

Stock Code: 5017
June 5, 2024
(Measures for electronic provision commenced) May 30, 2024

To Our Shareholders

Shigeto Yamamoto
Director-President
Fuji Oil Company, Ltd.
Tennozu Parkside Building
5-8, Higashishinagawa 2-chome,
Shinagawa-ku, Tokyo, Japan

**CONVOCAATION NOTICE OF
THE TWENTY-SECOND ANNUAL GENERAL MEETING OF SHAREHOLDERS**
(English Translation of the Japanese Original)

Dear Shareholders:

We would like to express our sincere gratitude for your continued support.

Please be informed that the 22nd Annual General Meeting of Shareholders (AGM) of the Company will be held as described below.

In convening this meeting, the Company has taken measures for electronic provision of the information contained in the Reference Documents for the General Meeting of Shareholders and others (“information subject to the electronic provision measures”) and posted it on the Company’s website.

The Company’s website:

<https://www.foc.co.jp/en/ir/library/meeting.html>

The information is also posted on the website of the Tokyo Stock Exchange (TSE).

The website of the Tokyo Stock Exchange:

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

To review the information, please access the above website, (1) enter “Fuji Oil Company, Ltd.” to the field of “Issue name” or “5017” to the field of “Code”, (2) select “Basic information,” and then (3) go to “Documents for public inspection/PR information”.

If you will not be attending the meeting in person, you may exercise your voting rights in advance via postal mail or the Internet. Please read the Reference Materials of the AGM and exercise your voting rights so that it will reach us **by 5:30 p.m. on Tuesday, June 25, 2024 (JST)**.

AGENDA

1. **Date and Time** : Wednesday, June 26, 2024 at 10:00 a.m.
(The reception desk opens at 9:00 a.m.)
2. **Place** : Hall B-2, Ariake Central Tower Hall & Conference,
4th floor, Ariake Central Tower,
3-7-18, Ariake, Koto-ku, Tokyo
3. **Purposes of this AGM**

Items to be Reported

- 1: To report the Business Report, the Consolidated Financial Statements, the Audit Reports for the Consolidated Financial Statements by Accounting Auditor and the Audit & Supervisory Board (ASB) of the Company for the 22nd Financial Year (April 1, 2023 - March 31, 2024)
- 2: To report the Non-Consolidated Financial Statements for the 22nd Financial Year (April 1, 2023 - March 31, 2024)

Items to be Resolved

- Proposition I : To Distribute Surplus**
Proposition II : To Elect Eleven Directors
Proposition III : To Elect One Audit & Supervisory Board Member

<Requests to Shareholders>

- The Company plans to provide a video stream of a part of this AGM on its website at a later date. When filming, we will take into consideration the privacy of the shareholders attending the AGM and avoid their appearance from being filmed to the extent possible. However, please understand that there may be unavoidable cases in which shareholders' images may be captured.

Notes:

- The documents provided to shareholders who have requested delivery of paper copies of information don't include the following items, in accordance with the applicable laws and regulations, and Article 12 of the Articles of Association of the Company. Audit & Supervisory Board Members and Accounting Auditor audited documents subject to audit including the following items.
 - (1) "Accounting Auditor", "Development and Operation Status of Systems for Ensuring Appropriate Business Operations" and "Basic Policy on the Distribution of Earnings and Cash Dividends" on the Business Report
 - (2) "Consolidated Statement of Changes in Net Assets" and "Notes to Consolidated Financial Statements" on the Consolidated Financial Statements
 - (3) "Statement of Changes in Net Assets" and "Notes to Non-Consolidated Financial Statements" on the Non-Consolidated Financial Statements
- If there are any amendments to the information subject to the electronic provision measures, they will be posted on each of the above websites.
- Our officers and operation staff will be wearing summer business attire on the day.
- Gifts will not be provided.

**REFERENCE MATERIALS FOR
THE ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Propositions and relevant information:

Proposition I: To Distribute Surplus

It is our policy to maintain stable dividend payments to our shareholders while taking into consideration the Company's financial results, cash position, etc., as well as necessary internal reserves for the medium-and long-term business development. In consideration of the business results for FY2023 and the financial forecasts for FY2024 of the Company, we would like to propose the dividend payment for the period as follows.

As a side note, we would pay the dividend of 12 yen per share for FY2023, increase of 2 yen per share compared with the previous year. In addition, the Company celebrated the 60th years anniversary this April since our predecessor, the former Fuji Oil Company, Ltd. was established. On this occasion, we would additionally pay a commemorative dividend of 3 yen per share.

- (1) Kind of property to be distributed
Cash
- (2) Allotment of property for the dividends and the total amount thereof
15 yen per share of common stock of the Company
(12 yen for common dividend and 3yen for 60th Anniversary commemorative dividend)
Total amount of 1,159,766,475 yen
- (3) Effective date of the dividend distribution from surplus
June 27, 2024

Proposition II: To Elect Eleven Directors

The terms of office for all ten incumbent Directors expire as of the close of this AGM. The Company proposes the election of eleven Directors, increased by one to enhance and strengthen the management.

The Director-Candidates are as follows:

No.	Name		Current positions and responsibilities in the Company [responsibilities enclosed in brackets]	Attendance at Board of Directors Meetings in FY2023
1	(Mr.) Shigeto Yamamoto	Re-appoint	Representing Director, President	100%
2	(Mr.) Takayuki Kawahata	Re-appoint	Representing Director, Managing Executive Officer, [Technical Dept., Human Resource Development Dept.]	100%
3	(Mr.) Takumi Iwamoto	Re-appoint	Director, Managing Executive Officer, General Manager of Sodegaura Refinery	100%
4	(Mr.) Masayuki Tsuda	Re-appoint	Director, Managing Executive Officer, [Finance & Accounting Dept.]	100%
5	(Mr.) Atsuo Watanabe	Re-appoint	Director, Executive Officer, [Corporate Planning & Management Dept., Safety & Environmental Protection Office]	100%
6	(Mr.) Hiroshi Maezawa	Re-appoint Outside Independent	Director	100%
7	(Mr.) Junzo Yamamoto	New appoint Outside	—	—
8	(Mr.) Ryo Sato	Re-appoint Outside Independent	Director	100%
9	(Mr.) Mohammed Alshubrumi	Re-appoint Outside Independent	Director	100%
10	(Mr.) Khaled Al-Sabah	Re-appoint Outside	Director	100%
11	(Ms.) Tomoko Sakamoto	Re-appoint Outside Independent	Director	100%

Re-appoint Candidate for re-appointment as Director

New appoint Candidate for new appointment as Director

Outside Candidate who satisfies the requirements for Outside Director set forth in the Companies Act

Independent Independent Officer who has been or will be registered as such with the Tokyo Stock Exchange, Inc.

1.	Shigeto Yamamoto	Re-appoint	Responsibility in the Company : – Date of Birth : May 22, 1957 Number of the Company's share held : 71,300
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Brief history, Positions and responsibilities in the Company, and Significant positions concurrently held outside the Company

1981.4	Joined former FOC
2012.7	General Manager, Marketing & Supply Dept., former FOC
2013.7	Associate, General Manager, Marketing & Supply Dept., former FOC
2013.10	Associate, General Manager, Marketing & Supply Dept., the Company
2014.6	Director, General Manager, Marketing & Supply Dept., the Company
2017.6	Managing Director, the Company
2020.6	Senior Managing Director, the Company
2021.6	Representing Director, President, the Company [Present]

Reasons for nomination

Mr. Shigeto Yamamoto has served as General Manager of Marketing & Supply Dept., Senior Managing Director and then as Representing Director President of the Company and has been supervising its overall management based on his wealth of experience and achievement in the Company's business. We propose the re-election of Mr. Shigeto Yamamoto as Director based on our judgment that he is well suited for the role of Director.

2.	Takayuki Kawahata	Re-appoint	Responsibility in the Company : Technical Dept., Human Resource Development Dept. Date of Birth : Sep. 2, 1959 Number of the Company's share held : 45,000
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Brief history, Positions and responsibilities in the Company, and Significant positions concurrently held outside the Company

1983.4	Joined former FOC
2012.1	General Manager, Construction & Facility Maintenance Dept., former FOC
2013.10	General Manager, Construction & Facility Maintenance Dept., the Company
2015.7	Associate, Deputy General Manager of Sodegaura Refinery (in charge of Construction & Facility Maintenance Dept.), General Manager, Construction & Facility Maintenance Dept., the Company
2017.6	Director, Deputy General Manager of Sodegaura Refinery, the Company
2019.6	Director, the Company
2021.6	Managing Executive Officer, the Company
2023.6	Representing Director, Managing Executive Officer, the Company [Present]

Reasons for nomination

Mr. Takayuki Kawahata has served as General Manager of Construction & Facility Maintenance, Director, and then as Managing Executive Officer of the Company, and has been supervising Technical Dept. and Human Resource Development Dept. as Representing Director based on his wealth of experience and achievement in the Company's business. We propose the re-election of Mr. Takayuki Kawahata as Director based on our judgment that he is well suited for the role of Director.

3.	Takumi Iwamoto	Re-appoint	Responsibility in the Company : General Manager of Sodegaura Refinery Date of Birth : Aug. 15, 1961 Number of the Company's share held : 44,300
Brief history, Positions and responsibilities in the Company, and Significant positions concurrently held outside the Company			
1984.4	Joined former FOC		
2011.6	General Manager, Administration Dept., Sodegaura Refinery, former FOC		
2013.4	General Manager, in charge of IR Dept., Legal Dept., and General Administration Dept., the Company		
2013.10	General Manager in charge of IR & PR Group, General Administration Dept., the Company		
2015.7	Associate, General Manager, Corporate Planning & Management Dept., the Company		
2017.6	Director, General Manager, Corporate Planning & Management Dept., the Company		
2018.6	Director, Japan Oil Engineering Company, Ltd.		
2019.6	Director, the Company		
2021.6	Managing Executive Officer, the Company		
2023.6	Director, Managing Executive Officer, General Manager of Sodegaura Refinery, the Company [Present]		
Reasons for nomination			
<p>Mr. Takumi Iwamoto has served as General Manager of Corporate Planning & Management Dept., Director, and then as Managing Executive Officer of the Company, and has been overseeing overall management of Sodegaura Refinery as General Manager of Sodegaura Refinery based on his wealth of experience and achievement in the Company's business. We propose the re-election of Mr. Takumi Iwamoto as Director based on our judgment that he is well suited for the role of Director.</p>			

<p>4. Masayuki Tsuda</p>	<p><u>Re-appoint</u></p>	<p>Responsibility in the Company : Finance & Accounting Dept. Date of Birth : Apr. 6, 1962 Number of the Company's share held : 22,400</p>
<p>Brief history, Positions and responsibilities in the Company, and Significant positions concurrently held outside the Company</p>		
<p>1985.4 2012.4 2014.6 2017.6 2019.6 2021.6 2023.6</p>	<p>Joined the Development Bank of Japan Inc. (DBJ) Head of Credit Analysis Dept., DBJ Executive Officer, Head of Human Resources Management Dept., DBJ Managing Executive Officer, DBJ Director, the Company Director, Executive Officer, the Company Director, Managing Executive Officer, the Company [Present]</p>	
<p>Reasons for nomination</p>		
<p>Mr. Masayuki Tsuda has been supervising financing and accounting affairs of the Company as Director in charge of Finance & Accounting Dept. based on his deep knowledge of the Company's business. He has also a wealth of experience and extensive expertise in finance and accounting acquired through his service in a financial institution. We propose the re-election of Mr. Masayuki Tsuda as Director based on our judgment that he is well suited for the role of Director.</p>		

5.	Atsuo Watanabe	Re-appoint	Responsibility in the Company : Corporate Planning & Management Dept., Safety & Environmental Protection Office Date of Birth : Jul. 6, 1965 Number of the Company's share held : 2,700
Brief history, Positions and responsibilities in the Company, and Significant positions concurrently held outside the Company			
1989.4	Joined Ministry of International Trade and Industry (now, Ministry of Economy, Trade and Industry (METI))		
2014.7	Director, Reconstruction and Revitalization of Fukushima Office, Reconstruction Agency		
2016.7	Director, General Coordination Office of Fukushima Reconstruction Promotion Group, METI		
2017.7	Deputy Director-General for Policy Evaluation of Minister's Secretariat, METI		
2018.7	Deputy Director-General for Export Promotion of Minister's Secretariat, Ministry of Agriculture, Forestry and Fisheries		
2019.7	Vice Secretary-General for Secretariat of Intellectual Property Strategy Headquarters, Cabinet Office		
2021.8	Retired from office		
2021.11	Advisor, the Company		
2022.6	Executive Officer, Deputy General Manager of Sodegaura Refinery, the Company		
2023.6	Director, Executive Officer, the Company [Present]		
2023.6	Director, Japan Oil Engineering Company, Ltd. [Present]		
	[Significant positions concurrently held] Director, Japan Oil Engineering Company, Ltd.		
Reasons for nomination			
<p>Mr. Atsuo Watanabe has been has served as Executive Officer and then as Director of the Company, and has been supervising affairs of corporate planning & managing and safety & environmental protecting as Director in charge of Corporate Planning & Management Dept. and Safety & Environmental Protection Office. He has also a wealth of experience and high level insight into national economic policies in general acquired through his many years' service in development of Japan's economy and industry as a government official. We propose the election of Mr. Atsuo Watanabe as Director based on our judgment that he is well suited for the role of Director.</p>			

