

## **Fuji Oil Holdings Corporate Governance Guidelines**

### **Chapter 1 General Provisions**

#### **(Purpose)**

##### Article 1

The Fuji Oil Holdings Corporate Governance Guidelines (hereinafter, "these Guidelines") are set for the purpose of helping FUJI OIL HOLDINGS INC. (hereinafter, "the Company") achieve sustained growth and medium- to long-term improvement of corporate value through the realization of effective corporate governance that prevents the occurrence of situations that would injure corporate value, such as violations of laws, misconduct, or scandals.

#### **(Definitions)**

##### Article 2

In these Guidelines, "corporate governance" is defined as a mechanism for the Company to perform decision-making that is transparent, fair, quick, and decisive in order to meet the expectations of stakeholders such as shareholders, customers, other business partners, officers and employees (hereinafter persons engaged in the business of the Company and the Group are collectively referred to as officers and employees.) , and society.

#### **(Basic Approach to Corporate Governance)**

##### Article 3

The Fuji Oil Group Management Philosophy (Appendix 1) has been set as the universal approach in the Fuji Oil Group's management and positioned as the cornerstone of its corporate activities. In order to realize the approach taken in the Fuji Oil Group Management Philosophy, strengthening and enhancing corporate governance is one of the highest management priorities, and effective corporate governance shall be built. The Corporate Governance System Chart (Appendix) shows an overview of the Company's corporate governance system.

#### **(Position of These Guidelines)**

##### Article 4

These Guidelines are a guide for the Company's officers and employees to realize the Company's corporate governance.

#### **(Revision or Repeal)**

##### Article 5

Revision or repeal of these Guidelines shall be by decision of the Board of Directors.

## Chapter 2 Relationship with Shareholders

### **(Ensuring Shareholder Rights)**

#### Article 6

The Company shall appropriately take measures to substantially ensure shareholders' rights and work to maintain an environment in which shareholders can appropriately exercise those rights.

### **(Respecting Voting Rights in the General Meeting of Shareholders)**

#### Article 7

1. The exercise of voting rights in the General Meeting of Shareholders is a shareholder's right, and the Company shall work as follows so that shareholders can appropriately exercise their voting rights.

(1) Notification of the convening of a General Meeting of Shareholders shall be sent and announced in a timely way, ensuring that shareholders have sufficient time to consider the content.

(2) The Company shall appropriately set the schedule related to the General Meeting of Shareholders with consideration of the perspectives of fulfillment of dialog with shareholders and provision of accurate information towards that end.

(3) The Company shall provide necessary information that shareholders require to make decisions in the General Meeting of Shareholders.

(4) The Company shall maintain an environment in which all shareholders, not just those attending the General Meeting of Shareholders, can appropriately exercise voting rights.

(5) The Company shall enable the use of a platform to exercise voting rights electronically for institutional investors in Japan and overseas. We shall provide convocation notices in English for overseas institutional investors.

2. When a company-proposed resolution passes with considerable opposition in the General Meeting of Shareholders, the Company shall analyze the reasons for the opposition and the causes of the large number of opposing votes and consider measures to reduce opposition to similar resolutions in future General Meetings of Shareholders.

### **(Protection of Shareholders' Rights)**

#### Article 8

1. For capital policy that leads to changes in or large-scale dilution of controlling interests, in order to avoid unfairly harming existing shareholders, the Company shall examine its necessity and rationality, ensure proper procedures, and appropriately disclose the content of the action to shareholders.

2. When engaging in takeover defense measures, the Company shall examine their necessity and rationality, ensure proper procedures, and sufficiently explain the measures to shareholders.

3. If the Company's shares are attached to a tender offer, the Company shall appropriately disclose to shareholders the Board of Directors' thinking on the offer. In addition, the Company shall not unrightfully hinder the shareholders' right to let go of shares in response to such an offer.

### **(Ensuring Equality Shareholders)**

#### Article 9

Every shareholder shall be treated equally in accordance with the type and quantity of shares held.

### **(Prevention of Trade Contrary to the Interests of Shareholders)**

#### Article 10

1. In order to protect the interests of shareholders, the Company shall work to prevent executives or others involved with the Company from abusing their positions to engage in trade contrary to the interests of the Company and/or shareholders.
2. Important or non-routine trade with Directors and, major shareholders, etc., shall require approval from the Board of Directors.
3. When a Director (excluding Audit and Supervisory Committee Members) conducts any of the transactions set forth in Article 356, Paragraph 1, Items 2 and 3 of the Companies Act, approval by both the Board of Directors and the Audit and Supervisory Committee shall be required.
4. The Company shall strive to prevent transactions that harm the common interests we have with our shareholders. We shall do this by monitoring the transactions we have with cross-shareholders so that we do not continue to engage in transactions without sufficiently verifying their economic rationality.

