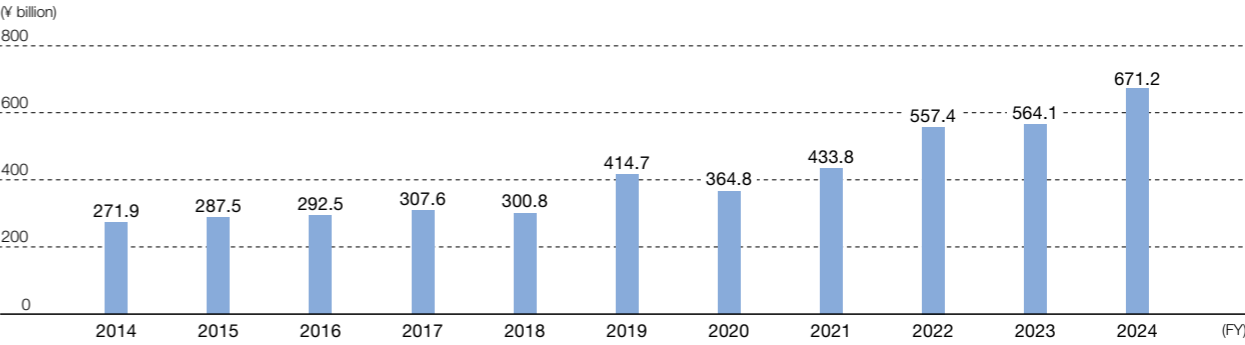
FY2024 Record

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)

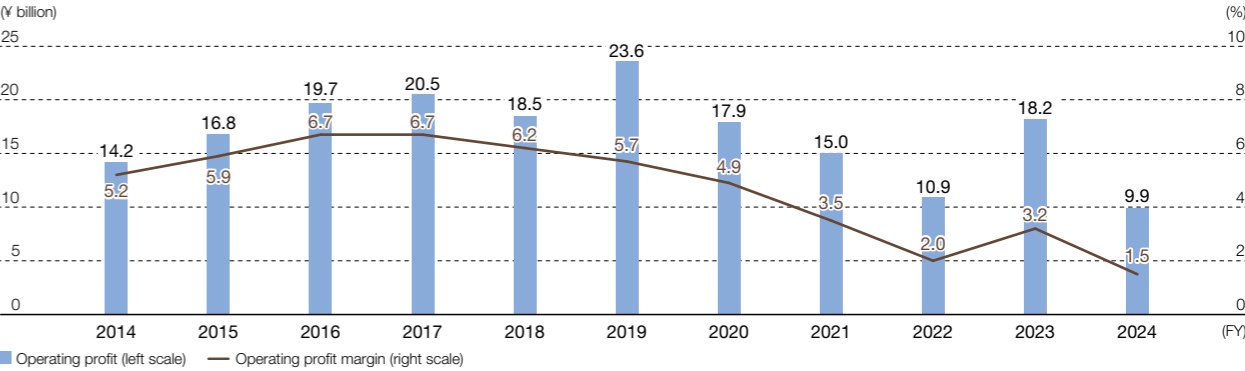


The Company's net sales are affected by fluctuations in the prices of raw materials such as palm oil, shifts in sales volume, the establishment of new plants and capital investment, and changes in the number of subsidiaries due to M&A and other factors.

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)