6.	Hiroshi Maezawa	<div style="border: 1px solid black; padding: 2px; display: inline-block; margin-bottom: 2px;">Re-appoint</div> <div style="border: 1px solid black; padding: 2px; display: inline-block; margin-bottom: 2px;">Outside</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Independent</div>	Date of Birth : Aug. 19, 1961 Number of the Company's share held : — Years of outside directorship : 2 years
Brief history, Positions and responsibilities in the Company, and Significant positions concurrently held outside the Company			
1986.4	Joined Idemitsu Kosan Co., Ltd. (IDEMITSU)		
2010.7	Deputy General Manager, Hokkaido Refinery, IDEMITSU		
2013.4	Executive Officer, General Manager, Tokuyama Refinery, IDEMITSU		
2016.7	Executive Officer, General Manager, Chiba Plant, IDEMITSU		
2017.10	Executive Officer, General Manager, Chiba Complex, IDEMITSU		
2018.7	Senior Executive Officer, General Manager, Chiba Complex, IDEMITSU		
2019.4	Senior Executive Officer, General Manager, Manufacturing & Technology, IDEMITSU		
2020.7	Managing Executive Officer, Manufacturing & Technology, IDEMITSU		
2021.6	President, Showa Yokkaichi Sekiyu Co., Ltd.		
2022.6	Director (Outside), the Company [Present]		
Reasons for nomination			
<p>Mr. Hiroshi Maezawa has a wealth of experience and insight acquired through serving in one of the top energy companies in Japan as well as management experience and insight acquired through serving as a business manager of multiple companies specializing in petroleum refining. We propose the re-election of Mr. Hiroshi Maezawa as Outside Director based on our judgment that his advice on the Company's management from an independent perspective will contribute to the enhancement of our corporate governance. After the election, we expect him to perform the roles of monitoring management, etc. appropriately by making use of his knowledge in management strategy.</p>			

7.	Junzo Yamamoto	<div style="background-color: #4a7ebb; color: white; padding: 2px; display: inline-block;">New appoint</div> <div style="background-color: #4a7ebb; color: white; padding: 2px; display: inline-block;">Outside</div>	Date of Birth : Feb. 20, 1965 Number of the Company's share held : — Years of outside directorship : —
Brief history, Positions and responsibilities in the Company, and Significant positions concurrently held outside the Company			
1990.4 2011.4 2013.4 2016.11 2019.5 2020.7 2021.6 2023.7 2024.6	Joined Idemitsu Kosan Co., Ltd. (IDEMITSU) Deputy General Manager, Technical & Engineering Center, IDEMITSU Deputy General Manager, Manufacturing & Technology Dept., IDEMITSU General Manager of Refinery, Nghi son Refinery and Petrochemical LLC (in Vietnam) General Manager, Tokuyama Complex, IDEMITSU Executive Officer, General Manager, Tokuyama Complex, IDEMITSU Executive Officer, General Manager, Manufacturing & Technology Dept., IDEMITSU Senior Executive Officer, General Manager, Manufacturing & Technology Dept., IDEMITSU [Present] Managing Executive Officer, Manufacturing & Technology, IDEMITSU [Scheduled] [Significant positions concurrently held] Senior Executive Officer, General Manager, Manufacturing & Technology Dept., IDEMITSU		
Reasons for nomination			
Mr. Junzo Yamamoto has a wealth of experience and insight acquired through serving in one of the top energy companies in Japan. We propose the election of Mr. Junzo Yamamoto as Outside Director based on our judgment that his advice on the Company's management from an outside perspective is valuable to promote the business of the Company group. After the election, we expect him to perform the roles of monitoring management, etc. appropriately by making use of his expertise in Manufacturing & Technology.			

8.	Ryo Sato	<div style="border: 1px solid black; padding: 2px; display: inline-block; margin-bottom: 2px;">Re-appoint</div> <div style="border: 1px solid black; padding: 2px; display: inline-block; margin-bottom: 2px;">Outside</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Independent</div>	Date of Birth : Aug. 29, 1955 Number of the Company's share held : — Years of outside directorship : 1 year
Brief history, Positions and responsibilities in the Company, and Significant positions concurrently held outside the Company			
1981.4 2000.8 2008.1 2009.4 2010.4 2011.4 2014.4 2014.4 2014.6 2021.6 2023.6	Joined Sumitomo Chemical Company Limited (SCC) Group Manager, Agricultural Chemicals Research Laboratory, SCC Research Director, Agricultural Chemicals Research Laboratory, SCC Associate Officer, Research Director, Agricultural Chemicals Research Laboratory, SCC Associate Officer, General Manager, Planning and Coordination Office Agricultural Chemicals Sector, SCC Executive Officer, SCC Adviser, SCC Adviser, Taoka Chemical Co., Ltd. (TAOKA) President, TAOKA Counselor, TAOKA Director (Outside), the Company [Present]		
Reasons for nomination			
<p>Mr. Ryo Sato has a wealth of experience and insight acquired through serving in one of the top material companies in Japan as well as extensive management experience and achievement acquired through serving as a business manager of a material company. We propose the re-election of Mr. Ryo Sato as Outside Director based on our judgment that his advice on the Company's management from an independent perspective will contribute to the enhancement of our corporate governance. After the election, we expect him to perform the roles of monitoring management, etc. appropriately by making use of his knowledge in management strategy.</p>			

9.	Mohammed Alshubrumi	<div style="border: 1px solid black; padding: 2px; display: inline-block; margin-bottom: 2px;">Re-appoint</div> <div style="border: 1px solid black; padding: 2px; display: inline-block; margin-bottom: 2px;">Outside</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Independent</div>	Date of Birth : Dec. 19, 1987 Number of the Company's share held : — Years of outside directorship : 3 years
Brief history, Positions and responsibilities in the Company, and Significant positions concurrently held outside the Company			
2011.8	Joined the Law Office of Dr. Mohammed Darweesh Salamah		
2014.6	Joined Khoshaim & Associates in cooperation with Allen & Overy		
2017.6	Legal Advisor to HRH the Minister, Ministry of Energy, Government of Kingdom of Saudi Arabia		
2021.6	Director (Outside), the Company [Present]		
2023.1	Senior Legal Advisor and General Supervisor of HRH the Minister Office, Ministry of Energy, Government of Kingdom of Saudi Arabia [Present]		
	[Significant positions concurrently held] Senior Legal Advisor and General Supervisor of HRH the Minister Office, Ministry of Energy, Government of Kingdom of Saudi Arabia		
Reasons for nomination			
Mr. Mohammed Alshubrumi has a wealth of experience and knowledge acquired through serving in a government organization in one of the Middle East oil producing countries. While he has never been involved in corporate management except as outside officer, we propose the re-election of Mr. Mohammed Alshubrumi as Outside Director based on our judgment that his advice on the Company's management from an independent perspective is valuable to promote the business of the Company group. After the election, we expect him to perform the roles of monitoring management, etc. appropriately by making use of his knowledge in the global energy situation.			

10.	Khaled Al-Sabah	<div style="border: 1px solid black; padding: 2px; display: inline-block;">Re-appoint</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Outside</div>	Date of Birth : Jun. 28, 1967 Number of the Company's share held : — Years of outside directorship : 5 years
Brief history, Positions and responsibilities in the Company, and Significant positions concurrently held outside the Company			
1992.11	Joined Kuwait Petroleum Corporation (KPC)		
2009.8	Manager, Bunker Sales Dept., KPC		
2013.9	Manager, Naphtha/Mogas/LPG Sales, the head of LNG Negotiations Committee, KPC		
2017.8	Manager, Planning and Marketing, KPC		
2017.10	Deputy Managing Director, International Marketing Sales, KPC		
2019.6	Director (Outside), the Company [Present]		
2022.11	Managing Director, International Marketing, KPC [Present]		
2022.11	Ag. CEO, Kuwait Oil Tanker Company [Present]		
	[Significant positions concurrently held] Managing Director, International Marketing, KPC Ag. CEO, Kuwait Oil Tanker Company		
Reasons for nomination			
<p>Sheikh Khaled Al-Sabah has a wealth of experience and knowledge acquired through serving in a national oil company as well as experience and insight acquired through serving as a business manager in an oil related company in one of the Middle East oil producing countries. We propose the re-election of Sheikh Khaled Al-Sabah as Outside Director based on our judgment that his advice on the Company's management from an outside perspective is valuable to promote the business of the Company group. After the election, we expect him to perform the roles of monitoring management, etc. appropriately by making use of his knowledge in the global oil situation and international marketing.</p>			

11. **Tomoko
Sakamoto**

Re-appoint
Outside

Date of Birth : May. 11, 1974
Number of the Company's share held : —
Years of outside directorship : 1 year

Brief history, Positions and responsibilities in the Company, and Significant positions concurrently held outside the Company

2000.3 Received her Diploma from the Legal Training and Research Institute of the Supreme Court of Japan
2000.4 Registered as a Japanese attorney
2000.4 Joined Kitahama Partners Attorneys and Counselors at Law
2003.10 Joined Yanagida & Nomura Attorneys and Counselors at Law
2006.11 Joined Iwata Godo Attorneys and Counselors at Law (IWATA GODO)
2011.7 Partner, IWATA GODO [Present]
2015.6 Director (outside), Yachiyo Bank, Ltd.
2018.12 ASB Member (Outside), FCE Holdings Inc. (now, FCE Inc.) [Present]
2019.6 ASB Member (Outside), the Company
2020.6 ASB Member (Outside), ARATA CORPORATION (ARATA)
2021.6 Director (Outside, Audit & Supervisory Committee Member), ARATA [Present]
2022.6 ASB Member (Outside), SPACE SHOWER NETWORKS INC.
2023.6 Director (outside), the Company [Present]

[Significant positions concurrently held]

Partner, IWATA GODO

ASB Member (Outside), FCE Inc.

Director (Outside, Audit & Supervisory Committee Member), ARATA

Reasons for nomination

Ms. Tomoko Sakamoto has a wealth of experience and expertise in law as an attorney as well as experience and insight as outside director and outside ASB member of multiple companies and as outside ASB member of the Company. While she has never been involved in corporate management except as outside officer, we propose the re-election of Ms. Tomoko Sakamoto as Outside Director based on our judgment that her advice on the Company's management from an independent perspective will contribute to the enhancement of our corporate governance. After the election, we expect her to perform the roles of monitoring management, etc. appropriately by making use of her knowledge as an attorney.

- Note :
1. Years of outside directorship of each Outside Director-Candidate are as of the close of the 22nd AGM.
 2. Mr. Junzo Yamamoto has a concurrent position of Senior Executive Officer, General Manager, Manufacturing & Technology Dept., IDEMITSU, which is the Company's largest shareholder. The Company has a business relationship with IDEMITSU in buying and selling of crude oil and petroleum products.
 3. Sheikh Khaled Al-Sabah has a concurrent position of Managing Director, International Marketing, KPC. The Company has a business relationship with KPC in purchasing of crude oil and others.
 4. Ms. Tomoko Sakamoto belongs to IWATA GODO. The Company has a legal services agreement with IWATA GODO.
 5. The Company has no special interest concerning business relationships with the other Director-Candidates.
 6. The Company has a Directors and Officers (D&O) liability insurance contract with an insurance company, as provided for in Article 430-3, paragraph 1 of the Companies Act. In the event that a claim for damages is filed by a shareholder or a third party against the insured, the said contract covers the legal expenses and compensation for damages to be borne by the insured. If the Director-Candidates are (re-)elected, they will be included in the insured under this contract. The Company plans to renew the contract with the same details at the time of the next renewal.
 7. In May 2022, inappropriate activity regarding product testing (failure to conduct a part of product testing on petroleum products produced in the past as required by laws and regulations) at the Yokkaichi Refinery of Showa Yokkaichi Sekiyu Co., Ltd., where Mr. Hiroshi Maezawa served as President until June 2022, were disclosed. The inappropriate activity began before June 2021, when he assumed the position of President of the company. After becoming aware of the inappropriate activity, he immediately developed and implemented interim countermeasures and established a special investigation committee including external experts, to clarify the facts, identify the causes, and consider the measures to prevent recurrence.
 8. Ms. Tomoko Sakamoto assumed as Outside ASB Member of the Company on June 26, 2019, and she retired her position on June 28, 2023.
 9. Mr. Hiroshi Maezawa has been for a part of the past ten years an operating officer of IDEMITSU, one of the Company's specified affiliated entities.
 10. Mr. Junzo Yamamoto is an operating officer of IDEMITSU, one of the Company's specified affiliated entities.
 11. Sheikh Khaled Al-Sabah is an operating officer of KPC, one of the Company's specified affiliated entities.
 12. Messrs. Hiroshi Maezawa, Ryo Sato and Mohammed Alshubrumi and Ms. Tomoko Sakamoto satisfy the Company's criteria for Independence of Outside Officers, and have been registered as Independent Officers with the Tokyo Stock Exchange, Inc. pursuant to the rules of the Exchange.
 13. Ms. Tomoko Sakamoto's family registry name is Tomoko Nagai.