### **(Dialog with Shareholders)**

#### Article 11

1. In order to contribute to sustainable growth and medium- to long-term corporate value improvement, the Company shall carry out constructive dialog with shareholders to the extent and by the methods it deems appropriate.
2. Policy for system development and initiatives to promote constructive dialog with shareholders shall be as follows.
  - (1) For dialog with shareholders overall, the officer in charge of the IR & Corporate Communication Division shall take control, and the IR & Corporate Communication Division shall be at the center when engaging in dialog with shareholders. It shall appropriately exchange information along with Corporate Planning, HR & Administration, Legal Affairs, and other relevant divisions.
  - (2) Directors (including Outside Directors) shall engage in dialog with shareholders to the extent reasonable.
  - (3) In order to enhance the means of dialog with shareholders, the Company shall periodically hold investor briefings, etc.
  - (4) Shareholders' opinions and so on raised through such dialog shall be periodically reported to the Directors, etc.
  - (5) When engaging in dialog with shareholders, insider information shall be handled appropriately in accordance with internal rules.
3. In dialog with shareholders, the basic approach to capital policy shall be explained.
4. In order to encourage constructive dialog with shareholders, the Company shall work to grasp its own shareholder structure.

5. When setting and announcing a management plan, along with indicating basic approaches to profit planning and capital policy, the Company shall explain the content in detail by indicating targets for profitability, capital efficiency, and so on.

### **(Cross-shareholdings)**

#### Article 12

1. When listed shares are held as cross-shareholdings, policies related to that holding shall be disclosed.
2. The Board of Directors shall verify the suitability of major cross-shareholdings every year by specifically examining whether the purpose of the cross-shareholding is appropriate and whether the benefits and risks associated with the cross-shareholding are commensurate with the capital cost. Together with this, the Board of Directors shall disclose the contents of that verification. The policy shall be to consider the timing and so on while gradually reducing cross-shareholdings (with the exception of cross-shareholdings determined to be appropriate as a result of the verification).
3. The exercise of voting rights relating to cross-shareholdings shall be judged from the perspective of maximizing return through improvement of long-term corporate value, without directly considering the profit on the transaction.

## **Chapter 3 Relations with Stakeholders Other Than Shareholders**

### **(Good and Smooth Relations with Stakeholders Other Than Shareholders)**

#### Article 13

1. For long-term improvement of corporate value, we shall respect stakeholders such as customers, other business partners, our own officers and employees, and society, and work to maintain good and smooth relations with them.
2. We shall respect the interests of stakeholders other than shareholders and smooth cooperation with them. In order to share the ideas of the Fuji Oil Group Management Philosophy throughout the entire group, we have established principles of action to be applied in all our business. We work to ensure that they are known and applied by all group officers and employees.

### **(Sustainability)**

#### Article 14

The Company shall strive to aggressively and actively tackle issues concerning sustainability including consideration for global environmental problems (e.g., climate change), respect for human rights, consideration for the health of employees and the working environment, fair and appropriate treatment, fair and appropriate transactions with business partners, and crisis management for natural disasters.

### **(Promotion of Diversity)**

#### Article 15

The Company shall promote diversity including the advancement of women in the workplace and shall strive to foster a corporate culture with diversity as our strength. Moreover, we shall indicate an approach and targets to

ensuring diversity in the promotion of women, foreigners and mid-career hires to managerial positions. We shall also disclose our personnel development policy and internal environment improvement policy toward improving corporate value in the mid- to long-term at the same time.

### **(Internal reporting)**

#### Article 16

1. Based on the Principles in the Fuji Oil Group Management Philosophy, the Company shall set up and appropriately operate internal reporting contacts with the aim of strengthening compliance and contributing to the Group's development by setting up an appropriate mechanism for officers and employees in our company and group companies to report illegal activities and so on to work for early detection and correction of wrongdoing.
2. The internal reporting contacts shall be as follows. A contact outside the company shall be set up for Group companies in Japan with an internal contact and an attorney in charge. In each overseas Group company, a contact (to be known as a "Helpline") shall be set up in each country's language(s) by Certified Fraud Examiners (CFEs). Moreover, a contact outside the company shall be set up according to the form of transactions with an attorney in charge aiming to ensure fair transactions in business partners in Japan.
3. A system shall be maintained such that when there is an internal report, the details shall be reported to Directors who also serve as Audit and Supervisory Committee Members and Outside Directors (excluding Audit and Supervisory Committee Members) in a timely manner so that the Audit and Supervisory Committee and the Board of Directors can fully exert their supervisory functions.