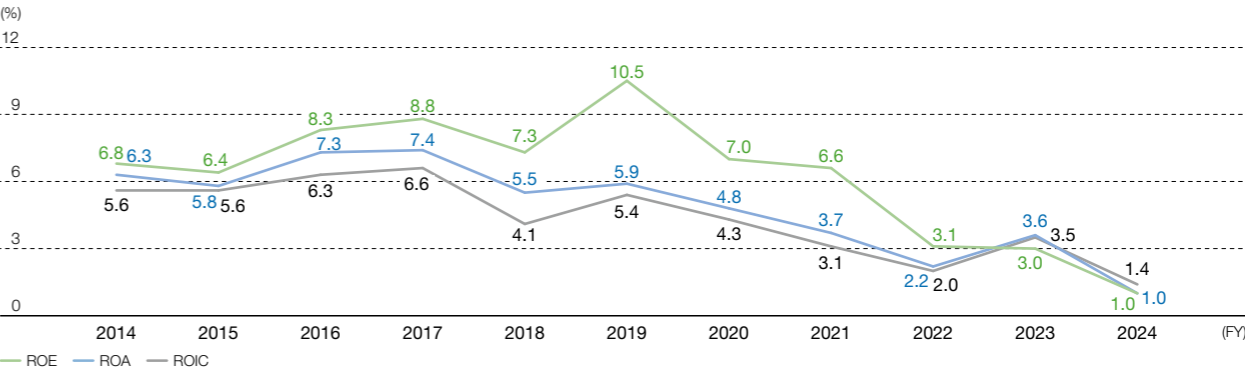


The Company's operating profit is affected by sharp rebounds in the prices of raw materials such as palm oil, changes in sales volume, increases in fixed costs arising from capital expenditures and other factors, and the incurrence of special expenses such as acquisition costs.

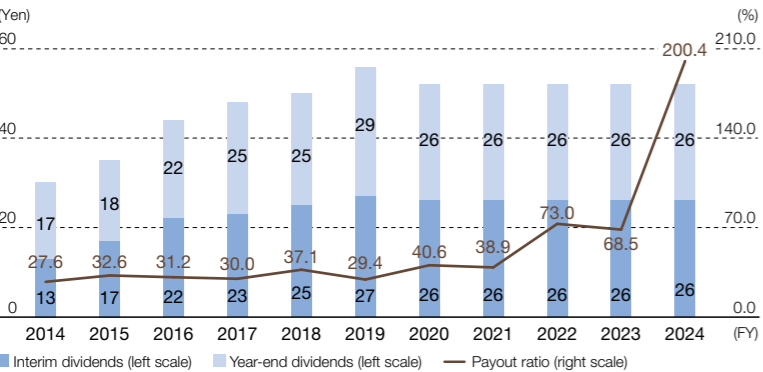
Notable Past Events

- 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.

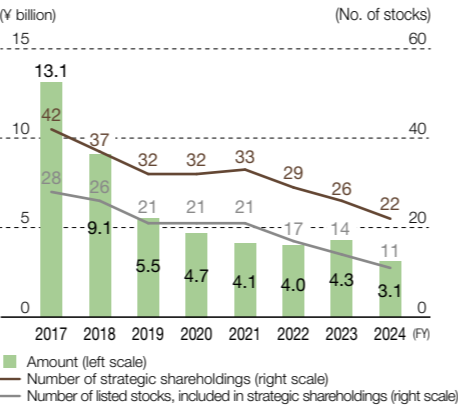
ROE / ROA / ROIC (J-GAAP)



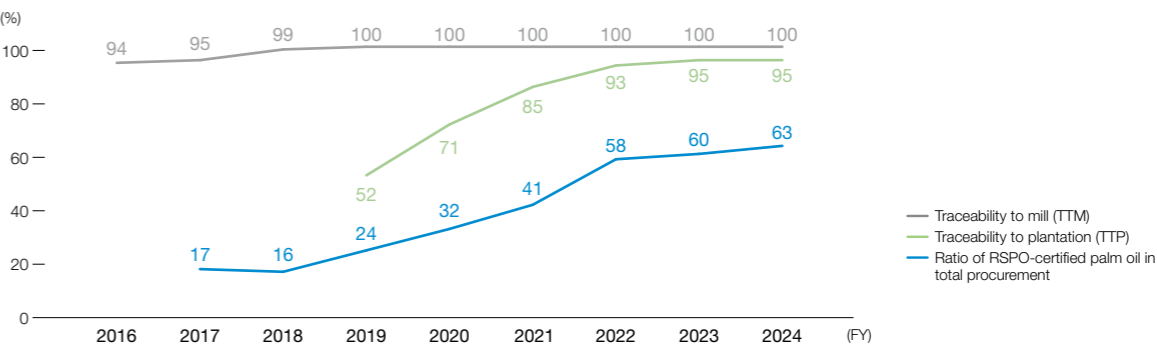
Shareholder Returns / Payout Ratio (J-GAAP)