Proposition III: To Elect One Audit & Supervisory Board Member

Mr. Koichi Chikaraishi is resigning his position of Audit & Supervisory Board (ASB) Member of the Company at the close of the 22nd AGM. We propose the election of the ASB Member to fill his vacancy.

The consent of the ASB to this proposition has been obtained.

The ASB Member-Candidate is as follows:

Hiroshi Kubota	New appoint	Date of Birth : Sep.22, 1965
	Outside	Number of the Company's share held : —
	Independent	Years of outside ASB membership : —
Brief history, Positions and responsibilities in the Company, and Significant positions concurrently held outside the Company		
1989.4	Joined Nippon Yusen Kabushiki Kaisha (NYK)	
2018.4	General Manager, Corporate Planning Group, NYK	
2019.4	Corporate Officer, General Manager, Corporate Planning Group, NYK	
2020.6	Executive Officer, General Manager, Group Management Promotion Group, NYK	
2021.4	Managing Executive Officer, NYK	
2021.6	Director, Managing Executive Officer, NYK	
2022.6	Managing Executive Officer, NYK	
2024.4	Advisor, NYK [Present]	
	[Significant positions concurrently held]	
	Advisor, NYK	
Reasons for nomination		
Mr. Hiroshi Kubota has a wealth of management experience and insight acquired through serving as a business manager of one of the top global marine transport companies in Japan. We propose the election of Mr. Hiroshi Kubota as ASB Member so that he may monitor the appropriateness of director's execution of business from a position independent of the Company's management and give advice, to ensure that the interests of general shareholders are properly considered in their decision-making.		
New appoint	Candidate for new appointment as ASB Member	
Outside	Candidate who satisfies the requirements for Outside ASB Member set forth in the Companies Act	
Independent	Independent Officer who has been or will be registered as such with the Tokyo Stock Exchange, Inc.	

- Note :
1. Mr. Hiroshi Kubota has a concurrent position of Advisor to NYK. The Company has a business relationship with NYK in chartering of crude oil tankers and others.
 2. The Company has a Directors and Officers (D&O) liability insurance contract with an insurance company, as provided for in Article 430-3, paragraph 1 of the Companies Act. In the event that a claim for damages is filed by a shareholder or a third party against the insured, the said contract covers the legal expenses and compensation for damages to be borne by the insured. If the Director-Candidates are (re-)elected, they will be included in the insured under this contract. The Company plans to renew the contract with the same details at the time of the next renewal.

3. Mr. Hiroshi Kubota satisfy the Company's criteria for Independence of Outside Officers and, if elected as proposed, will be registered as Independent Officers with the Tokyo Stock Exchange, Inc. pursuant to the rules of the Exchange.
4. If Mr. Hiroshi Kubota is elected as proposed, his term of office shall be the remaining terms of office of the current ASB Members pursuant to the provisions of the Articles of Association of the Company, which stipulates the term of office of ASB Members who are elected to fill vacancies of resigned or resigning ASB Members.

(Reference)

The Company aims to ensure effectiveness of the Board by constituting it by persons with expertise and experience in diverse areas. It also introduced an executive officer system in June 2021 for the purpose of responding swiftly and appropriately to changes in the business environment and strengthening its corporate governance.

Our Officers will be as follows if Propositions II and III are approved as proposed:

(The following list does not represent all the expertise and experience that each person has.)

Name		Areas of Expertise and Experience to which Officers are Expected to Contribute							
		Management strategy	Finance/ Accounting	Law/ Compliance	Human resources/ Human resources Development	Technology/ Manufacturing/ IT/Digital	Sales/ Marketing	International experience	ESG/ Sustainability
Director	(Mr.) Shigeto Yamamoto	●			●		●	●	●
	(Mr.) Takayuki Kawahata					●		●	●
	(Mr.) Takumi Iwamoto	●	●	●					●
	(Mr.) Masayuki Tsuda		●		●		●	●	
	(Mr.) Atsuo Watanabe	●						●	●
	(Mr.) Hiroshi Maezawa Outside Independent	●				●		●	●
	(Mr.) Junzo Yamamoto Outside	●				●		●	●
	(Mr.) Ryo Sato Outside Independent	●				●	●	●	
	(Mr.) Mohammed Alshubrumi Outside Independent	●		●				●	
	(Mr.) Khaled Al-Sabah Outside	●					●	●	
	(Ms.) Tomoko Sakamoto Outside Independent			●					●

Name		Areas of Expertise and Experience to which Officers are Expected to Contribute							
		Management strategy	Finance/Accounting	Law/Compliance	Human resources/ Human resources Development	Technology/ Manufacturing/ IT/Digital	Sales/ Marketing	International experience	ESG/ Sustainability
Audit & Supervisory	(Mr.) Tomoo Fujisawa Outside Independent	●	●				●		
	(Mr.) Satoshi Tomii Outside Independent	●	●	●				●	●
	(Mr.) Hiroshi Kubota Outside Independent	●	●	●			●	●	
	(Ms.) Mutsumi Kanai Outside Independent		●	●					
Executive Officer	(Mr.) Takahiko Yamamoto	●	●	●			●	●	●
	(Mr.) Kenichi Terao	●		●	●				●
	(Mr.) Toshiya Ishizuka					●			●
	(Mr.) Hiroshi Hisa					●			●
	(Mr.) Masahiro Hirano	●	●	●	●				●
	(Mr.) Daiki Imai					●		●	●
	(Mr.) Motohiro Nakayama			●			●	●	●
	(Mr.) Takaaki Sato					●			●

(Note) Please refer to our web-site with regard to the latest position and responsibility of each officer .

Guidance on the Exercise of Voting Rights

Please exercise your voting rights by one of the three ways shown below.

Vote by Attending the AGM

Please bring the enclosed Voting Rights Exercise Form and submit it at the reception desk without detaching the right-hand side of the form.

Date and Time of the AGM: 10:00 a.m. on Wednesday, June 26, 2024 (JST)
(Reception starts at 9:00 a.m.)

*If your proxy is going to attend the meeting on behalf of you, the proxy is required to submit the Voting Rights Exercise Form at the reception desk, together with a document certifying his/her authority to act as proxy, who shall be another shareholder (only one shareholder) of the Company and entitled to exercise his/her voting rights at this AGM.

Vote via Postal Mail

Deadline: To be received by 5:30 p.m. on Tuesday, June 25, 2024 (JST).

Please indicate “for” or “against” for each proposition on the enclosed Voting Rights Exercise Form and return the completed Form to us.

*If you send us a Voting Rights Exercise Form indicating neither “for” or “against” for any of the proposition, your vote will be treated as an affirmative vote to the propositions.

Vote via the Internet (English NOT available)

Deadline: To be submitted by 5:30 p.m. on Tuesday, June 25, 2024 (JST).

(1) Vote by Scanning the QR Code “Smart Exercise”

You can log in to the online voting website without entering your voting code and password.

Please read your “QR code” on the bottom right corner of the Voting Rights Exercise Form, access the website, and register your “for” or “against” for each proposition by following the onscreen instructions.

Voting by Smart Exercise is valid only once.

If you wish to change your vote after exercising your voting rights, please scan the QR Code again, log in by entering your voting code and password (as in (2) below), and exercise your voting rights again.

(2) Vote by Entering the Voting Code and Password

Please access the online voting website <https://soukai.mizuho-tb.co.jp/>, enter your voting code and temporary password printed on the Voting Rights Exercise Form. The first time you login, you will be asked to change the temporary password to ensure security. Please change it to any password of your choosing, and register your “for” or “against” for each proposition by following the onscreen instructions.

(Notes)

- *If you exercise the voting rights both via Postal Mail and via the Internet, the voting via the Internet shall prevail. In the case of multiple voting via the Internet, the last voting shall prevail.
- *Any fees incurred when accessing the online voting website shall be borne by the shareholder.
- *The online voting website may not be available depending on your internet environment or device you use.

For Inquiries, please contact Stock Transfer Agency Dept., Mizuho Trust & Banking Co., Ltd., our registrar and transfer agent.

- (1) All inquiries regarding how to exercise your voting rights via the online voting website:
Toll free (calls from within Japan) 0120-768-524
(Between 9:00 a.m. and 9:00 p.m., JST, except Year End and New Year Holidays)
- (2) Other inquiries regarding stock-related administrative work:
Toll free (calls from within Japan) 0120-288-324
(Between 9:00 a.m. and 5:00 p.m., JST, on weekdays)

Institutional investors may also use the Electronic Proxy Voting Platform operated by ICJ (Investor Communications Japan) to exercise your voting rights.

I. BUSINESS OVERVIEW OF FOC GROUP

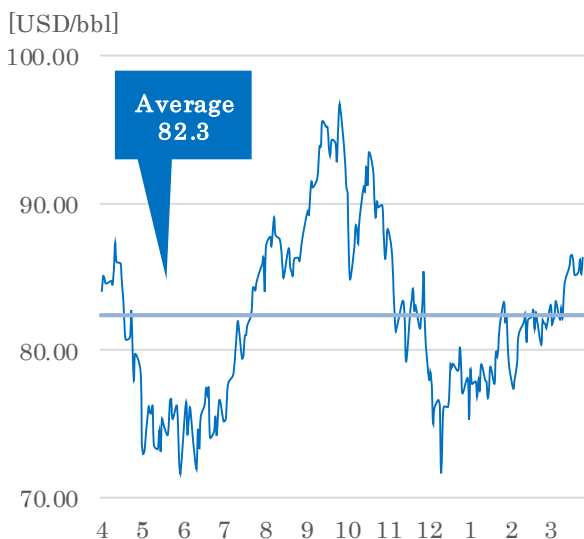
1. Business Progress and Results **(Business Environment)**

During the period, Dubai crude oil prices started declining due to be conscious of decrease in demand of crude oil caused by concerns over the recession of the global economy, which resulted from a series of interest rate increases by central banks in Europe and the United States. After that, oil-producing countries announce voluntary additional production cut resulted in an upward trend, but prices turned downward again due to concerns about the future of the production cut system. After January, prices rose by concern about a decline in the supply of crude oil due to escalating situation of the Middle East and other factors, however, it marked about US\$82/bbl on a yearly average basis, down about US\$10/bbl over the previous period.

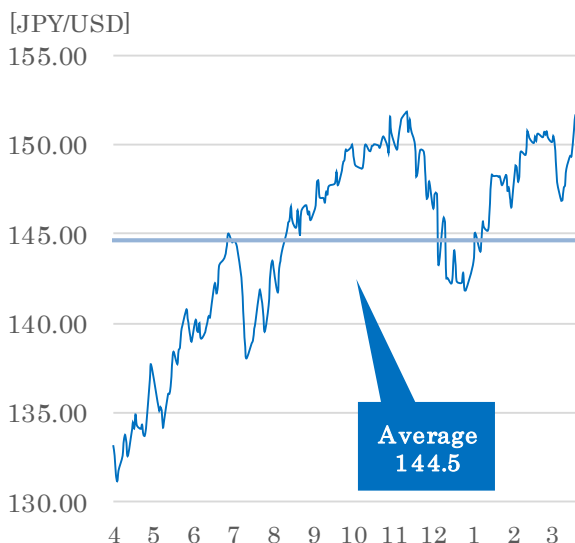
In the foreign exchange market, the yen depreciated against the backdrop of the Bank of Japan's continued monetary easing measures and prolonged interest rate hike cycle in the United States to curb inflation. In March, the Bank of Japan decided to terminate the negative interest rate policy, but the yen persists to be depreciated due to the Bank's decision to maintain an accommodative financial environment for the time being. As a result, the yen marked about ¥144/US\$ on a yearly basis, a depreciation of about ¥9/US\$ over the previous period.

Looking at the domestic demand of petroleum products, the total volume was at 95.9% of the previous year's figure, continuing a gradual decrease trend due to prevailing hybrid vehicles etc.