## **Chapter 4 Information Disclosure**

### **(Information Disclosure and Transparency)**

#### Article 17

1. In order to maintain and increase the trust of stakeholders through enhanced disclosure, we shall establish a disclosure policy (Appendix 2) and disclose information important to operations voluntarily, fairly, legally, and appropriately.
2. We shall disclose the following items in order to accomplish effective corporate governance.
  - (1) Management plan
  - (2) Basic thinking and basic policy on corporate governance
  - (3) Policy and procedures for deciding Director compensation
  - (4) Policy and procedures for nomination of candidates for Directors who are not Audit and Supervisory Committee Members and Directors who also serve as Audit and Supervisory Committee Members. Reasons for nomination of candidates for individual Directors who are not Audit and Supervisory Committee Members and individual Directors who also serve as Audit and Supervisory Committee Members.
3. We shall work to disclose information with easily understandable content and through diverse methods that make it easy for shareholders to access.
4. We shall work to disclose and provide information in English to the extent necessary from the perspective of

international information disclosure.

### **(Accounting Auditors)**

#### Article 18

1. The Company shall work to ensure the independence of Accounting Auditors.
2. The Audit and Supervisory Committee shall carry out the following in order to ensure proper auditing by Accounting Auditors.
  - (1) It shall set appropriate criteria for selection and evaluation of Accounting Auditors.
  - (2) It shall confirm whether Accounting Auditors have the necessary independence and expertise to perform the Company's auditing.
3. The Board of Directors and the Audit and Supervisory Committee shall carry out the following in order to ensure proper auditing by Accounting Auditors.
  - (1) They shall ensure that there is sufficient time to perform a high-quality audit.
  - (2) They shall provide Accounting Auditors with opportunities to obtain information from Managing Directors, etc., as necessary.
  - (3) They shall maintain a system that enables sufficient collaboration between Accounting Auditors and the Audit and Supervisory Committee, internal audit departments, and Outside Directors (excluding Audit and Supervisory Committee Members).
  - (4) They shall maintain a system to respond if Accounting Auditors discover misconduct, etc., and ask the company for an appropriate response, or if Accounting Auditors point out deficiencies or problems.

## **Chapter 5 Corporate Governance System**

### **(Board of Directors, etc. System)**

#### Article 19

1. As a company with the Audit and Supervisory Committee, the Company's Board of Directors shall appropriately exert its supervisory function, and the Audit and Supervisory Committee shall appropriately exert their auditing function. In addition, Audit and Supervisory Committee Members shall make resolutions to set auditing policy and increase the appropriateness and effectiveness of auditing.
2. At least two of the Directors and at least one third of the Directors shall be appointed as independent Outside Directors (hereinafter, "Independent Outside Directors").
3. The Board of Directors shall establish an approach in relation to the balance, diversity and scale of knowledge, experience and abilities of the Board of Directors upon identifying the skills that it should possess in light of its management strategy. The Board of Directors shall disclose the combination of skills possessed by Directors in an appropriate form according to the business environment and characteristics (e.g., a skills matrix that lists the knowledge, experience and abilities of each Director) together with the policies and procedures pertaining to the appointment of Directors. In addition, the appointment of Independent Outside Directors shall include those with

management experience at other companies.

4. The Company shall establish the Nomination and Compensation Advisory Committee consisting of a majority of Independent Outside Directors under the Board of Directors to strengthen the independence, objectivity and accountability of the functions of the Board of Directors. Moreover, we shall establish a Sustainability Committee to consider various issues pertaining to sustainability.

5. The Nomination and Compensation Advisory Committee shall deliberate the following matters pertaining to the Company's Directors based on inquiries from the Board of Directors and shall then report its findings to the Board of Directors.

(1) Matters concerning compensation and bonuses

(2) Other important matters concerning compensation

(3) Matters concerning the selection of Director candidates

(4) Matters concerning the appointment of Directors with specific titles and representative Directors

(5) Other important personnel matters concerning Directors

6. In addition to identifying the ESG materiality of the Group and monitoring the state of progress of those, the Sustainability Committee shall deliberate issues, targets and strategies pertaining to other ESG activities. It shall then report the results of those deliberations to the Board of Directors in a timely manner.