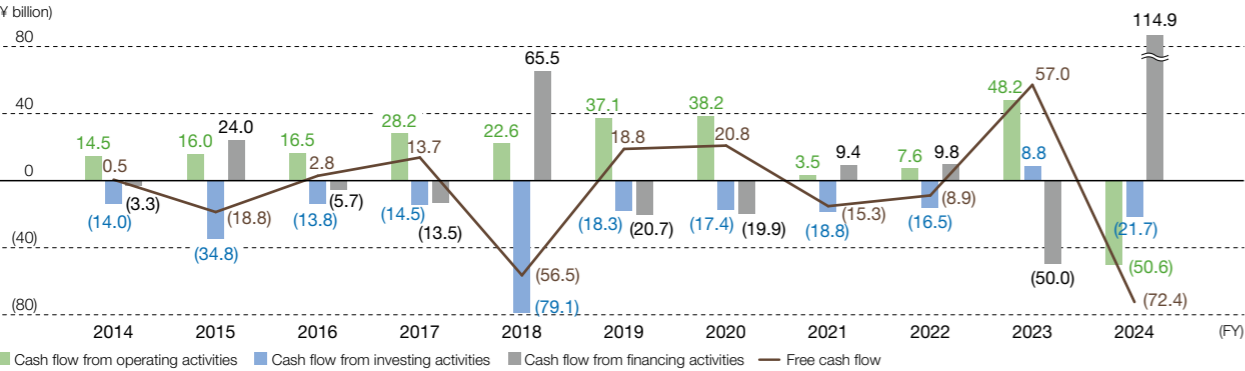
Strategic Shareholdings



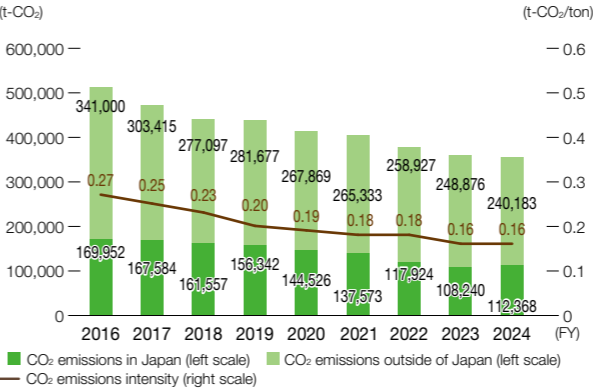
Key Indicators for Palm Oil Procurement



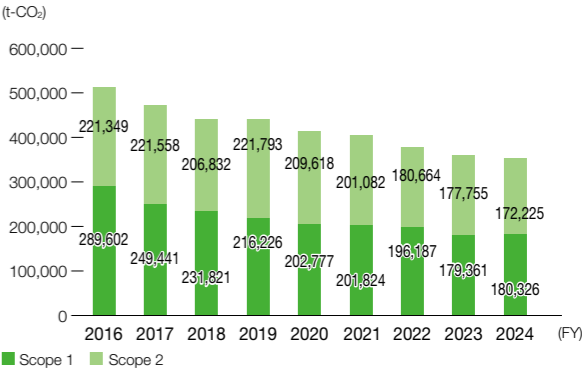
Cash Flows (J-GAAP)



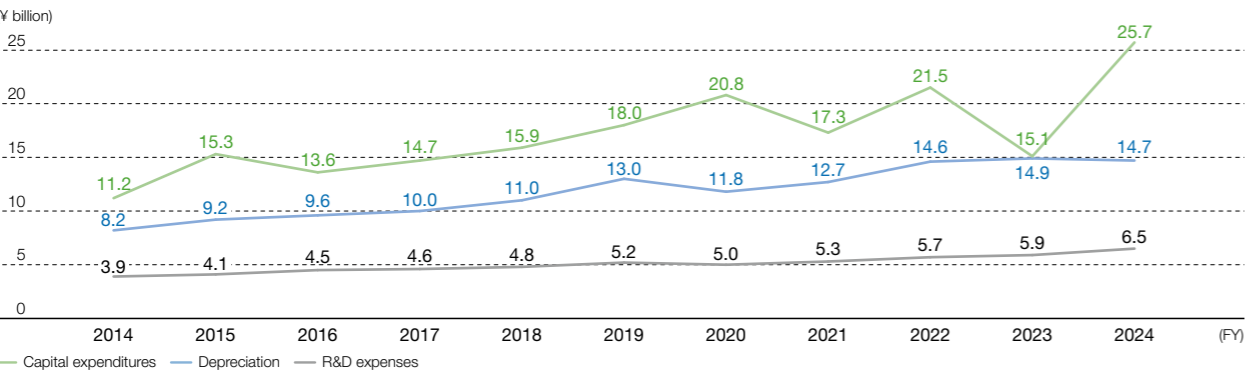
Total CO₂ Emissions (Scopes 1 & 2) by Japan and Outside of Japan