Dubai Crude Oil



Foreign Exchange Market



(Consolidated Business Results)

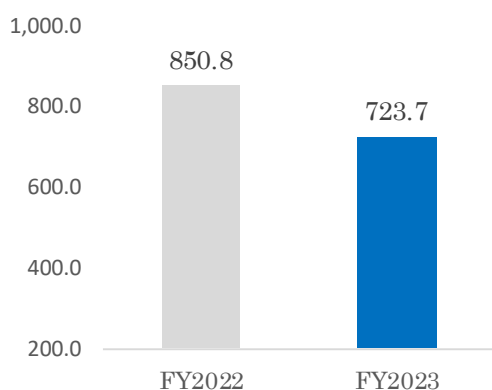
Under these business circumstances, consolidated net sales resulted in 723.7 billion yen, down 127.1 billion yen over the previous period, mainly due to a decrease in sales volume reflecting the conduct of periodic SDM this period.

Looking at profit and loss for the period, operating profit was 16.1 billion yen, an increase of 11.1 billion yen over the previous period, due to such factors as an increase in positive effect of inventory valuation, which pushed down the cost of sales by 9.6 billion yen. As for ordinary profit, it was 18.7 billion yen, an increase of 14.0 billion yen over the previous period.

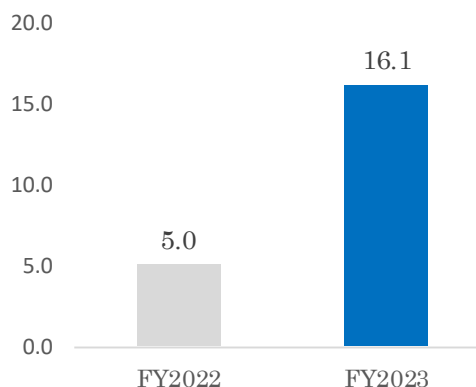
Profit attributable to owners of parent for the period resulted in 15.5 billion yen, an increase of 11.9 billion yen over the previous period.

Operating profit and ordinary profit excluding effect of inventory valuation amounted to 6.5 billion yen (an improvement of 2.1 billion yen over the previous period) and 9.0 billion yen (an improvement of 5.0 billion yen over the previous period), respectively.

Net Sales (billion yen)



Operating Profit (billion yen)



Billion Yen

	FY2022	FY2023	Increase/Decrease
Net Sales	850.8	723.7	-127.1
Operating Profit	5.0	16.1	11.1
(excluding inventory effects)	4.3	6.5	2.1
Profit attributable to owners of parent	3.5	15.5	11.9

(Progress)

Production

The Company carried out a minor periodical SDM during May-June 2023 at the Sodegaura Refinery for maintenance and repair work of some production facilities. As a result, crude oil throughput stood at 6,949 thousand kL, down by 9.1% as compared to the previous period. The utilization rate of the crude distillation unit was 83.5% on average during the period.

Thousand Kiloliters

Category	FY2022(A)	FY2023(B)	Change (A/B) (%)
Material Processed			
Crude Oil	7,648	6,949	90.9
Semi-finished Products	694	722	104.0
Total	8,342	7,671	92.0
Refined Products Produced	8,035	7,327	91.2

Sales

Total sales volume of petroleum products including petrochemicals and others came to 7,287 thousand kL, down by 9.2% as compared to the previous period.

Total sales by product are as follows:

Thousand Kiloliters			
Product	FY2022 (A)	FY2023 (B)	Change (A/B) (%)
Gasoline	2,499	2,243	89.8
Naphtha	386	376	97.4
Kerosene	359	227	63.3
Jet Fuel	970	1,035	106.7
Gas Oil	1,817	1,646	90.6
Fuel Oil (A)	393	258	65.7
Fuel Oil (C)	167	399	239.3
Benzene	110	101	91.5
Xylene	339	306	90.2
Petroleum Pitch	362	303	83.9
Others	627	393	62.6
Total	8,029	7,287	90.8

Note: Based on the "Supplementary Materials of Financial Results for FY2023" disclosed on May 10, 2023, the calculation method for the sales volume of some products has been changed. In accordance with this, the same calculation method was applied to the sales volume of FY2022, which is different from the sales volume described in the 21st Business Report.

Initiatives based on Corporate Philosophy

We adhere to our corporate philosophy aiming to "ensure stable supplies of energy", "maintain safety and protect the global environment", "work for the benefit of all stakeholders" and "create energetic and motivating workplace". Based on the philosophy, we are working on an ongoing basis for reduction of environmental burden, contribution to the local community, and further improvement in the corporate governance system, as well as pursuing sustainable growth while also serving society through its business activities.

➤ Safety and Stable Supplies of Energy

In order to continue to fulfill our social mission of ensuring stable supplies of energy and strengthening self-security capabilities based on Amended High Pressure Gas Safety Act, we are strongly promoting enhancement and preservation of credibility over facilities operations, applying advanced technologies, and human resource development at the Sodegaura Refinery. As for enhancement of credibility over facilities operations, we have examined new inspection technology, while intensely inspecting and maintaining to address deterioration caused by aging of existing production units. Furthermore, we have begun reviewing risk assessments that comprehensively identify and

respond to potential risks in operations. In addition, we are utilizing a prediction system by utilizing AI, and also introducing electronic control systems for technical information and other systems to promote visualization of information and the streamlining of operations.

For preparation and response to intensifying natural disasters, we regularly conduct drills based on our Business Continuity Plan (BCP) for major earthquakes and others, and are working to secure the effectiveness of the BCP and improvements thereon on an ongoing basis. We also conduct training in the operation of a fixed emergency power generator which was newly installed in FY2022, and training in the transport and installation of mobile emergency power generators against power supply interruptions, in an aim to secure the equivalent level of land shipping capacity as in normal times.

➤ Environment Protection

In order to contribute to the achievement of carbon-neutrality by 2050, we are systematically proceeding with energy-saving activities and investments to achieve them. To this end, we newly formulated “Transition Strategy toward Achieving Carbon Neutrality” in order to establish a long-term direction for initiatives to reduce CO2 emissions, in addition to the environmental targets set forth in the third Medium-Term Business Plan. We are also working on receiving and co-firing of ammonia in our boiler with investigation to increase the ratio of ammonia to promote low-carbonization of the Refinery, and diligently working on a study for production of next-generation biofuels.

In addition, initiatives to save water by recirculating over 96% of cooling water flow, prevent air/water pollution, etc., have been taken and carried out on an ongoing basis. We are also working to reduce and recycle industrial waste and direct landfill disposal rate has been zero since FY2014.

➤ Symbiosis with Local Community

We have been enhancing our engagement with Sodegaura city, where our refinery is located, through various social contribution activities, including participation in cleanups of waterfront area organized by the city as well as community cleanups of our own planning.

➤ Motivating Workplace

We have been providing employees with job-level trainings, technical education/trainings, and education/trainings on safety and environment, etc. in line with the “Policy for Human Assets Development.” In FY2023, we introduced new education system using video contents for employees hired in the past 3-10 years as job-level training. In addition, aiming to promote active participation of women in the Company, we introduced skill-based selective training and are promoting the expansion of opportunities for participation. Moreover, we have introduced a new training simulator to pass on and improve operating techniques.

Group's Major Activities

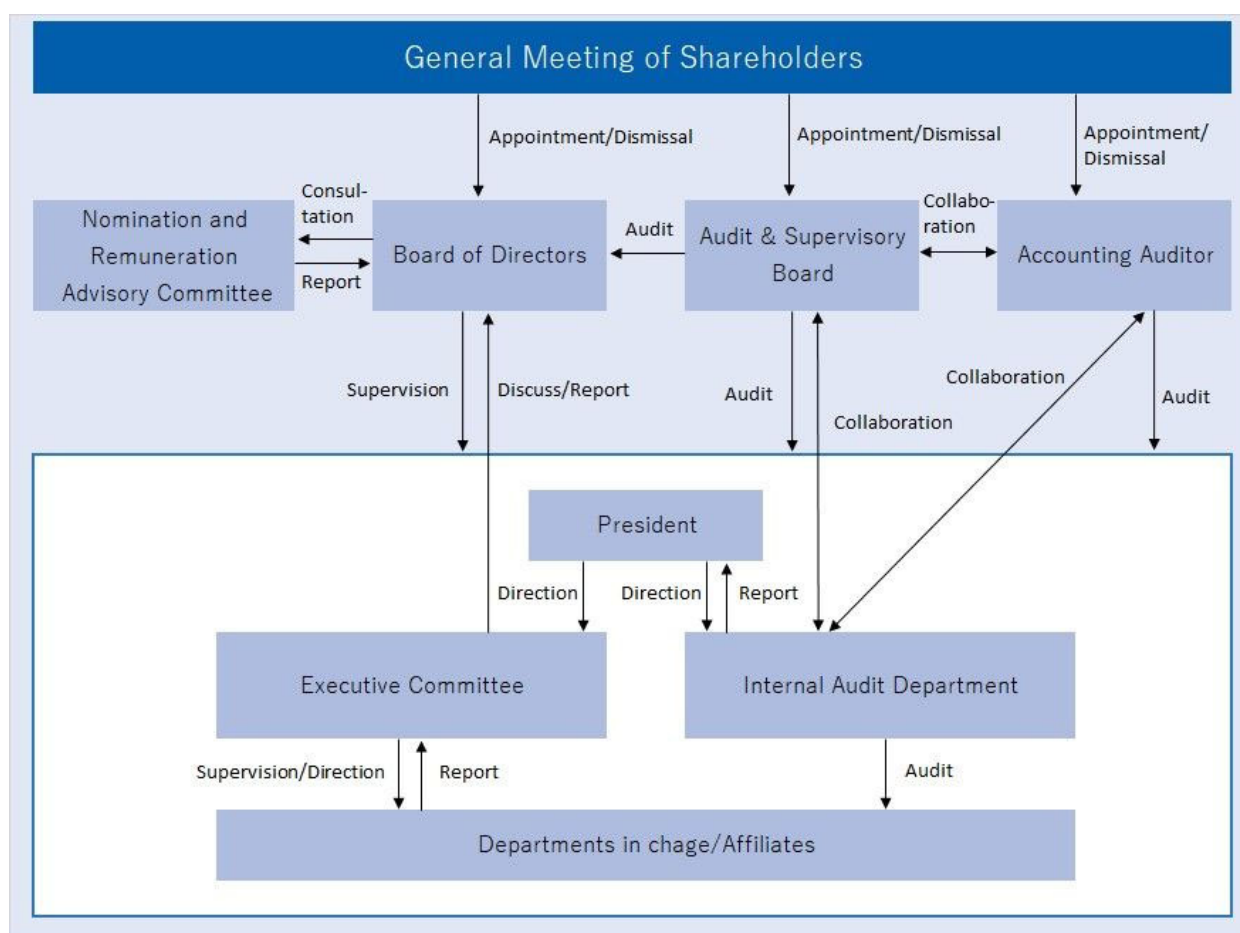
Major activities of the Company's consolidated subsidiaries during FY2023 are as follows:

PETRO PROGRESS PTE LTD, an important overseas operation base of the Company located in Singapore, has continued business operations such as purchase and sale of crude oil and petroleum products.

Japan Oil Engineering Company Ltd. is expanding its business area and working on the projects which will contribute to the achievement of carbon-neutrality, in addition to its traditional businesses of engineering and consulting for development and production of oil and gas. Among such projects are the environmental engineering and consulting services related to the technologies of CO₂-EOR (injection of CO₂ for Enhanced Oil Recovery) and CCS/CCUS (CO₂ Capture and Storage / CO₂ Capture, Utilization and Storage, which contribute to CO₂ emission reduction), methane hydrate development, offshore wind and geothermal power generation.

[REFERENCE] Corporate Governance Structure

We have in place a Nomination and Remuneration Advisory Committee, which is chaired by an outside independent officer and the majority of whose members are also outside independent officers, as an advisory body to the Board of Directors. Drafts of proposals concerning election and remunerations of Directors, etc. are deliberated by the Committee before the decisions are made by the Board of Directors.



2. Capital Investment

Capital investments during the period totaled 5.3 billion yen, which were mainly invested in refinery facilities. These investments were funded through bank loans and own funds.

3. Financing

Loans from financial institutions during the period are as shown in the table below. The balance of interest-bearing debt stood at 161.3 billion yen, an increase of 0.3 billion yen as compared to the end of the previous period, due to a depreciation of yen, in spite of progress in repayment of long-term loans.

Million Yen

	End of FY2022	Increase/Decrease	End of FY2023
Long-term loans payable	30,743	-1,669	29,073
Short-term loans payable	130,316	1,987	132,303
Total	161,059	317	161,376

Note: The balance of long-term loans payable at the end of the period includes the current portion of 9.2 billion yen.

4. Issues to be addressed

Based on the views on the business environment that global oil demand is projected to make a strong rebound from the COVID-19 shock. Looking at the supply side, most-advanced large refineries, new or expanded, are slated to come on stream over the next several years mainly in China, India and the Middle East on a scale exceeding the expected increase in oil demand. Depending on the progress of those refinery projects, the industry could face even more intense competition. Meanwhile, a certain portion of oil demand is expected to be lost due to popularization of electric vehicles and progress in fuel conversion to bio-, synthetic-, hydrogen- and other fuels in the mid-to-long term in a global context of a movement towards carbon neutrality by 2050. The Company recognized such business circumstances and formulated the third Medium-Term Business Plan for 4 years from FY2021 to FY2024 in May 2021.