#### **(Roles and Responsibilities of the Board of Directors)**

##### Article 20

1. In accordance with provisions of the Companies Act, the Board of Directors shall supervise the execution of the duties of President and Representative Director, Managing Directors and Executive Officers (hereinafter, "Managing and Executive Officers") along with deciding on the execution of important business matters of the Company.

2. The Board of Directors shall deliberate the mid- to long-term business strategies and portfolio of the Company and the appropriate allocation of management resources (including investment in personnel and R&D) based on those.

3. The Board of Directors, after consideration of the agility of management decisions and the degree of specialization involved in matters to be decided, shall propose, in accordance with laws and regulations, that some resolutions of the General Meeting of Shareholders be delegated to the Board of Directors.

4. The Board of Directors shall, in accordance with the provisions of laws, regulations, and internal rules, exert their management supervisory function by appropriately delegating decision-making to Managing and Executive Officers regarding business matters other than those that should be decided by the Board.

5. The Board of Directors shall take, after obtaining sufficient information, faithful and deliberate care to make decisions consistent with medium- to long-term improvement of corporate value.

6. The Board of Directors shall work towards the realization of Management Policy and the long-term increase of both corporate and shareholder value. It shall fairly judge and respond to any action that might harm those things.

7. The Board of Directors and Managing and Executive Officers shall seek mutual understanding while fulfilling their respective duties.

8. The Board of Directors shall recognize that the Midterm Management Plan is a commitment to shareholders and work for improvement in order to achieve the plan's goals. The Board of Directors shall fully analyze initiatives on the Midterm Management Plan and the state of its achievement, explain its analysis to shareholders, and reflect it in future plans.

9. The Board of Directors shall proactively involve itself in the formulation and operation of successor planning for the Chief Executive Officer (CEO) and others based on the management philosophy and specific management strategies. Together with this, it shall appropriately supervise the training of successor candidates so that it is done in a planned manner with sufficient time and resources given.

10. The Board of Directors shall appoint a qualified Chief Executive Officer (CEO) with sufficient time and resources given according to objective, timely and transparent procedures based on the fact the appointment and dismissal of the CEO is the most important strategic decision to be made by the Company.

11. The Board of Directors shall maintain an environment that supports appropriate risk taking by Managing and Executive Officers.

12. Regarding Managing and Executive Officers' compensation, the Board of Directors shall provide sound incentives that reflect the company's medium- to long-term performance and potential risk.

13. The Board of Directors shall take highly effective supervision of Managing and Executive Officers from an independent and objective standpoint as one of its major roles and responsibilities. It shall appropriately evaluate the Company's business results and reflect that evaluation as suitable in the personnel management of Managing and Executive Officers.

14. The Board of Directors shall carry out appointment and dismissal of Managing and Executive Officers through fair and transparent procedures, based on the opinions of the Nomination and Compensation Advisory Committee and its own evaluations.

15. Concerning maintenance of a risk management system with internal controls regarding financial reporting, etc., the Board of Directors shall carry out the building of such a system and appropriate supervision to determine whether it is operating effectively.

16. The Board of Directors shall perform annual analysis and evaluation of whether the execution of that duty is occurring in accordance with these Guidelines and shall disclose a summary of the results.

#### **(Chairman of the Board of Directors)**

##### Article 21

1. The Chairman of the Board of Directors shall raise the quality of the Board's deliberations and operate it in an effective and efficient manner.

2. As organizer of the Board of Directors, the Chairman of the Board of Directors shall ensure constructive relations with Managing and Executive Officers and Non-Managing and Executive Officers and develop and encourage an environment that enables open discussion.



### **(Operation of the Board of Directors)**

#### Article 22

1. The Board of Directors shall set agendas, deliberation time, and frequency of meeting such that it is able to perform necessary and sufficient deliberation of important business execution decisions and supervision of work performance.
2. So that meaningful opinions, findings, and questions can be heard in the Board of Directors' meetings, the Board shall work to send in advance materials and explanations regarding matters for deliberation and proposed resolutions to attendees, so they have enough time to prepare.
3. The Board of Directors shall decide in advance its annual schedule, expected matters for deliberation, and proposed resolutions.
4. The minutes of Board of Directors meetings shall record the numbers of votes for and against resolutions, details of the opposing opinions of Directors voting against resolutions, and details of resolutions passed by the Board of Directors.