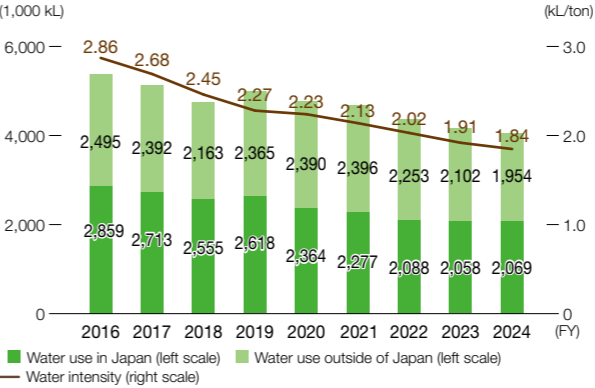
Total CO₂ Emissions (Scope 1 + Scope 2)



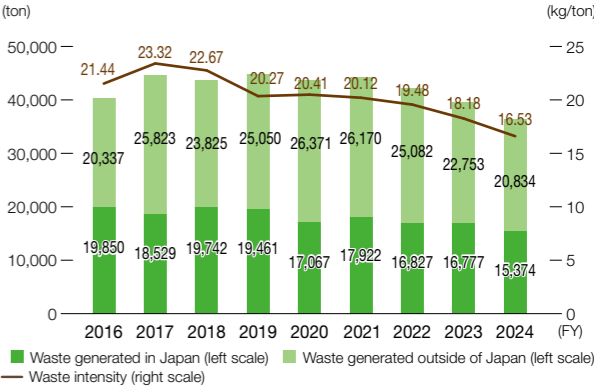
Capital Expenditures / Depreciation / R&D Expenses (J-GAAP)



Water Use (Group)



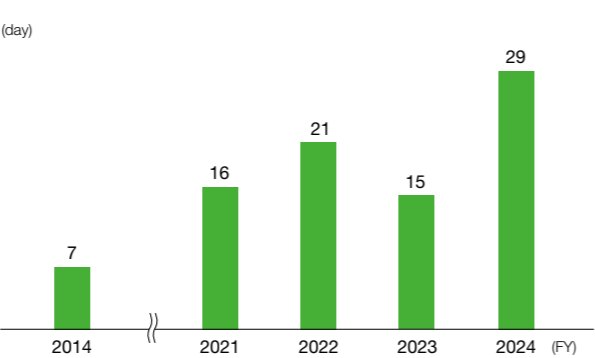
Total Waste Generation (Group)



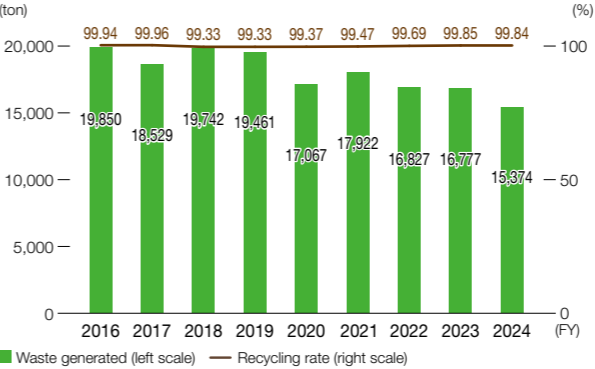
Ratio of Employees Taking Parental Leave







Average Number of Days Taken for Parental Leave (Male)



Total Waste Generation and Recycling Rate at Fuji Oil Group Companies in Japan



Performance Highlights (J-GAAP)

