

# FUJI OIL GROUP Tax Policy

## Article 1 Our Tax Principles

1. In accordance with the Fuji Oil Group (the "Group") Management Philosophy, we will comply with the tax laws and regulations of society and continue to maintain high ethical standards. We will also engage in corporate activities rooted in our communities, actively contribute to society through payment of taxes, and disclose accurate tax information to our shareholders in an appropriate and timely manner.
2. Our tax strategy is to implement governance controls and risk management to ensure that the above principle are understood and adhered to within the Group. Governance, internal controls and risk management, which constitute the tax strategy, are managed by Fuji Oil Holdings, Inc. The Chief Financial Officer ("CFO") of Fuji Oil Holdings, Inc. is ultimately responsible for them.
3. Based on the above principles, the Group will strive to optimize tax payments by making appropriate use of tax incentives in line with business purposes and the objectives of the laws of each country, eliminating double taxation through the use of tax treaties, and selecting consolidated tax payment systems, thereby minimizing excessive tax payments and leading to sound maintenance and improvement of corporate value.

## Article 2 Our Tax Compliances

1. Basic Principles of Tax Compliance
  - As described above, in accordance with the Fuji Oil Group Management Philosophy, we will comply with the tax laws and regulations of the society and continue to maintain high ethical standards. We ensure compliance with relevant laws and regulations, including domestic and foreign tax laws, tax treaties, and standards published by international organizations such as the OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations ("OECD Guidelines"), and calculate income and other tax payments appropriately to ensure that no excess or deficiency exists. We will

also strive to comply with not only the text of the tax laws themselves, but also the purpose of those laws.

- We make appropriate use of external experts and seek their opinions to ensure proper tax compliance.

## 2. Prohibition of Tax Avoidance

- We do not engage in any tax avoidance practices that violate tax laws and regulations and deviate from the purpose of the establishing those tax laws. We also do not engage in intentional tax source transfers and do not attempt to use double tax exemption schemes that take advantage of differences in tax laws in different jurisdictions.
- We do not engage in tax strategies that have no commercial or substantive business purpose, or that have the sole purpose of obtaining tax benefits, such as the use of countries or regions where tax rates are significantly lower than in other regions where business is conducted or in so-called "tax havens". When investing in countries with light taxation, or when tax rates are reduced due to revisions of laws and regulations in the countries or regions where we do business, we determine whether the controlled foreign corporation (CFC) rule is applicable in accordance with the applicable laws and regulations of each country, and file tax returns appropriately.

## 3. Transfer Pricing for Intergroup Transactions

- We comply with the OECD Guidelines and the transfer pricing tax regulation stipulated by local tax laws, and set appropriate arm's length prices for intergroup transactions. Specifically, we will strive to allocate profits appropriately according to the business functions performed, risks borne, and assets held, and will prepare the transfer pricing documentation required to be prepared and/or submitted in each country.
- In the event of double taxation, we will endeavor to eliminate double taxation by utilizing the relief systems of each country and/or mutual agreement procedures

## 4. Use of Tax Incentives

- We obtain tax incentives as appropriate, in line with our business objectives and the intended objectives of the government, and after ensuring that it does

not pose foreseeable risks (e.g., deterioration of relations with the tax authorities in the regions where we operate).

### **Article 3 Appropriate Group Tax Governance and Tax Risks Management**

1. With the Chief Financial Officer (“CFO”) of Fuji Oil Holdings, Inc. as the ultimate responsible party, Fuji Oil Holdings, Inc. defines and disseminates the roles and responsibilities related to the Group’s tax operations, and appropriately manages tax governance and tax risks.
2. Fuji Oil Holdings, Inc. monitors whether the Group properly implemented the Group's tax compliance principles above, and established a system to monitor whether the management and treatment of matters identified as tax risks are properly carried out. In addition, a system is in place to ensure that tax-related concerns, including but not limited to those listed above, are reported by Fuji Oil Group companies to the Fuji Oil Holdings, Inc. Furthermore, Fuji Oil Holdings, Inc. regularly monitors the status and results of tax governance assessments throughout the Group and implements necessary improvements.
3. In order to address tax governance deficiencies and tax risks, we recruit and retain personnel with tax experience and plan training and other programs as necessary to ensure that tax staff obtain and maintain an appropriate level of expertise, with the aim of ensuring appropriate tax operations.

### **Article 4 Transparency and External Disclosure**

1. As mentioned above, with the Chief Financial Officer (CFO) of Fuji Oil Holdings, Inc. as the ultimate responsible party, Fuji Oil Holdings, Inc. is responsible for group-wide tax governance and managing tax risks to ensure that tax-related operations are maintained at an appropriate level. In addition, the Group has established a system in which tax-related data is appropriately stored and shared within the Group. Tax-related information (tax payment status, etc.) stored in this system is appropriately reported and disclosed in accordance with relevant tax laws and

regulations of the countries and regions where we conduct business activities, accounting standards, and other international rules (OECD guidelines, etc.).

## **Article 5 Responding to National Tax Authorities and Stakeholders**

1. We will actively cooperate with tax authorities to ensure orderly efficient investigations during tax audits. In addition, we will respond in an appropriate and timely manner to requests for reports and submissions required by law and strive to keep abreast of revisions to tax laws. We will proactively work to resolve issues raised by stakeholders, including tax authorities in various countries, such as Base Erosion and Profit Shifting (“BEPS”) and other international issues.

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