### **(Directors)**

#### Article 23

1. Directors shall supervise the business execution of Managing and Executive Officers as Members of the Board of Directors.
2. Along with gathering sufficient information to perform their duties, in Board meetings, Directors shall seek explanations, express opinions positively to debate thoroughly, and exercise voting rights. In addition to receiving reports from internal audit departments, Directors shall obtain advice from outside experts when necessary.
3. Directors shall have the right to propose agenda items for Board of Directors' meetings and the right to request the convening of a Board of Directors meeting. Through timely and appropriate exercise of those rights, Directors can try to solve the Company's business issues of which they become aware.
4. In order to gain the confidence of shareholders, Directors shall exert their expected abilities and spend sufficient time to perform their duties as Directors.
5. Directors shall recognize their own fiduciary responsibilities to shareholders, always ensure appropriate cooperation with stakeholders, and act for the mutual benefit of the Company and shareholders.

### **(The Audit and Supervisory Committee and Directors who also serve as Audit and Supervisory Committee Members)**

#### Article 24

1. The Audit and Supervisory Committee with the authority to investigate operations and assets, shall examine the performance of duties by Directors. In addition, the Audit and Supervisory Committee shall recognize their own fiduciary responsibilities to shareholders, always ensure appropriate cooperation with stakeholders, ensure the Company's sound and sustained growth, and work to establish a good corporate governance system that can earn the trust of society.
2. The Audit and Supervisory Committee shall have a full-time Director who also serve as Audit and

Supervisory Committee Members, attend important Company meetings such as Management Committee Meetings, request reports on the state of the execution of duties by Directors and others (excluding Directors who also serve as Audit and Supervisory Committee Members). Furthermore, they shall view important decision related documents, communicate with internal audit departments and subsidiaries, and receive reports from Accounting Auditors. By doing those things, they shall systematically audit the performance of the Company's Directors (excluding Directors who also serve as Audit and Supervisory Committee Members).

3. The Audit and Supervisory Committee shall investigate important facts, such as whether there is misconduct or violation of the law or the company's articles of incorporation in the execution of the Directors' duties.

4. The Audit and Supervisory Committee shall perform auditing regarding the state of development and operation of the system to ensure the appropriateness of company operations (hereinafter, "internal controls system"), including internal controls related to financial reports.

5. Directors who also serve as Audit and Supervisory Committee Members shall gather information necessary to the performance of their duties by communicating with the Company's Directors (excluding Directors who also serve as Audit and Supervisory Committee Members) and Accounting Auditors and by working to cooperate with group company's Audit & Supervisory Board members and departments in charge of internal auditing and internal controls.

#### **(Outside Directors)**

Article 25.

1 Outside Directors (including Outside Directors who also serve as Audit and Supervisory Committee Members) shall offer advice based on their own knowledge, from the perspective of promoting the Company's sustained growth and improving its medium- to long-term corporate value.

2. From a position independent from Managing and Executive Officers and controlling shareholders, Outside Directors shall appropriately reflect the opinions of stakeholders including minority shareholders to the Board of Directors.

3. Outside Directors shall offer advice from the perspectives of further increasing the fairness of decisions and actions by the Audit and Supervisory Committee and the Board of Directors and of realizing best corporate governance.

4. Regarding matters concerning the Company's corporate governance and business, Outside Directors shall attempt to exchange information and share understanding based an independent and objective perspective.

5. Not limited to matters that arise in Board of Directors' meetings, if Outside Directors become aware through information they obtained on their own of suspicions of illegal activity, they shall cooperate with other Non-Managing and Executive Officers, investigate, and prevent illegal or improper business execution by speaking their opinions at Board of Directors' meetings and so on.

6. Regarding important matters of business execution, Outside Directors shall use their knowledge and experience from inside and outside the Company to address risks including the inevitable conflicts of interest that arise in business execution and offer candid opinions from an outsider's perspective for the sake of sustained growth and improvement of medium- to long-term corporate value.

7. Outside Directors shall secure sufficient time to perform their duties with a full understanding of their own expectations for their roles.
8. The Company shall appoint those who satisfy the requirements in the independence standards for Outside Directors (Appendix 5) as candidates to be Independent Outside Directors.

**(Support System and Training Policy for Directors)**

Article 26.

- 1 The Company shall maintain necessary and sufficient internal systems for Directors to effectively fulfill their roles and responsibilities.
2. Directors shall be provided with opportunities necessary to fulfill their expected role, such as provision at the time of appointment and on an ongoing basis thereafter of information and knowledge about business activities that are required in order to supervise management.
3. The Company shall construct a system to share sufficient internal information with Outside Directors.
4. Along with encouraging Outside Directors to understand the Company's Management Policy and corporate culture, the Company shall share information about the management environment, etc., on an ongoing basis.
5. The Company shall maintain an environment in which Outside Directors have periodic meetings with Managing and Executive Officers and other Non-Managing and Executive Officers, share information among Executive officers, and exchange opinions with them.
6. The Company shall bear necessary expenses for Outside Directors to fulfill that role.