(million yen)						
		FY2020	FY2021	FY2022*1	FY2023	FY2024*2
Results						
Net sales		364,779	433,831	557,410	564,087	671,211
Operating profit		17,911	15,008	10,940	18,213	9,895
Ordinary profit		17,565	14,360	9,690	16,791	5,304
Profit before income taxes		17,020	16,289	9,903	18,015	5,850
Profit attributable to owners of parent		11,014	11,504	6,126	6,524	2,230
EBITDA		34,261	32,397	31,177	45,263	30,220
Results by Business Segment						
 Vegetable Oils and Fats Business	Net sales	98,413	134,976	203,448	185,350	207,274
	Operating profit	7,872	7,401	7,021	15,439	26,270
	Segment assets	92,962	116,982	142,466	127,603	151,794
	FUJI ROIC*3 (%)	—	5.4	4.4	11.5	16.6
 Industrial Chocolate Business	Net sales	162,445	185,540	228,513	253,408	334,696
	Operating profit	7,608	7,548	4,973	1,840	(15,833)
	Segment assets	150,980	174,966	197,669	212,939	311,049
	FUJI ROIC*3 (%)	—	7.1	4.8	2.5	(4.6)
 Emulsified and Fermented Ingredients Business	Net sales	69,567	79,146	91,164	89,855	94,175
	Operating profit	3,018	1,617	1,490	3,793	3,444
	Segment assets	49,045	55,510	58,834	59,067	60,346
	FUJI ROIC*3 (%)	—	2.0	2.0	5.5	4.9
 Soy-Based Ingredients Business	Net sales	34,353	34,167	34,284	35,472	35,065
	Operating profit	3,169	2,149	1,277	1,040	656
	Segment assets	43,648	44,708	46,872	45,248	41,697
	FUJI ROIC*3 (%)	—	3.2	1.6	1.1	0.4
Results by Region						
Japan	Net sales	152,863	166,533	189,627	197,037	218,970
	Operating profit	15,140	14,127	13,247	17,301	24,690
Europe and Americas	Net sales	156,305	194,682	273,411	278,185	330,753
	Operating profit	3,504	1,686	(1,723)	558	(23,020)
Asia	Net sales	55,611	72,616	94,371	88,863	121,487
	Operating profit	2,964	2,901	3,323	4,235	14,456
Group administrative expenses		(3,756)	(3,688)	(3,792)	(3,910)	(4,450)

*1 Due to changes in the accounting periods of subsidiaries INDUSTRIAL FOOD SERVICES PTY. LIMITED and Blommer Chocolate Manufacturing (Shanghai) Co., Ltd., FY2022 is the 15-month and the 14-month period, respectively.
*2 From FY2024, the accounting period of Blommer Chocolate Company has been changed. Previously, Blommer's consolidated profit and loss covered the period from February to January of the following year. Starting with FY2024, it now reflects the period from April to March.
*3 FUJI ROIC = Operating profit after tax / (Working capital + Fixed assets)

Financial Highlights (J-GAAP)