Since then, social demand for the achievement of carbon neutrality by 2050 is further growing. Looking at the side of energy security, geopolitical risks presented by the Russia's invasion to Ukraine, the growing tension in the Middle East, and other factors have been heightened and significant fluctuations in resource prices and exchange rates are being witnessed. In light of these, transformation of energy supply-demand structure centering on the fossil fuel-based energy sources is expected to make rapid progress. In order to continue our mission of stable energy supply under these circumstances, we expand earnings on a stable basis as well as reduce environmental burdens at the same time, thereby we set it our basic policy to (1) reinforce the base of the oil refining business and (2) strengthen the efforts towards a decarbonized society, and will continue to focus on the following tasks.

Tasks to Focus On

(1) Reinforcement of Base of Oil Refining Business

a. Maintaining and Enhancing Operational Reliability

We will promote sophistication of facilities operation management and their maintenance by employing drone inspections, and by making the maximum use

of digital technologies such as IoT and AI.

b. Strengthening Cost Competitiveness and Establishing Competitive Advantage

We will further strengthen our cost competitiveness by reducing refining costs, improving energy efficiency, optimizing production including raw material procurement, improving facilities for increased production of high value-added products, and rationalizing overall expenses including head office costs.

We will also maximize the introduction and use of digital technologies which are advancing by leaps and bounds, and will promote further innovation in the areas of human resources and organizational structure, which underpin our competitive advantage, by fundamental revamping the workflow and necessary restructuring of corporate organization, optimizing the operation of a new personnel system, and strengthening human resource development.

(2) Enhanced Efforts towards Decarbonized Society

a. Thorough Reduction of Environmental Burden at Refinery

Since it is the energy saving that best ensures improvement in profitability as well as reduction in refinery CO₂ emissions, we will further deepen and accelerate the efforts to become a low-carbon refinery.

In addition to the ongoing initiatives such as the supply of bio-ETBE blended gasoline, we will work on the use of ammonia as boiler fuel, etc., as part of our efforts to supply earth-friendly products and use earth-friendly fuels.

During the period, we conducted stable co-firing operation using ammonia, a by-product of the petroleum refining process, and asphalt pitch in our Sodegaura Refinery's main boiler (Asphalt Pitch Fueled Boiler Turbin Generator), and collected and analyzed various data with a view to raising the ammonia co-firing rate in the future. We also received independently-certified "low-carbon ammonia" from Saudi Arabia in April 2023 and co-fired it as fuel for power generation in the said boiler.

b. Pursuing Businesses Contributing Decarbonization

In accordance with the Japanese government's goal of becoming carbon neutral by 2050, we will actively pursue decarbonization technology areas where the Refinery's existing infrastructure and knowledge can be utilized, including next-generation biofuels, CO₂-free hydrogen and synthetic fuels, in cooperation with various stakeholders and thereby aim to contribute to a decarbonized society.

During this period, we investigated a biofuel manufacturing business intended for the production of SAF.*¹

*¹ SAF (sustainable aviation fuel) is a jet fuel that is produced by blending neat SAF made from biomass raw materials and fossil-derived jet fuel which complies with ASTM D7566 Table 1 and ASTM D1655.

To contribute to the achievement of carbon neutrality by 2050, we set the following environmental targets in the third Medium-Term Business Plan:

- 15,000kL-coe*/year as the Refinery’s energy saving target (to be achieved in FY2025) *Crude Oil Equivalent

We aim to reduce energy consumption by 15,000kL/year (crude oil equivalent) over the years from FY2021 through FY2025 as compared to the case where we do not implement energy saving measures planned for the said period.

- In the medium-term, we aim to reduce 20% or more of the CO₂ emissions in FY2030 as compared to those generated by our own business in FY2014.
- In the long-term, we aim to achieve net zero CO₂ emissions from our own business in FY2050, assuming that individual component technologies have been established and become feasible with the progress of innovations, and thereby contribute to the development of carbon-neutral society as a whole.

We have disclosed in the “Integrated report 2023” on the calculation of greenhouse gases (GHG) emissions at the consumption stage of petroleum products and others which we supply, in addition to the GHG emitted from our own business. Furthermore, we have participated in GX League which went into full-scale operation during this period as part of response, we formulated and disclosed “Transition Strategy toward Achieving Carbon Neutrality” in October 2023.

5. Financial Summary

	Million Yen			
	19th FY Apr. 1, 2020 - Mar. 31, 2021	20th FY Apr. 1, 2021 - Mar. 31, 2022	21st FY Apr. 1, 2022 - Mar. 31, 2023	22nd FY Apr. 1, 2023 - Mar. 31, 2024
Net sales	344,612	486,014	850,863	723,730
Ordinary profit	8,293	16,076	4,704	18,735
Profit attributable to owners of parent	6,528	15,203	3,575	15,516
Profit per share	84.72 yen	197.29 yen	46.36 yen	201.9 yen
Total assets	253,007	352,842	336,985	389,960
Total net assets	48,188	64,539	71,658	86,350

Note: 1. Profit per share is calculated based on the average number of shares outstanding during the period.

2. Main factors of difference in financial results for each fiscal year are as follows:

19th FY Negative effect on units operation is little due to the absence of periodic SDM, but Net Sales was lower than the previous year due to COVID-19 pandemic and decrease in the selling prices associated with low crude oil price. Positive effect of inventory valuation on the cost of sales and improved sales margins resulting from a recovery in the domestic petroleum product market reflected recording of profit attributable to owners of parent

20th FY Net sales increased mainly due to increase in selling price resulted from rising

crude oil price, even though sales volume declined by the effect of Major SDM. And by positive effect of inventory valuation on the cost of sales and hike in domestic petroleum product market during 4Q, profit attributable to owners of parent exceeded the previous year.

- 21st FY Net sales exceeded the previous year due to increasing sales volume associated with absence of periodic SDM and increase in selling price resulted from rising crude oil price. Profit attributable to owners of parent was lower than the previous year by negative effect of inventory valuation on the cost of sales.
- 22nd FY as stated in I.1. Business Progress and Results

6. Principal Subsidiaries (As of March 31, 2024)

Name	Paid-in Capital	Shareholding Ratio (%)	Main Business
Fuji Oil Sales Company, Ltd.	100 million of yen	100.0	Sale of petroleum products, Agency services for petroleum products sales/supply, Agency services for insurance companies
Fuji Rinkai Co., Ltd.	10 million of yen	85.0	Maritime disaster prevention operations, Loading/unloading of crude oil & petroleum products, Collection and transportation of industrial waste, Solar power generation
Arabian Oil Company, Ltd.	100 million of yen	100.0	Management of oil development project-related assets
Japan Oil Engineering Company Ltd.	100 million of yen	100.0	Consulting and engineering services for development and production of oil, gas and other energy resources and for environmental protection
Tokyo Petroleum Industrial Company, Ltd.	120 million of yen	(100.0)	Manufacturing and sale of asphalt mixture, Recycling of industrial waste for use as pavement materials, Paving on contract
Petro Progress Inc.	100 million of yen	100.0	Purchasing and marketing of crude oil and petroleum products, etc.
PETRO PROGRESS PTE LTD	34 million of Singapore \$ and 733 thousand of US\$	(100.0)	Overseas purchasing and marketing of crude oil and petroleum products

Note: 1. Percentage in parentheses stand for shareholding ratio indirectly held by the Company.

7. Main Business (As of March 31, 2024)

To refine, store, sell, buy, import and export crude oil and petroleum products

8. Location of Principal Business (As of March 31, 2024)

Fuji Oil Company, Ltd.	Head Office	Shinagawa-ku, Tokyo, Japan
	Sodegaura Refinery	Sodegaura-shi, Chiba, Japan
Fuji Oil Sales Company, Ltd.	Head Office	Shinagawa-ku, Tokyo, Japan
Fuji Rinkai Co., Ltd.	Head Office	Sodegaura-shi, Chiba, Japan
Arabian Oil Company, Ltd.	Head Office	Shinagawa-ku, Tokyo, Japan
Japan Oil Engineering Company Ltd.	Head Office	Chuo-ku, Tokyo, Japan
Tokyo Petroleum Industrial Company, Ltd.	Head Office	Shinagawa-ku, Tokyo, Japan
Petro Progress Inc.	Head Office	Shinagawa-ku, Tokyo, Japan
PETRO PROGRESS PTE LTD	Head Office	Singapore

9. FOC Group Employees (As of March 31, 2024)

Number of Employees	Difference from the previous period
702	+12

10. Major Lenders and Loan Balance (As of March 31, 2024)

Million Yen	
Lender	Outstanding Balance
Japan Organization for Metals and Energy Security	29,683
Mizuho Bank, Ltd.	29,244
Sumitomo Mitsui Banking Corporation	22,849
MUFG Bank, Ltd.	22,239
Sumitomo Mitsui Trust Bank, Limited	17,739
Development Bank of Japan Inc.	11,493

11. Other important matters concerning the current state of the Group

On April 16, 2024, we entered into a capital and business alliance with Idemitsu Kosan Co., Ltd. (“Idemitsu”) Idemitsu has submitted a report of large volume shareholding (change report) to the effect that it has concluded an agreement to acquire all of our shares (6,839,920 shares) from JERA Co., Inc. If this acquisition is executed, Idemitsu's shareholding ratio will be 22.03% (17,035.5 thousands of shares). As a result, we are to become an equity-method affiliate of Idemitsu.

Descriptions of the Capital and Business Alliance are as follows:

- i) Collaborate in crude oil and naphtha procurement and freight allocation operation
- ii) Jointly manage periodic shut down maintenance (SDM) (optimize SDM timing, dispatch personnel during SDM, etc.)
- iii) Consider other synergies that contribute to maximizing profits for both parties
- iv) Consider investments aimed at creating next-generation supply hubs

II. SHARE RELATED INFORMATION (As of March 31, 2024)

- i) Total number of shares authorized to be issued : 200,000,000 shares
- ii) Total number of shares issued : 78,183,677 shares
- iii) Number of shareholders : 17,674 persons
- iv) Top 10 shareholders :

Name	Shareholder's investment in the Company	
	Number of Shares Held (thousand)	Shareholding Ratio(%)
Idemitsu Kosan Co., Ltd.	1,0195.6	13.18
JERA Co., Inc.	6,839.9	8.84
The Master Trust Bank of Japan, Ltd. (Trust Account)	6,622.4	8.56
Kuwait Petroleum Corporation	5,811.3	7.51
Government of the Kingdom of Saudi Arabia	5,811.3	7.51
NYK Line (Nippon Yusen Kabushiki Kaisha)	2,750.8	3.55
Custody Bank of Japan, Ltd. (Trust Account)	1,587.1	2.05
ENEOS Holdings, Inc.	1,350.0	1.74
Kiyo Koyama	1,233.0	1.59
Morgan Stanley MUFG Securities Co., Ltd.	1,098.6	1.42

- Note :
1. Shareholding ratio is calculated excluding treasury stocks of 865.9 thousand shares.
 2. Fractional shares less than 100 shares are rounded down.
 3. On April 16, 2024, Idemitsu Kosan Co., Ltd. (Idemitsu) submitted a statement of large-volume holdings (change reports) indicating that Idemitsu concluded an agreement to acquire all of our shares (6,839,920 shares) held by JERA Co., Inc. (JERA). If the acquisition is executed, Idemitsu's shareholding ratio will become 22.03% (17,035.5 thousands of share), but the date of transfer is undecided. Furthermore, according to the report, Idemitsu has agreed with JERA to exercise its voting rights at our General Meeting of Shareholders in connection with the share acquisition according to the instructions of Idemitsu provided that the share transfer will have been executed by the day prior to our General Meeting of Shareholders, which record date falls on prior to the date of the share transfer.

v) Shares provided to Company officers during the period as consideration for performance of duties

Stock-based compensation provided during the period:

Category of Officers	Number of shares (shares)	Number of officers to whom shares were provided (persons)
Directors (excluding Outside Directors)	0	0
Entrustment-type Executive Officers (excluding those who concurrently serve as Directors)	0	0

Note : Details of the stock-based compensation are as stated in III. 4. (6) Matters concerning NMR.