**(Selection Criteria, etc., for Candidates of Directors who are not Audit and Supervisory Committee Members and Candidates of Directors who also serve as Audit and Supervisory Committee Members)**

Article 27.

- 1 In order to ensure overall balance and diversity of knowledge, experience, and abilities among Directors who are not Audit and Supervisory Committee Members, selection criteria and procedures for candidates of Directors who are not Audit and Supervisory Committee Members (Appendix 3) shall be set and disclosed.
2. Selection criteria and procedures for candidates of Directors who also serve as Audit and Supervisory Committee Member (Appendix 4) shall be set and disclosed. At least one Member with appropriate finance and accounting knowledge shall be appointed to Directors who also serve as Audit and Supervisory Committee
3. The criteria for the independence of Outside Directors shall in principle meet the requirements for independence as set by financial instruments exchanges where the Company is listed.

**(Remuneration, etc., of Directors who are not Audit and Supervisory Committee Members and Directors who also serve as Audit and Supervisory Committee Members)**

Article 28.

- 1 Remuneration of Directors who are not Audit and Supervisory Committee Members shall be an amount within a scale resolved by the General Meeting of Shareholders. The Nomination and Compensation Advisory Committee shall deliberate fairly and transparently, and it shall be decided by the Board of Directors.
2. Remuneration of Directors who also serve as Audit and Supervisory Committee Members shall be a separate

system from remuneration of Directors who are not Audit and Supervisory Committee Members. It shall be an amount within a scale resolved by the General Meeting of Shareholders, and the Audit and Supervisory Committee shall decide it through consultation.

3. The Company shall design remuneration for Directors who are not Audit and Supervisory Committee Members (excluding Outside Directors) according to objective and transparent procedures with a certain percentage linked to medium- to long-term business results so that it functions as a sound incentive for sustainable growth.

**(Internal Controls)**

Article 29.

In order to adhere to sound management, the Company shall develop an internal controls system based on the Companies Act, etc.

**(Enactment date and revision history)**

1. Fuji Oil Holdings Corporate Governance Guidelines First Edition enacted November 6, 2015
  2. Revised on January 20, 2022 based on the Corporate Governance Code that was revised in June 2021
  3. Revised on June 21, 2022 due to the transition to a company with the Audit and Supervisory Committee
  4. Revised on June 28, 2023 due to the revision of the vision of Fuji Oil Group Management Philosophy
- in April 2023

## [Appendix 1] Fuji Oil Group Management Philosophy (Summary)

Accepting the spirit that Fuji Oil has valued over the years, we have codified the mission, vision, values to be held when acting, and principles of action of the Fuji Oil Group's officers and employees as the Fuji Oil Group Management Philosophy. This Management Philosophy is an effort to share the values of all Group employees and it is the foundation of Group governance, the cornerstone of our priority criteria for decisions and actions. We believe that understanding the spirit of this Management Philosophy and following it towards the realization of our mission as we carry out our daily duties will pave the way to the future of the Fuji Oil Group and become the foundation for us to fulfill our corporate social responsibility.

### <Mission = Our Reason for being>

The Fuji Oil Group seeks to develop the potential of food ingredients. We will contribute to the happiness and well-being of the people by offering delicious and healthy food.

### <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.

### < Values = The values that inform our actions>

- Safety, quality, and the environment
- Work for people
- Challenge and innovation
- Speed and timing

### < Our Principles >

1. We will comply with the laws and regulations of the society and continue to keep high ethical standards.
2. We will make the safety and security of foods our highest priority and provide quality products and services.
3. We will conduct environment friendly activities.
4. We will value communication with our customers and provide new values.
5. We will respect our valued partners and engage in fair and righteous transactions.
6. We will continue to innovate with a pioneering spirit.
7. We will improve our production activities through the “principle of three realities” and cost reductions.
8. As employees, we will value the following items.
  - (1) We will respect the diversity and individuality of Fuji Oil Group employees.
  - (2) The Fuji Oil Group will provide opportunities of education for the growth of employees.
  - (3) We will enjoy our work with a sense of speed and passion as professionals.
  - (4) We will strive to build personal character with a spirit of harmony and dedication to the company.
  - (5) We will keep daily maintenance and improve the health and safety of our workplace.
9. We will engage in corporate activities rooted in our communities and actively contribute to society.
10. We will disclose accurate management information to our shareholders in appropriate and timely manner.
11. We will protect and manage the company's assets and information.
12. We will strictly separate the official business and private matters.
13. We will understand and follow the spirit of these principles and continue to pursue the realization of our company mission.