(million yen)					
	FY2020	FY2021	FY2022*1	FY2023	FY2024*2
Balance Sheet Summary					
Current assets	160,736	201,334	227,771	236,858	354,830
Non-current assets	197,589	215,156	240,922	233,332	241,550
Total assets	358,511	416,617	468,789	470,221	596,564
Current liabilities	91,017	120,840	145,891	146,936	273,204
Non-current liabilities	104,604	106,282	111,914	78,993	108,835
Interest-bearing debt	131,309	148,769	168,417	130,286	283,975
Total liabilities	195,621	227,122	257,806	225,929	382,040
Total net assets	162,890	189,495	210,983	244,291	214,524
Cash Flow Summary					
Cash flow from operating activities	38,205	3,537	7,594	48,242	(50,631)
Cash flow from investing activities	(17,395)	(18,807)	(16,487)	8,803	(21,738)
Free cash flow	20,809	(15,269)	(8,893)	57,045	(72,369)
Cash flow from financing activities	(19,931)	9,387	9,804	(50,007)	114,931
Capital expenditures	20,824	17,286	21,512	15,119	25,743
Depreciation expenses	11,773	12,680	14,584	14,850	14,690
R&D expenses	4,994	5,280	5,744	5,878	6,457
Per Share Data (Yen)					
Stock price, at year-end	2,953	1,980	1,923	2,390.5	3,062
EPS	128.14	133.84	71.27	75.90	25.95
BPS	1,861.67	2,168.13	2,359.34	2,700.95	2,448.40
Dividends per share	52	52	52	52	52
Payout ratio (%)	40.6	38.9	73.0	68.5	200.4
Financial Indicators					
ROA (%)	4.8	3.7	2.2	3.6	1.0
ROE (%)	7.0	6.6	3.1	3.0	1.0
Net profit margin (%)	3.0	2.7	1.1	1.2	0.3
Total asset turnover ratio (%)	1.01	1.12	1.26	1.20	1.26
Financial leverage (Times)	2.2	2.2	2.3	2.0	2.8
ROIC (%)	4.3	3.1	2.0	3.5	1.4
Net D/E ratio = Net interest-bearing debt/Shareholders' equity (%)	0.63	0.73	0.80	0.54	1.22
Equity ratio (%)	44.6	44.7	43.3	49.4	35.3
Cash conversion cycle (Days)	107	115	104	102	124
Goodwill (in a broad sense)	46,648	49,861	55,192	51,712	46,037
Amortization of goodwill	2,071	2,160	2,629	9,091	2,225
Ratio of goodwill to net assets (%)	28.6	26.3	26.2	21.2	21.5
Other					
Employees (persons)	5,679	5,623	5,799	5,731	5,654

*1 Due to changes in the accounting periods of subsidiaries INDUSTRIAL FOOD SERVICES PTY. LIMITED and Blommer Chocolate Manufacturing (Shanghai) Co., Ltd., FY2022 is the 15-month and the 14-month period, respectively.
*2 From FY2024, the accounting period of Blommer Chocolate Company has been changed. Previously, Blommer's consolidated profit and loss covered the period from February to January of the following year. Starting with FY2024, it now reflects the period from April to March.

Major Group Companies (As of October 1, 2025)

- Vegetable Oils and Fats
- Industrial Chocolate
- Emulsified and Fermented Ingredients
- Soy-based Ingredients

Notes: 1. Major consolidated subsidiaries and equity-method affiliates.
2. Business segment notation is based on accounting segment.
3. The fiscal years enclosed in () represent the companies' year of establishment. However, for companies consolidated into the Group through M&As, etc., the year of their acquisition is provided.

Japan	Europe and Americas	
FUJI OIL CO., LTD. (1950)	FUJI OIL EUROPE (1992)	FUJI SPECIALTIES, INC. (1987)
HANNAN TANK TERMINAL CO., LTD. (1972)	FUJI OIL GHANA LIMITED (2012)	Fuji Oil International Inc. (2022)
F&F CO., LTD. (1989)	Fuji Brandenburg GmbH (2019)	FUJI VEGETABLE OIL, INC. (1987)
FUJI SUNNY FOODS CO., LTD. (1990)	PROVENCE HUILES S.A.S (2025)	Oilseeds International, Ltd. (2022)
FUJI KOBE FOODS CO., LTD. (2004)	FUJI EUROPE AFRICA B.V. (2018)	RITO Partnership (2022)
CHIBA VEGOIL TANK TERMINAL CO., LTD. (2005)		Blommer Chocolate Company (2018)
OMU MILK PRODUCTS CO., LTD. (2011)		HARALD INDÚSTRIA E COMÉRCIO DE ALIMENTOS LTDA (2015)
Asia	JPG FUJI SDN. BHD. (2024)	FUJI OIL (CHINA) INVESTMENT CO., LTD. (2015)
FUJI OIL (SINGAPORE) PTE. LTD. (1981)	PT. FREYABADI INDOTAMA (1995)	FUJI OIL (ZHANG JIA GANG) CO., LTD. (1995)
WOODLANDS SUNNY FOODS PTE. LTD. (1988)	PT. MUSIM MAS-FUJI (2010)	FUJI OIL (ZHANG JIA GANG FREE TRADE ZONE) CO., LTD. (1997)
PALMAJU EDIBLE OIL SDN. BHD (1985)	FUJI OIL (THAILAND) CO., LTD. (2010)	FUJI OIL (ZHAOQING) CO., LTD. (2017)
FUJI GLOBAL CHOCOLATE (M) SDN. BHD. (2016)	FREYABADI (THAILAND) CO., LTD. (2015)	Blommer Chocolate Manufacturing (Shanghai) Co., Ltd. (2018)
UNIFUJI SDN. BHD. (2017)	INDUSTRIAL FOOD SERVICES PTY. LIMITED (2018)	TIANJIN FUJI PROTEIN CO., LTD. (2004)