III. BOARD OF DIRECTORS AND AUDIT & SUPERVISORY BOARD

1. Directors and Audit & Supervisory Board (ASB) Members (As of March 31, 2024)

Name	Positions in the Company	Responsibilities in the Company and significant positions concurrently held outside the Company
Shigeto Yamamoto	Representing Director, President	
Takayuki Kawahata	Representing Director, Managing Executive Officer	In charge of Technical Dept., Human Resource Development Dept.
Takumi Iwamoto	Director, Managing Executive Officer	General Manager of Sodegaura Refinery
Masayuki Tsuda	Director, Managing Executive Officer	In charge of Finance & Accounting Dept.
Atsuo Watanabe	Director, Executive Officer	In charge of Corporate Planning & Management Dept., Safety & Environmental Protection Office Director, Japan Oil Engineering Co., Ltd.
Hiroshi Maezawa	Director (Outside) 〈Independent Officer〉	
Ryo Sato	Director (Outside) 〈Independent Officer〉	
Mohammed Alshubrumi	Director (Outside) 〈Independent Officer〉	Senior Legal Advisor and General Supervisor of HRH the Minister Office, Ministry of Energy, Government of Kingdom of Saudi Arabia
Khaled Al-Sabah	Director (Outside)	Managing Director, International Marketing, Kuwait Petroleum Corporation Ag. CEO, Kuwait Oil Tanker Company
Tomoko Sakamoto	Director (Outside) 〈Independent Officer〉	Partner, Iwata Godo Attorneys and Counsellors at Law Director (Outside, Audit & Supervisory Committee Member), ARATA CORPORATION ASB Member (Outside), FCE Inc.
Tomoo Fujisawa	ASB Member (Full-Time, Outside) 〈Independent Officer〉	
Koichi Chikaraishi	ASB Member (Outside) 〈Independent Officer〉	Advisor, NYK Line Director (Outside), Murakami Corporation Director (Outside), The Shibusawa Warehouse Co., Ltd.

Satoshi Tomii	ASB Member (Outside) (Independent Officer)	Representative Director, Chairman of DBJ Investment Advisory Co., Ltd. Director (Outside), Japan Post Insurance Co., Ltd.
Mutsumi Kanai	ASB Member (Outside) (Independent Officer)	Representative, Mutsumi Kanai Certified Public Accountant Office Supervisory Director, JR East Private Reit, Inc. Auditor (Part-Time), Japan National Tourism Organization

Note: 1. New Directors and ASB members during the period are as follows:

- Messrs. Takayuki Kawahata, Takumi Iwamoto, Atsuo Watanabe, Ryo Sato, and Ms. Tomoko Sakamoto were newly elected as Directors, and Messrs. Tomoo Fujisawa, Satoshi Tomii, and Ms. Mutsumi Kanai were newly elected as ASB Members at the 21st General Meeting of Shareholders held on June 28, 2023.
2. Change in positions and responsibilities in the company held by Director during the period is as follows:
- Position held by Director Masayuki Tsuda changed from Executive Officer to Managing Executive Officer on June 28, 2023.
3. Changes in significant positions concurrently held outside the Company by Directors and ASB Members during the period are as follows:
- ASB Member Tomoo Fujisawa retired from his position of Director of Joban Joint Power Co., Ltd. on June 30, 2023.
 - ASB Member Mutsumi Kanai was appointed as Part-time Auditor of Japan National Tourism Organization on August 1, 2023.
 - Director Tomoko Sakamoto retired from her position of ASB Member (Outside) of SPACE SHOWER NETWORKS INC. on March 31, 2024.
4. Directors Hiroshi Maezawa, Ryo Sato, Mohammed Alshubrumi, and Tomoko Sakamoto and ASB Members Tomoo Fujisawa, Koichi Chikaraishi, Satoshi Tomii, and Mutsumi Kanai satisfy the Company's criteria for Independence of Outside Officers (please see 11. below). The Company registered them as Independent Officers with the Tokyo Stock Exchange, Inc. pursuant to the rules of the Exchange.
5. ASB Member Satoshi Tomii has many years of experience in financial institutions and has a wealth of expertise in finance and accounting. In addition, ASB Member Mutsumi Kanai is licensed as a certified public accountant and has a wealth of expertise in finance and accounting.
6. Government of Kingdom of Saudi Arabia is a shareholder of the Company with 5,811.3 thousand shares (shareholding ratio: 7.51%).
7. Kuwait Petroleum Corporation is a shareholder of the Company with 5,811.3 thousand shares (shareholding ratio: 7.51%) and has a business relationship with the Company including sales and purchase of crude oil.
8. NYK Line is a shareholder of the Company with 2,750.8 thousand shares (shareholding ratio: 3.55%) and has a business relationship with the Company in chartering of crude oil tankers and others.
9. Iwata Godo Attorneys and Counsellors at Law and the Company has a legal services agreement.
10. Kuwait Oil Tanker Company, ARATA CORPORATION, FCE Inc., Murakami Corporation, The Shibusawa Warehouse Co., Ltd., DBJ Investment Advisory Co., Ltd., JAPAN POST INSURENCE Co., Ltd., Mutsumi Kanai Certified Public Accountant Office, JR East Private Reit, Inc., and Japan National Tourism Organization have no special business relationship to be disclosed with the Company.
11. The criteria of independence used by the Company for Outside Officers are as follows:

The Company's Outside Officers are not considered independent in the case that they or their immediate family member (spouse, relative in second or less degree or relative living in the same place) fall under any of the following items currently or for the preceding year of the Officers' inauguration.

- i) Outside Officers are not considered independent if they fall under any of the following:
- a) Principal business partners*

Principal business partners of the Company or operating officers of such partners

* A "principal business partner" means a company, organization, individual, etc. the amount of

the transactions between whom and the Company in any of the last three financial years exceeds 2% of the consolidated net sales of either the Company or the partner

b) External accounting auditors

Those who are external accounting auditors of the Company or its Group companies, or if the accounting auditors are organizations such as corporations or associations, those who belong to such organizations

c) Professional service providers (legal, accounting, etc.)

Those who received during the last financial year 10 million yen or more in compensation for their professional services as lawyers, chartered accountants, certified tax accountants, consultants, etc. from the Company besides the remunerations for Outside Officers (If the professionals are organizations such as corporations, those who belong to such organizations)

d) Major lenders

Lenders from which the Company's borrowings exceed 2% of the consolidated total assets of the Company or operating officers of the said lenders as at the end of the last financial year

e) Donation, etc.

Those who received donations, funds, etc. of 10 million yen or more in the last financial year from the Company (If the recipients are organizations such as corporations, those who belong to such organizations)

f) Principal shareholders*

Principal shareholders of the Company or operating officers of such shareholders as of the end of the last financial year

* A "principal shareholder" means a company, corporation, individual, etc. who holds 10% or more of total voting rights of the Company

g) Cross-assumption of offices of outside officers*

Operating officers of other companies with which the Company has a relationship of cross-assumption of offices in any of the past three financial years

* "Cross-assumption of offices of outside officers" refers to a situation where officers are mutually dispatched between a company/organization and the Company.

ii) Outside Officers are not considered independent if their immediate family members fall under any of the following:

a) Those who fall under any of the above-mentioned items a) - g)

b) Officers or employees of the Company or its Group companies

(Reference)

The Company adopts an executive officer system.

Executive Officers who do not concurrently serve as Director as of March 31, 2024 are as follows:

Name	Positions in the Company	Responsibilities in the Company
Kenichi Terao	Managing Executive Officer	In charge of Human Resources Dept.
Takahiko Yamamoto	Managing Executive Officer	In charge of Supply & Trading Dept.
Toshiya Ishizuka	Executive Officer	Deputy General Manager of Sodegaura Refinery (in charge of Construction & Facility Maintenance Dept., Safety & Environmental Protection Dept., and TPM Promotion Office) General Manager of TPM Promotion Office
Hiroshi Hisa	Executive Officer	General Manager of Production Management Dept.
Masahiro Hirano	Executive Officer	General Manager of Corporate Planning & Management Dept.
Daiki Imai	Executive Officer	In charge of General Manager of Refining Dept. of Sodegaura Refinery
Motohiro Nakayama	Executive Officer	General Manager of General Administration Dept.

2. Directors and Audit & Supervisory Board (ASB) Members who Retired during Period

Name	Positions at the time of Retirement	Responsibilities in the Company and significant positions concurrently held outside the Company at the time of Retirement	Date of Retirement (Reason)
Atsuo Shibota	Representing Director, Chairman of the Board of Directors		June 28, 2023 (Expiration of his term)
Katsunori Yagi	Representing Director, Senior Managing Executive Officer	General Manager of Sodegaura Refinery	June 28, 2023 (Expiration of his term)
Toshiki Matsumura	Director (Outside) 〈Independent Officer〉		June 28, 2023 (Expiration of his term)
Takahiko Yamamoto	Director, Managing Executive Officer	In charge of Supply & Trading Dept. Representing Director, Director-President, Petro Progress Inc. Director, PETRO PROGRESS PTE LTD	June 28, 2023 (Expiration of his term)
Tetsuo Ishii	ASB Member (Full-Time)		June 28, 2023 (Expiration of his term)
Tsuyoshi Inoue	ASB Member (Outside) 〈Independent Officer〉	Director (Outside, Audit & Supervisory Committee Member), DN HOLDINGS CO., LTD.	June 28, 2023 (Expiration of his term)
Tomoko Sakamoto	ASB Member (Outside) 〈Independent Officer〉	Partner, Iwata Godo Attorneys and Counsellors at Law Director (Outside, Audit & Supervisory Committee Member), ARATA CORPORATION ASB Member (Outside), FCE Holdings Inc. (now, FCE Inc.). ASB Member (Outside) of SPACE SHOWER NETWORKS INC.	June 28, 2023 (Expiration of her term)

3. Matters concerning Directors and Officers Liability Insurance Contract

The Company has a Directors and Officers (D&O) liability insurance contract with an insurance company as provided for in Article 430-3, paragraph 1 of the Companies Act. In the event that a claim for damages is filed by a shareholder or a third party against the insured, the contract covers the compensation for damages and legal expenses to be borne by the insured. However, it does not cover the compensation for damages and legal expenses arising from the insured's unlawful gain or benefit, criminal acts, or acts committed with the knowledge that they violate laws.

Insureds in the said contract are all the Officers of the Company and its consolidated subsidiaries (i.e., Directors, Executive Officers and Audit & Supervisory Board Members).

4. Remunerations for Directors and ASB Members during the Period

(1) Matters concerning Policy on Decisions on Content of Remunerations for Each Director (“Remuneration Policy”)

➤ Overview of Remuneration Policy

General principle: The Company's remuneration system is based on the role, responsibility and individual performance of the Director and Entrustment-type Executive Officer (excluding Executive-Officer who concurrently serves as Director) (collectively, “Director, etc.”) and ensures fairness and objectivity.

Remuneration structure for Executive Directors and Entrustment-type Executive Officers (collectively, “Executive Directors, etc.”):

- a. The remuneration structure is the one that reflects the business environment and performance of the Company's group.
- b. Remuneration for Executive Directors, etc. consists of fixed remuneration (“FR”), performance-linked variable remuneration (“PLVR”), and non-monetary remuneration (“NMR” or Performance-Linked Restricted Stock-Based Compensation) for the purpose of improving corporate value over the mid- to long-term and strengthen incentives for higher business performance.

The amount of the FR for Executive Directors, etc is determined by adjusting a basic remuneration based on an individual executive position to reflect the role and responsibility of each Director.

The PLVR will be paid to Executive Directors, etc in cash when consolidated financial results for each financial year have met certain conditions.

The amount of the PLVR is calculated based on the ratio of the PLVR to the FR, which is computed using i) the payment rate that is determined on the basis of achievement levels of specific performance indicators and ii) the rate attributable to each executive position.

The NMR will be provided to Executive Directors, etc. in the form of i) the Company's common shares, or ii) monetary claims as assets to be contributed in kind for the acquisition of such shares when performance indicators which are determined based on the Company's medium-term business plan, etc. have met certain conditions. The

number of such shares will be calculated on the basis of an allocation rate, which is determined on the basis of the achievement levels of specific performance indicators, and the reference stock price for the allocation.

The ratios of PLVR and NMR for Executive Directors, etc. increase in proportion to individual executive position of Director, etc. and responsibility for the business performance.

The Director-President respects a recommendation of the Nomination and Remuneration Advisory Committee (“Committee”) and decides the content of remunerations for each Director, etc. within the limit of the relevant FR : PLVR : NMR ratios.

The ratio of FR : PLVR : NMR is set at as follows for each executive position when the ratios of the PLVR and NMR are the maximum:

Executive Position	FR	PLVR	NMR
Chairman of the Board of Directors President Executive Vice President	1	0.20	0.10
Senior Managing Executive Officer Managing Executive Officer	1	0.15	0.10
Entrustment-type Executive Officer	1	0.10	0.10

Remuneration system for Outside Directors: To ensure that the supervisory function work effectively, the remuneration for Outside Directors consists only of FR. The amount of the FR for Outside Director is set at an appropriate level by taking into account an individual task that may be delegated to the said Director.