## **[Appendix 2] Disclosure Policy**

### **1. Disclosure of Important Information**

Regarding disclosure of important information (Note), the Company strictly obeys the Financial Instruments and Exchange Act, other relevant laws and regulations, and the rules of financial instruments exchanges, to disclose it appropriately at suitable times to shareholders, investors, and others.

### **2. Voluntary Information Disclosure**

In addition to the disclosure of important information, the Company strives for full voluntary disclosure of financial composition, management policy, business strategy, and so on, so that customers, shareholders, investors, and others can make decisions based accurate understanding of the Company's condition.

### **3. Fair Information Disclosure**

When performing the above information disclosure, the Company takes care to avoid selective disclosure to specified entities and works to achieve fair information disclosure.

### **4. Development of Internal Systems**

The Company works to develop and improve internal systems to enable appropriate performance of the above information disclosure.

### **5. Silent Period**

In order to prevent the leak of financial or other information that could affect share prices, the Company maintains a "silent period" from one day after the closing date until the earnings announcement date. During this period, the Company refrains from answering questions or commenting about financial results. However, in the event that it becomes clear during the silent period that financial results are expected to be far off previous projections, the Company will work to follow disclosure rules and make an appropriate announcement.

(Note) "Important information" refers to company information on important decisions or events occurring in the Company or its subsidiaries that are required to be disclosed under stipulations in the Financial Instruments and Exchange Act, relevant rules set by financial instruments exchanges where securities are listed, or other laws and rules.

### **[Appendix 3] Selection Criteria for Candidates of Directors who are not Audit and Supervisory Committee Members**

#### **Article 1 (Role of the Board of Directors)**

The Company's Board of Directors supervises the work of the Executive Officers and Managing Directors based on the spirit of the Fuji Oil Group Management Philosophy that indicates the Fuji Oil Group's Management Policy in order to fulfill the mission of, "The Fuji Oil Group seeks to develop the potential of food ingredients. We will contribute to the happiness and well-being of the people by offering delicious and healthy food" and realize the vision of "We seek to contribute to the society by creating the future of delicious and healthy foods using our core technologies in oils & fats and soy."

#### **Article 2 (Scale and Configuration of the Board of Directors)**

1. The Board of Directors maintains appropriate numbers for effective deliberations, and candidates of Directors who are not Audit and Supervisory Committee Members are selected with consideration of the Board's overall supervisory functions that should be fulfilled, high level of expertise and diversity.

2. At least two of the Directors and at least one third of the Directors shall be appointed as independent Outside Directors.

#### **Article 3 (Basic Policy on Selection of Candidates of Directors who are not Audit and Supervisory Committee Members)**

Based on the Management Policy in Article 1, the Company selects as Director candidate people who embody those values at a high level, possess rich real-world experience and great ability, are insightful, and can be expected to contribute to the further development of the Fuji Oil Group.

#### **Article 4 (Criteria for Selection of Candidates of Outside Directors who are not Audit and Supervisory Committee Members)**

Based on the basic policy in the previous article, Outside Director candidates are to satisfy the following requirements.

1. They have filled a leadership role in a field such as company management, law, finance and accounting, education, or research and development and possess abundant experience and specialist knowledge.
2. They are deeply interested in the Company's business, take a bird's eye view of its overall operations to grasp the essence of the challenges it faces, have the ability to appropriately express their opinions to management at the right time, and can lead and supervise.

#### **Article 5 (Criteria for Selection of Candidates of Internal Directors who are not Audit and Supervisory Committee Members)**

Based on the basic policy in Article 3, the Board of Directors selects Internal Director candidates in accordance with the opinions and views of its advisory organ, the Nomination and Compensation Advisory Committee.

**Article 6 (Disqualification of Candidates of Directors who are not Audit and Supervisory Committee Members)**

Despite the provisions of Article 3, candidates of Directors who are not Audit and Supervisory Committee Members shall not possess the following disqualifying characteristics.

1. Are found to have a relationship with anti-social forces
2. Are found to have violated laws or company rules on the job or to have violated laws in a private matter

**Article 7 (Criteria for Reappointment or Dismissal of Directors who are not Audit and Supervisory Committee Members)**

For reappointment, in addition to the above criteria, performance and contribution to management during the term as a Company Director will also be considered.