Inclusion in ESG indexes

- FTSE**
- [FTSE Blossom Japan Index] (fifth consecutive year)
 - [FTSE Blossom Japan Sector Relative Index] (fourth consecutive year)
 - [FTSE4GOOD Developed Index] (fifth consecutive year)
 - [FTSE4GOOD Japan Index] (fifth consecutive year)



FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that FUJI OIL CO., LTD. has satisfied the requirements to become a constituent of the FTSE4Good Index Series, FTSE Blossom Japan Index, and FTSE Blossom Japan Sector Relative Index.

- MORNINGSTAR**
- [Morningstar Japan ex-REIT Gender Diversity Tilt Indexes (GenDi J)] (third consecutive year)



- S&P/JPX**
- Listed in the S&P/JPX Carbon Efficient Index (ninth consecutive year)

Environment

- CDP**
- Received "A" rating on water security and "A-" rating on forests from CDP 2024
 - Selected as a Supplier Engagement Leader from CDP 2024



External initiatives we support and participate in

- Sep. 2004 Roundtable on Sustainable Palm Oil (RSPO)
- 2012 World Cocoa Foundation (WCF)
- Dec. 2012 UN Global Compact Network Japan (GCNJ)
- 2013 Global Shea Alliance (GSA)
- Jan. 2013 UN Global Compact (UNGC)
- 2015 Shea Network Ghana
- Dec. 2016 Male Leaders Coalition for Empowerment of Women by the Japan's Cabinet Office
- Mar. 2017 The Consumer Goods Forum
- May 2019 Task Force on Climate-related Financial Disclosures (TCFD)
- Oct. 2019 Japan Sustainable Palm Oil Network (JaSPON)
- Dec. 2019 European Cocoa Association (ECA)
- Apr. 2020 Platform for Sustainable Cocoa in Developing Countries
- May 2020 Round Table on Responsible Soy (RTRS)
- May 2020 Approved by the Science Based Targets initiative (SBTi)
- Jun. 2020 Palm Oil Collaboration Group (POCG)
- Apr. 2021 Japan Business Initiative for Biodiversity (JBIB)
- Jul. 2025 Confirmed as TNFD adopters

Childcare support initiatives, health management

- "Platinum Kurumin" certification from Japan's Ministry of Health, Labor and Welfare
- Named in the large enterprises category of the 2025 Certified Health & Productivity Management Outstanding Organizations Recognition Program by Japan's Ministry of Economy, Trade and Industry and Nippon Kenko Kaigi



Investor relations

- Mar. 2025 Selected as "Excellent integrated reports" and "Most-improved integrated reports" by GPIF's Domestic Equity Investment Managers

Please refer to Sustainability Report 2025 for details on external recognition and external initiatives.

Stakeholder Engagement https://www.fujiol.co.jp/en/sustainability/stakeholder_engagement/

External Recognition <https://www.fujiol.co.jp/en/sustainability/evaluation/>

Corporate Profile

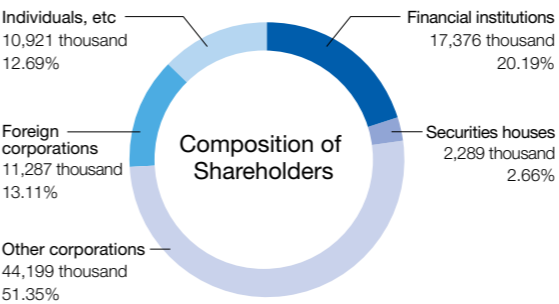
- Company Name**
FUJI OIL CO., LTD.
- Headquarters**
1 Sumiyoshi-cho, Izumisano-shi, Osaka
- Established**
October 9, 1950
- Capitalization**
¥13,208 million
- Representative**
President and CEO Tatsuji Omori
- Number of Employees (consolidated)**
5,654 (As of March 31, 2025)
- Subsidiaries and Affiliates**
38 consolidated subsidiaries
6 non-consolidated subsidiaries and affiliates (including 3 equity-method affiliates)
(As of March 31, 2025)