➤ Method of Deciding Remuneration Policy

On condition that an introduction of Performance-Linked Restricted Stock-Based Compensation Plan as NMR for Directors (excluding Outside Directors) is approved as proposed by the Company’s 19th Annual General Meeting held on June 25, 2021, a draft of the Remuneration Policy was prepared by Representing Director-President, submitted to the Committee for deliberation, and was approved by the Board of Directors at its meeting held on May 10, 2021 in accordance with the Committee’s recommendation.

(2) Matters concerning Resolutions of General Meeting of Shareholders on Amount of Remunerations, etc. for Directors and ASB Members

At the 21st AGM held on June 28, 2023, the Company decided that the amount of remuneration for Directors is to be not more than 390 million yen per year (including not more than 60 million yen per year for Outside Directors, and excluding the employee salaries paid to the Directors who concurrently serve as employees). The number of Directors at the closing of the said AGM was 10 (of which 5 are Outside Directors). At the 19th AGM held on June 25, 2021, the Company decided to introduce a Performance-Linked Restricted Stock-Based Compensation Plan for Directors

(excluding Outside Directors). Under the Plan, performance-linked restricted stock-based compensation is provided separately from the above remuneration framework (the total value of the Company's common shares or amount of monetary claims: not more than 33 million yen per year, excluding employee salaries paid to Directors who concurrently serve as employees, and the total number of the Company's common shares: not more than 165,000 shares per year). The number of Directors (excluding Outside Directors) at the closing of the said AGM was 5.

At the 21st AGM held on June 28, 2023, the maximum amount of remuneration for ASB Members was decided to be not more than 60 million yen per year. The number of ASB Members at the closing of the said AGM was 4.

(3) Matters concerning Delegation of Decisions on Content of Remunerations for Each Director, etc.

Specific contents of remunerations for each Director, etc. (amounts of FR for each Director, etc., PLVR and the number of restricted shares as NMR for each Executive Director, etc.) are decided by the President based on the Remuneration Policy and a resolution of authority delegation to him by the Board of Directors. The reason for delegating such authority to the President is that he is best suited to the task of assessing the role, responsibility and individual performance of each Director, etc. while taking an overhead view of business performance across the entire Company.

For the Company to ensure that the said remunerations are determined properly by the President, he is required to consult with the Committee concerning a draft of remunerations for each Director, etc., receive an opinion from the Committee, and make decisions pursuant to the said opinion.

Given that the amount of remunerations for each Director, etc. has been decided through these procedures, the Board of Directors deems that the content of the said remunerations is in line with the Remuneration Policy.

(4) Total Amount of Remunerations Paid to Directors and ASB Members

Category of Officers	Total Remuneration (million yen)	Total Remuneration by Type (million yen)			Number of Officers
		FR	PLVR	NMR	
Director (excluding Outside Director)	227	173	26	28	8
ASB Member (excluding Outside ASB Member)	6	6	—	—	1
Outside Director	34	34	—	—	6
Outside ASB Member	39	39	—	—	6

Note: 1. The above table includes 4 Directors and 3 ASB Members who retired at the closing of the 21st AGM held on June 28, 2023.

2. Details of PLVR are as stated in III. 4. (5) Matters concerning Performance-Linked Variable Remuneration. The amount column shows the amount posted as expense during the current financial year.

3. Details of NMR are as stated in III. 4. (6) Matters concerning NMR. The amount column shows the amount posted as expense during the current financial year.

(5) Matters concerning Performance-Linked Variable Remuneration

From the viewpoint that Executive Directors, etc. are responsible to the overall performance of the Company group and taking into consideration the Company's accountability for the remuneration of Executive Directors, etc. to its shareholders, employees and other stakeholders, we selected for the performance indicators i) consolidated net profit attributable to owners of parent including the effect of inventory valuation (CNP) and ii) consolidated ordinary profit excluding the effect of inventory valuation (COP).

Payment rate (PR) is designed to vary in accordance with the profit range, i.e., i) from 2.0 billion yen to 10.0 billion yen for the CNP and ii) from 1.0 billion yen to 5.0 billion yen for the COP. PRs corresponding to respective amounts of CNP and COP shall be compared and whichever the lower shall be adopted.

The ratio ("Ratio") of the PLVR shall be calculated by the following formula:

Ratio = PR x Rate attributable to each executive position

The PLVR shall be calculated by the following formula:

PLVR = FR by executive position x Ratio

Record of performance indicators is as follows:

(Billion yen)

	19th FY Apr. 1, 2020 – Mar. 31, 2021	20th FY Apr. 1, 2021 – Mar. 31, 2022	21st FY Apr. 1, 2022 – Mar. 31, 2023	22nd FY Apr. 1, 2023 – Mar. 31, 2024
CNP	6.5	15.2	3.5	15.5
COP (excl. effect of inventory valuation)	-0.4	-2.7	4.0	9.0

(6) Matters concerning NMR

The Company has introduced a Performance-Linked Restricted Stock-Based Compensation Plan for the purpose of providing an incentive to Executive Directors, etc. to improve the Company's corporate value on a sustainable basis by further clarifying the linkage between the remuneration of Executive Directors, etc. and its business performance and further promoting shared value with its shareholders. Under this Plan, the Company will provide Executive Directors, etc. with i) the Company's common shares, or ii) monetary claims as assets to be contributed in kind for the acquisition of such shares after the end of one financial year of the Company ("Performance Evaluation Period") in principle, commensurate with the achievement levels of performance evaluation indicators for each Performance Evaluation Period.

For performance evaluation indicators, profit attributable to owners of parent ("Profit") and consolidated ROE ("ROE") are used at present. These indicators are consistent with the financial targets stated in the Company's Third Medium-Term Business Plan (targets: consolidated net profit and ROE; here the former is to be read as "consolidated profit attributable to owners of parent") and will be applied to each performance evaluation period during the period covered by the Plan (FY2021-FY2024) in principle.

Achievement Level	Performance Evaluation Indicator	
	Profit (component ratio: 70%)	ROE (component ratio: 30%)
100%	15.0 billion yen ≤ A	20% ≤ B
80%	13.125 billion yen ≤ A < 15.0 billion yen	17.5% ≤ B < 20%
60%	11.25 billion yen ≤ A < 13.125 billion yen	15% ≤ B < 17.5%
40%	9.375 billion yen ≤ A < 11.25 billion yen	12.5% ≤ B < 15%
20%	7.5 billion yen ≤ A < 9.375 billion yen	10% ≤ B < 12.5%
0%	A < 7.5 billion yen	B < 10%

Profit and ROE for FY2023 were 15.5 billion yen and 19.7%, respectively.

Methods to determine the number of shares to be allocated and the amount of monetary claims to be provided to each Executive Director, etc.:

(a) Number of the Company's common shares to be allocated

Basic number of shares (*1) x allocation rate (*2)

(*1) Basic number of shares: annual amount of fixed remuneration by executive position x 10% / reference stock price

Reference stock price will be the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately preceding the commencement date (April 1 of each year) of Performance Evaluation Period.

(*2) Allocation rate: computed by using achievement level of each performance evaluation indicator and its component ratio

(b) Amount of monetary claims to be provided to each Eligible Director

(Basic number of shares x allocation rate) x per share amount at the time of allocation (*3)

(*3) The per share amount will be determined based on the closing price of the Company's common stock on the TSE on the business day immediately preceding the date of the resolution by the Board of Directors on issuance or disposal of its common shares, adopted after the end of the Performance Evaluation Period, (if no transaction occurs on such date, the closing price of the closest preceding trading day) within the range that is not particularly favourable to the Eligible Directors who will receive such shares.

The Company's common shares or monetary claims as assets to be contributed in kind for the acquisition of such shares will be provided to Executive Directors, etc. under the condition that an Allocation Agreement for shares of restricted stock is concluded between the Company and the Executive Directors, etc. An Executive Director, etc. will neither transfer the Company's common shares allocated under the Allocation Agreement ("Allocated Shares"), nor use them as collateral or dispose of them in any other way ("Transfer Restrictions") during the period from the date of allocation of the Company's common shares or the date of contribution of assets in kind for the acquisition of such shares to the time immediately after he/she retires or resigns from the position of Director or Executive Officer held in the Company or the position of Director held in its subsidiaries ("Transfer restriction Period"). If an Executive Director, etc. retires from the position specified above, the Company will rightfully acquire the Allocated Shares without consideration upon his/her retirement, except in the case of expiration of the term of office, death or other justifiable reasons.

5. Information related to Outside Officers

i) Significant positions concurrently held outside the Company

As stated in section III. “1. Directors and Audit & Supervisory Board (ASB) Members (as of March 31, 2024)” on pages 17-20.

ii) Main Activities during the Period

Name	Attendance	Main Activities
Hiroshi Maezawa (Director)	100% of BD meetings	He has performed his roles as Outside Director, such as by providing advice for the Company's management and supervising its business execution at BD meetings and other occasions from an objective point of view, based on a wealth of company management experience and achievement in the energy industry. He has also served as a member of the Nomination and Remuneration Advisory Committee and discussed matters related to the nomination and remuneration of directors to response to BD meeting's consultation.
Ryo Sato (Director)	100% of BD meetings	He has performed his roles as Outside Director, such as by providing advice for the Company's management and supervising its business execution at BD meetings and other occasions from an objective point of view, based on a wealth of company management experience and achievement in the materials industry.
Mohammed Alshubrumi (Director)	100% of BD meetings	He has performed his roles as Outside Director, such as by providing advice for the Company's management and supervising its business execution at BD meetings and other occasions from an objective point of view, based on a wealth of experience and expertise in government organizations of a Middle East oil producing country.
Khaled Al-Sabah (Director)	100% of BD meetings	He has performed his roles as Outside Director, such as by providing advice for the Company's management and supervising its business execution at BD meetings and other occasions from an objective point of view, based on a wealth of experience and expertise in a national oil company of a Middle East oil producing country.
Tomoko Sakamoto (Director)	100% of BD meetings	She has performed her roles as Outside Director, such as by providing advice for the Company's management based on legal knowledge and supervising its business execution at BD meetings and other occasions from an objective point of view, based on a wealth of experience and expertise in law as an attorney as well as experience and insight as Director and ASB member of leading companies of Japan.
Tomoo Fujisawa (ASB Member)	100% of BD meetings 100% of ASB meetings	He has provided comments and questions at BD and ASB meetings and other occasions from the perspective of auditing the directors' execution of duties, by employing a wealth of management experience and insight as a business manager.
Koichi Chikaraishi (ASB Member)	100% of BD meetings 100% of ASB meetings	He has provided comments and questions at BD and ASB meetings and other occasions from the perspective of auditing the directors' execution of duties, by employing a wealth of management experience and insight as a business manager. He has also chaired meetings of the Nomination and Remuneration Advisory Committee and discussed matters related to nomination and

		remuneration of directors to response to BD meeting's consultation.
Satoshi Tomii (ASB Member)	100% of BD meetings 100% of ASB meetings	He has provided comments and questions at BD and ASB meetings and other occasions from the perspective of auditing the directors' execution of duties, by employing a wealth of experience and expertise in finance and accounting, acquired through his service in a financial institution, as well as experience and insight as Director of some of the leading companies of Japan.
Mutsumi Kanai (ASB Member)	100% of BD meetings 100% of ASB meetings	She has provided comments and questions at BD and ASB meetings and other occasions from the perspective of auditing the directors' execution of duties, by employing a wealth of experience and expertise as a Certified Public Accountant.

Note: Fractional amounts less than the unit indicated are rounded down in this report.