## **[Appendix 4] Selection Criteria for Candidates of Directors who also serve as Audit and Supervisory Committee Members**

### **Article 1 (Role and Responsibilities of Directors who also serve as Audit and Supervisory Committee Members )**

Directors who also serve as Audit and Supervisory Committee Members audit the business execution of Directors through the Audit and Supervisory Committee. Directors who also serve as Audit and Supervisory Committee Members prevent in advance violations in business operations of laws, regulations, or the Company's articles of incorporation. Along with living up to their mandate from shareholders and the demands of society, they work to maintain and improve the Company and the Fuji Oil Group's sound management and social trust.

### **Article 2 (Number of Members in the Audit and Supervisory Committee , etc.)**

1. The company will have at least three Directors who also serve as Audit and Supervisory Committee Members.
2. At least one person with appropriate finance and accounting knowledge shall be selected for Directors who also serve as Audit and Supervisory Committee Members.

### **Article 3 (Basic Policy and Appointment Criteria for Selection of Candidates of Directors who also serve as Audit and Supervisory Committee Members )**

The Company will select as candidates of Directors who also serve as Audit and Supervisory Committee Members who embody at a high level the role and responsibilities of Directors who also serve as Audit and Supervisory Committee Members as stipulated in Article 1 and who satisfy the following requirements.

1. They are deeply interested in the Company's business, can audit it from a neutral and objective perspective, and are able to contribute to ensuring sound operation.
2. Candidates of Internal Directors who also serve as Audit and Supervisory Committee Members will have a deep understanding of the Company's work and possess abundant experience and great knowledge in a field such as auditing, finance, or accounting.
3. Candidates of Outside Directors who also serve as Audit and Supervisory Committee Members shall have filled a leadership role in a field such as company management, law, finance and accounting, education, or research and development and possess abundant experience and specialist knowledge.
4. Candidates of Outside Directors who also serve as Audit and Supervisory Committee Members shall meet the requirements for independence set by the Company.

### **Article 4 (Disqualification of Candidates of Directors who also serve as Audit and Supervisory Committee Members )**

Despite the previous articles, Candidates of Directors who also serve as Audit and Supervisory Committee Members shall not possess the following disqualifying characteristics.

1. Are found to have a relationship with anti-social forces
2. Are found to have violated laws or company rules on the job or to have violated laws in a private matter

**Article 5 (Criteria for Reappointment of Directors who also serve as Audit and Supervisory Committee Members )**

If selected as a candidate for reappointment as a Company Directors who also serve as Audit and Supervisory Committee Members, in addition to the above criteria, jobperformance and so on during the term as Company Directors who also serve as Audit and Supervisory Committee Members will also be considered.

## **[Appendix 5] Criteria for determining the independence of Outside Directors**

The Company deems its Outside Directors are independent if they do not fall under any of the items below under its criteria for determining their independence

1. Directors or Audit & Supervisory Board members (excluding outside officers), executive officers, or employees of Fuji Oil Holdings or a subsidiary of Fuji Oil Holdings (the Group, hereafter)

2. Directors, Audit & Supervisory Board members, executive officers, or employees of the Group's major shareholders\*

\* The Group's 10 largest shareholders at the time of nomination (including indirect shareholders)

3. Directors, Audit & Supervisory Board members, executive officers, or employees of companies that consider the Group as a major business partner\*

\* Business partners of which an amount in the equivalent of 2% or more of their consolidated annual sales in the most recent fiscal year came from amounts paid by the Group

4. Directors, Audit & Supervisory Board members, executive officers, or employees of the Group's major business partners\*

\*(i) Business partners that contributed to an amount in the equivalent of 2% or more of the Group's consolidated annual sales in the most recent fiscal year

(ii) Business partners that invested in an amount in the equivalent of 2% or more of the Group's consolidated total assets as of the end of the most recent fiscal year

5. Directors, Audit & Supervisory Board members, executive officers, or employees of companies to which the Group dispatches directors

6. Consultants, accounting experts, or legal experts who, in addition to director compensation, have received benefits in the average annual amount of ¥10 million or more in cash or other assets over the past three years from the Group

7. Those who currently correspond to or have corresponded within the past 10 years to condition 1 above

8. Those who currently correspond to or have corresponded within the past five years to any of conditions 2 – 6 above

9. Spouses, relatives with the second degree of kinship, and cohabiting relatives of those who correspond to any of conditions 1 – 8 above