Stock Information (As of March 31, 2025)

Total shares authorized: 357,324,000
Number of shares outstanding: 87,569,383
Number of shareholders: 30,068

Major Shareholders (Top 10)

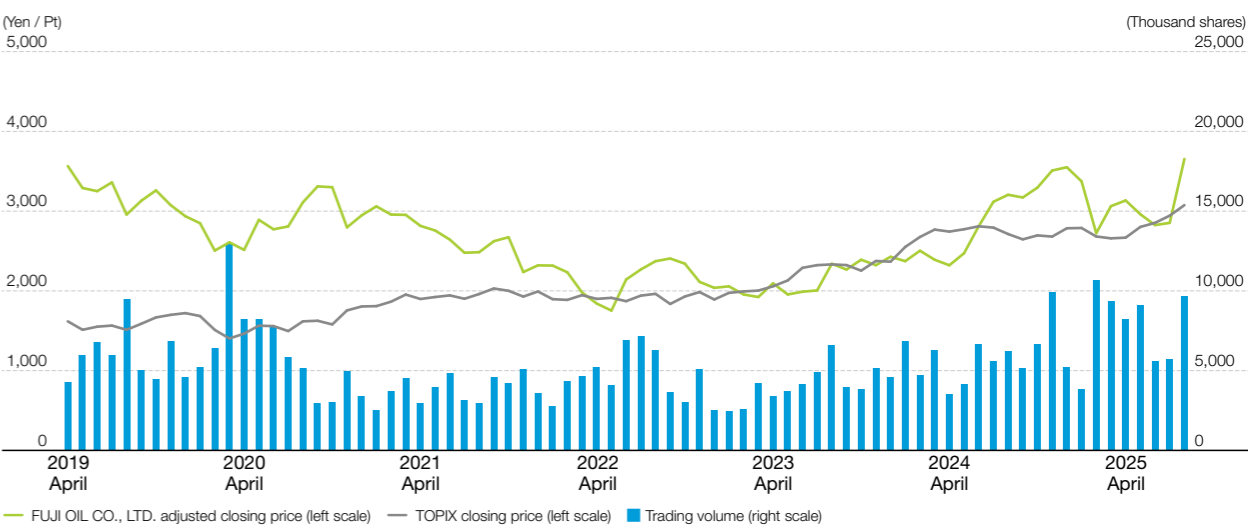
Shareholder name	Number of shares held (Thousands)	Ratio of shareholding* (%)
ITOCHU Food Investment, LLC	36,660	42.59
The Master Trust Bank of Japan, Ltd. (Trust account)	6,411	7.45
Custody Bank of Japan, Ltd. (Trust account)	5,253	6.10
ROYCE' Confect Co., Ltd.	2,000	2.32
Morgan Stanley MUFG Securities Co., Ltd.	1,618	1.88
Fuji Oil Customer Shareholding Association	1,508	1.75
GOVERNMENT OF NORWAY	1,412	1.64
Custody Bank of Japan, Ltd. (Trust account 4)	1,191	1.38
ITOCHU Corporation	1,141	1.33
Nippon Life Insurance Company	1,100	1.28



Notes: 1. The ratio is calculated excluding treasury shares (approx. 1,495 thousand shares)
2. Number of shares is rounded down to the nearest thousand shares.

* The ratio of shareholding is calculated excluding treasury shares (approx. 1,495 thousand shares)

Stock Price and Trading Volume



Total Shareholder Return (TSR)

	FY2020	FY2021	FY2022	FY2023	FY2024
Fuji Oil	115.2	79.9	79.7	99.6	127.4
TOPIX (including dividends)	142.1	145.0	153.4	216.8	213.4



Contact Information

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Corporate Communication Department

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