

Outline of results of assessment concerning effectiveness of the Board of Directors

Fuji Oil Holdings Inc.

The report on corporate governance submitted by the Company on June 24, 2016 stated our intention to examine and assess the effectiveness of the Board of Directors as a whole in 2016 in accordance with the Corporate Governance Code (Supplemental Rule 4-11-(3)), upon formulation of a suitable procedure for such assessment, by the end of fiscal 2016 (March 31, 2017).

In response, we conducted a questionnaire as noted below with all members of the Board of Directors (corporate directors and auditors) as a form of self-assessment, and performed an examination and assessment of the results as regards the Board's effectiveness. We hereby notify you of the main results.

1. Outline of the questionnaire with Board members (totalization, analysis, and assessment procedure)

【Time of implementation】 From November to December 2016

【Respondents】 All corporate directors and auditors (14 in total, including 4 outside directors)

【Description】

Procedure: unsigned questionnaire

Questionnaire items: Board composition, Board operation, committee composition, system of support for directors and auditors, training, dialogue with shareholders (investors), etc.

Response & totalization: retrieval and totalization of questionnaire results by a third-party organization

Examination & assessment: examination and assessment of Board effectiveness based on the questionnaire results, and discussion on tasks for the future, in Board meetings.

2. Outline of the results of examination & assessment

(1) The questionnaire results indicated a basically positive assessment in various respects, including the frequency of Board meetings, sufficiency of the amount of time required for discussion, quality of Board meetings (which were generally rated as devoted to frank, open, and constructive discussion and sharing of views as opposed to being mere formalities), and discharge of supervisory functions by outside directors. In the perception of the respondents, the effectiveness of the Board as a whole was assured.

(2) On the other hand, various opinions were offered on certain topics, as follows.

- Composition of the Board: need for even more diversity through steps such as appointment of outside directors with experience and knowledge of management, and appointment of more female directors

- Operation of the Board: need for discussion placing more emphasis on medium- and long-term strategy to discharge management supervision functions, independent determination of subjects to be discussed by the Board, discussion on the remuneration system and succession plan, qualitative improvement of documents in proposals referred to the Board, and more thorough action by the secretariat to achieve such improvement

- System of support for directors and auditors: need for improvement of the system for proper provision of information to directors and auditors, and further coordination between the internal auditing division and the directors and auditors

- Training: need for opportunities to further deepen understanding of the role and duties of corporate directors, and acquisition of the requisite knowledge

- Dialogue with shareholders (investors): need for feedback of the comments of investors in IR activities and of assessments by analysts to the Board, and acquisition of numerous long-term shareholders through proper SR & IR activities

The respondents also shared views on agenda for a further improvement of Board functions and stimulation of Board discussions.

3. Policy on future studies

We are going to address these examination and assessment results as operational issues for the Board in fiscal 2017. At the same time, we decided to continue discussing medium- and long-term agenda in Board meetings.

In the future as well, the Board intends to make self-assessments on a continuous basis toward the goal of further improving its functions.

End