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Consolidated Balance Sheet

(As of March 31, 2024)

(Unit : Millions of Yen)

<u>Assets</u>		<u>Liabilities</u>	
<u>Current assets</u>	<u>261,690</u>	<u>Current liabilities</u>	<u>263,222</u>
Cash and deposits	13,801	Accounts payable-trade	59,487
Notes and accounts receivable-trade	84,380	Short-term loans payable	132,303
Securities	500	Current portion of long-term loans payable	9,259
Inventories	154,249	Accounts payable-other	24,827
Accounts receivable-other	6,788	Excise taxes payable on gasoline and other fuels	22,279
Other	1,969	Income taxes payable	2,617
		Provision for bonuses	355
		Other	12,092
 <u>Noncurrent assets</u>	 <u>128,269</u>	 <u>Noncurrent liabilities</u>	 <u>40,387</u>
Property, plant and equipment	95,234	Long-term loans payable	19,813
Buildings and structures	11,560	Deferred tax liabilities	9,651
Storage tanks	2,483	Net defined benefit liability	1,615
Machinery, equipment and vehicles	27,628	Provision for directors' retirement benefits	26
Land	51,314	Provision for special repairs	2,874
Construction in progress	1,667	Provision for repairs	5,797
Other	579	Other	606
Intangible assets	909		
Software	665	<u>Total liabilities</u>	<u>303,609</u>
Other	244		
Investments and other assets	32,125	<u>Net assets</u>	
Investment securities	30,459	<u>Shareholders' equity</u>	<u>82,090</u>
Long-term loans receivable	641	Capital stock	24,467
Net defined benefit asset	955	Capital surplus	25,495
Other	476	retained earnings	33,398
Allowance for doubtful accounts	-407	Treasury stock	-1,271
		 <u>Accumulated other comprehensive income</u>	 <u>4,064</u>
		Valuation difference on available-for-sale securities	1,472
		Deferred gains or losses on hedges	-2,633
		Revaluation reserve for land	1
		Foreign currency translation adjustments	4,544
		Remeasurements of defined benefit plans	680
		 <u>Non-controlling interests</u>	 <u>194</u>
		<u>Total net assets</u>	<u>86,350</u>
 <u>Total assets</u>	 <u>389,960</u>	 <u>Total liabilities and net assets</u>	 <u>389,960</u>

Consolidated Statement of Income
(From April 1, 2023 to March 31, 2024)

(Unit: Millions of Yen)

Account	Amount
Net sales	723,730
Cost of sales	701,607
Gross profit	22,122
Selling, general and administrative expenses	5,923
Operating profit	16,199
Non-operating income	5,194
Interest income	229
Dividends income	134
Foreign exchange gains	1,802
Equity in earnings of affiliates	2,431
Subsidy income	-
Rent income of storage tanks	207
Other	389
Non-operating expenses	2,658
Interest expenses	1,738
Rent expenses on storage tanks	200
Other	719
Ordinary profit	18,735
Extraordinary income	53
Insurance claim income	41
Gain on sale of noncurrent assets	12
Extraordinary losses	253
Impairment losses	227
Loss on retirement of noncurrent assets	25
Loss on cancellation of leases	0
Profit before income taxes	18,535
Income taxes-current	2,763
Income taxes-deferred	241
Profit	15,530
Profit attributable to non-controlling interests	13
Profit attributable to owners of parent	15,516

Balance sheet

(As of March 31, 2024)

(Unit : Millions of Yen)

Fuji Oil Company, Ltd.

<u>Assets</u>		<u>Liabilities</u>	
<u>Current assets</u>	<u>249,766</u>	<u>Current liabilities</u>	<u>265,115</u>
Cash and deposits	5,366	Accounts payable-trade	57,574
Accounts receivable-trade	82,205	Short-term loans payable	136,383
Merchandise and finished goods	55,351	Current portion of long-term loans payable	9,259
Raw materials and supplies	98,868	Accounts payable-other	24,824
Accounts receivable-other	6,191	Excise taxes payable on gasoline and other fuels	22,279
Prepaid expenses	1,550	Income taxes payable	2,541
Other	231	Accrued expenses	283
		Provision for bonuses	355
		Other	11,613
<u>Noncurrent assets</u>	<u>108,639</u>	<u>Noncurrent liabilities</u>	<u>39,207</u>
Property, plant and equipment	93,307	Long-term loans payable	19,434
Buildings	4,096	Deferred tax liabilities	9,227
Storage tanks	2,483	Provision for retirement benefits	1,450
Structures	7,062	Provision for special repairs	2,874
Machinery and equipment	27,103	Provision for repairs	5,797
Vehicles	0	Asset retirement obligations	105
Tools, furniture and fixtures	345	Other	317
Land	50,481		
Lease assets	67	<u>Total liabilities</u>	<u>304,322</u>
Construction in progress	1,666		
Intangible assets	772		
Software	655		
Other	117		
Investments and other assets	14,558		
Investment securities	1,609	<u>Net assets</u>	
Stocks of affiliated companies	12,078	<u>Shareholders' equity</u>	<u>53,714</u>
Long-term loans receivable	641	Capital stock	24,467
Other	636	Capital surplus	2,480
Allowance for doubtful accounts	-407	Legal capital surplus	2,480
		Retained earnings	28,402
		Legal retained earnings	231
		Other retained earnings	28,171
		Retained earnings brought forward	28,171
		Treasury stock	-1,636
		<u>Valuation and translation adjustments</u>	<u>368</u>
		Valuation difference on available-for-sale securities	1,068
		Deferred gains or losses on hedges	-2,633
		Revaluation reserve for land	1,932
		<u>Total net assets</u>	<u>54,082</u>
<u>Total assets</u>	<u>358,405</u>	<u>Total liabilities and net assets</u>	<u>358,405</u>

Statements of income

(For the period from April 1, 2023 to March 31, 2024)

(Unit: Millions of Yen)

Fuji Oil Company, Ltd.

Account	Amount
Net sales	713,990
Cost of sales	692,811
Gross profit	21,178
Selling, general and administrative expenses	5,287
Operating profit	15,891
Non-operating income	2,400
Interest income	21
Dividends income	147
Foreign exchange gains	1,796
Rent income of storage tanks	207
Other	227
Non-operating expenses	2,680
Interest expenses	1,760
Rent expenses on storage tanks	200
Other	719
Ordinary profit	15,610
Extraordinary income	41
Insurance claim income	41
Extraordinary losses	248
Impairment loss of land	227
Loss on retirement of noncurrent assets	20
Loss on cancellation of leases	0
Profit before income taxes	15,403
Income taxes-current	2,600
Income taxes-deferred	218
Profit	12,584

Independent Auditor's Report

To the Board of Directors of Fuji Oil Company, Ltd.:

Opinion

We have audited the consolidated financial statements, which comprise the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets and the related notes of Fuji Oil Company, Ltd. ("the Company") and its consolidated subsidiaries (collectively referred to as "the Group"), as at March 31, 2024 and for the year from April 1, 2023 to March 31, 2024 in accordance with Article 444-4 of the Companies Act.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position and the results of operations of the Group for the period, for which the consolidated financial statements were prepared, in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The other information comprises the business report and its supplementary schedules. Management is responsible for the preparation and presentation of the other information. Audit & Supervisory Board are responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the reporting process for the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Audit & Supervisory Board for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's

ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Audit & Supervisory Board are responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures in the consolidated financial statements are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate

threats or safeguards applied.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

We do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Hiroo Iwaide
Designated Engagement Partner
Certified Public Accountant

Tatsuo Utsugi
Designated Engagement Partner
Certified Public Accountant

KPMG AZSA LLC
Tokyo Office, Japan
May 10, 2024

Independent Auditor's Report

To the Board of Directors of Fuji Oil Company, Ltd:

Opinion

We have audited the financial statements, which comprise the balance sheet, the statement of income, the statement of changes in net assets and the related notes, and the accompanying supplementary schedules (“the financial statements and the accompanying supplementary schedules”) of Fuji Oil Company, Ltd. (“the Company”) as at March 31, 2024 and for the year from April 1, 2023 to March 31, 2024 in accordance with Article 436-2-1 of the Companies Act.

In our opinion, the financial statements and the accompanying supplementary schedules referred to above present fairly, in all material respects, the financial position and the results of operations of the Company for the period, for which the financial statements and the accompanying supplementary schedules were prepared, in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements and the Accompanying Supplementary Schedules* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The other information comprises the business report and its supplementary schedules. Management is responsible for the preparation and presentation of the other information. The audit and supervisory committee are responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the reporting process for the other information.

Our opinion on the financial statements and the accompanying supplementary schedules does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements and the accompanying supplementary schedules, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the accompanying supplementary schedules or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Audit & Supervisory Board for the Financial Statements and the Accompanying Supplementary Schedules

Management is responsible for the preparation and fair presentation of the financial statements and the accompanying supplementary schedules in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements and the accompanying supplementary schedules that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the accompanying supplementary schedules, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Audit & Supervisory Board are responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements and the Accompanying Supplementary Schedules

Our objectives are to obtain reasonable assurance about whether the financial statements and the accompanying supplementary schedules as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements and the accompanying supplementary schedules.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements and the accompanying supplementary schedules, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the accompanying supplementary schedules or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures in the financial statements and the accompanying supplementary schedules are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the financial statements and the accompanying supplementary schedules, including the disclosures, and whether the financial statements and the accompanying supplementary schedules represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate

threats or safeguards applied.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

We do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Hiroo Iwaide
Designated Engagement Partner
Certified Public Accountant

Tatsuo Utsugi
Designated Engagement Partner
Certified Public Accountant

KPMG AZSA LLC
Tokyo Office, Japan
May 10, 2024

Audit Report
(Translation)

With respect to Directors' execution of their duties during the 22nd financial year (from April 1, 2023 to March 31, 2024), the Audit & Supervisory Board (ASB) of Fuji Oil Company, Ltd. has prepared this audit report after deliberations based on the audit reports prepared by each ASB Member, and hereby reports as follows:

1. Methods and Contents of Audit by ASB Member and the ASB

- (1) The ASB has established the audit policies, the audit plan, etc. and received a report from each ASB Member regarding the status of implementation of their audits and results thereof. In addition, the ASB has received reports from Directors, the accounting auditor, etc. regarding the status of execution of their duties, and requested explanations as necessary.
- (2) In accordance with the audit policies, the audit plan, etc., each ASB Member endeavored to facilitate a mutual understanding with Directors and Internal Audit Department, etc., endeavored to collect information and maintain and improve the audit environment, and conducted audits in the following methods:
 - (i) Each ASB Member has attended the meetings of the Board of Directors and other important meetings, received reports on the status of execution of duties from Directors and Internal Audit Department and requested explanations as necessary, examined important approval/decision documents, and inspected the status of the corporate affairs and assets of the Company. With respect to the subsidiaries, each ASB Member received from subsidiaries reports on their respective business as necessary.
 - (ii) Each ASB Member received reports from Directors and Internal Audit Department on a regular basis, demanded their explanations whenever necessary, and expressed our opinions on the status of the formulation and operation of the systems with regard to the details of the resolutions of the Board of Directors for establishing systems to secure that the performance of duties by the Directors will comply with laws and regulations and the Articles of Association of the Company as described in the Business Report and such other systems necessary to ensure the properness of operation of the Company group that is comprised of the Company and its subsidiaries and the systems (internal control system) established pursuant to such resolutions. With regard to the internal control systems over financial reporting, each ASB Member has received reports from the Board of Directors, the accounting auditor, KPMG AZSA LLP, etc. regarding the assessment of such systems and the status of audits, and requested explanations as necessary.
 - (iii) Each ASB Member monitored and verified whether the accounting auditor, KPMG AZSA LLP, maintained its independence and properly conducted its audit, received a report from the accounting auditor, KPMG AZSA LLP, on the status of its execution of duties, and requested explanations as necessary. Each ASB Member was notified by the accounting auditor, KPMG AZSA LLP, that it had established a "system to ensure that the execution of the duties of the accounting auditor be properly conducted" (pursuant to the items of Article 131 of the Company Accounting Ordinance) in accordance with the "Quality Control Standards for Audits" (Business Accounting Council on November 16, 2021), and requested explanations as necessary. In addition, we discussed main matters in auditing with KPMG AZSA LLC, received reports on the implementation status of their audit, and requested explanations as necessary.

Based on the above-described methods, each ASB Member examined the Business Report and Supplementary Detailed Statements thereof, the Financial Statements (Balance Sheet, Profit and Loss Statement, Statement of Change in Net Assets, and Notes to Financial Statements) and the Supplementary Detailed Statements thereof, as well as the Consolidated Financial Statements (Consolidated Balance Sheet, Consolidated Profit and Loss Statement, Consolidated Statement of Change in Net Assets, and Notes to Consolidated Financial Statements), for the business year under consideration.

2. Results of Audit

(1) Results of Audit of Business Report, etc.

- (i) We acknowledge that the Business Report and Supplementary Detailed Statements thereof fairly present the status of the Company in conformity with the applicable laws and regulations and Articles of Association of the Company.
- (ii) We acknowledge that no misconduct or material fact constituting a violation of any law or regulation or Articles of Association of the Company was found with respect to Directors' execution of their duties.
- (iii) We acknowledge that the Board of Directors' resolutions with respect to the internal control systems are appropriate. We did not find any matter to be mentioned with respect to the contents of the Business Report concerning the establishment and implementation status of internal control systems and Directors' execution of their duties, including internal control over financial reporting.

(2) Results of Audit of Financial Statements and Supplementary Detailed Statements thereof

We acknowledge that the methods and results of audit performed by the accounting auditor, KPMG AZSA LLC, are appropriate.

(3) Results of Audit of Consolidated Financial Statements

We acknowledge that the methods and results of audit performed by the accounting auditor, KPMG AZSA LLC, are appropriate.

May 14, 2024

AUDIT & SUPERVISORY BOARD of FUJI OIL COMPANY, LTD .

Full-time Outside Audit & Supervisory Board Member : Tomoo Fujisawa (seal)
Outside Audit & Supervisory Board Member : Koichi Chikaraishi (seal)
Outside Audit & Supervisory Board Member : Satoshi Tomii (seal)
Outside Audit & Supervisory Board Member : Mutsumi Kanai (seal)

(Under their hands)