Corporate Governance Report

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The corporate governance of J-OIL MILLS, Inc. (the "Company") is described below.

I. Basic Views on Corporate Governance, Capital Structure, Corporate Profile and Other Basic Information

1. Basic Views

The Company is working to enhance its corporate governance, seeking to realize honest and transparent management that wins the trust of its stakeholders, while striving to enhance its internal control to improve the efficiency of the corporate governance.

[Reasons for Non-compliance with the Principles of the Corporate Governance Code]

The Company has implemented all of the principles established in the Code. Please refer to the Corporate Governance Code Implementation Status Table at the end of this document.

[Disclosure Based on the Principles of the Corporate Governance Code] UPDATED

[Principle 1.3] (Basic Strategy for Capital Policy)
The Company will build an optimal capital structure that is appropriate for the Company Group's business structure and work to improve the profitability of capital, by recognizing the cost of capital as the profitability to be achieved and setting targets for ROE and ROIC as key management indicators, based on an understanding of the cost of the capital toward the enhancement of corporate value.
With regard to dividends, we will allocate cash flow generated through earnings expansion to investment for growth, and target the consolidated dividend payout ratio 40% with the aim of strengthening stable and continuous returns to shareholders.

[Principle 1.4] (Cross-Shareholdings)
The Company Group has positioned the "improvement of asset efficiency" as an important issue in its Sixth Medium-Term Business Plan, and has a policy to reduce cross-shareholdings by half and allocate them to investments for growth during this Term.
We will hold the minimum amount of shares that are deemed to contribute to the enhancement of our corporate value. In determining whether or not to hold such shares, the significance of holding such shares is individually confirmed from multiple perspectives, including the economic rationality of holding such shares (whether the benefits and risks associated with holding such shares are commensurate with the costs of holding such shares) and the probability of improving profitability (the benefits of continuing to hold such shares and the prospects

for future transactions). With that result, the Board of Directors conducts a review once a year. As a result of the review, for those shares that are not deemed to have significance, we will proceed with the sale after obtaining the full understanding of the business partner. In addition, even if the significance of holding shares is recognized, we may sell them in accordance with the basic policy of reducing cross-shareholdings, taking into consideration the market environment, management and financial strategies, and other factors. In FY2024, the Company sold three of its cross-shareholdings (amount of sale: 1046 million yen), and of these, one was sold in their entirety.
With respect to the exercise of voting rights for cross-shareholdings, the Company exercises voting rights based on the premise that the shares will contribute to the enhancement of the Company's corporate value, and by making a comprehensive judgment as to whether the exercise of voting rights will contribute to the sustainable growth and medium- to long-term corporate value of the investee company. Specifically, the following criteria will be established and individual approval or disapproval will be determined.

- Quantitative evaluation: Safety, profitability, business performance, dividend payout ratio, risk of impairment due to falling stock prices, etc.
- Qualitative evaluation: Significant subsequent events, notes on the premise of a going concern, unusual opinions of the Accounting Auditor, material illegal or anti-social acts, etc.

[Principle 1.7] (Related Party Transactions)
In the event that a Director engages in a competitive transaction or a transaction with a conflict of interest as defined in the Companies Act, the Company shall approve the transaction at a meeting of the Board of Directors in accordance with the "Board of Directors Regulations" and report the results to the Board of Directors.
In addition, transactions with major shareholders, etc., are carried out after necessary approval in accordance with the "Board of Directors Regulations" and "Approval Rules" depending on the size and importance of the transaction.
In this way, we monitor the appropriateness of the terms and conditions of transactions with related parties and prevent them from harming the common interests of the Company and its shareholders.

[Supplementary Principle 2.4.1] (Ensuring Diversity)
1. Approach to ensuring diversity
The Company Group promotes diversity, equity, and inclusion in its human resources, work styles, and employment. In FY2022, we established the DE&I Promotion Office, a dedicated department. In the Sixth Medium-Term Business Plan, we will pursue the existence values of our corporate philosophy system of "Work together to achieve high targets and exceed expectations," and further promote diversity through measures for women, male childcare, LGBTQ+, seniors, diversity within individuals, mid-career hires, people with disabilities, foreign nationals, and others.

2. Voluntary and measurable goals for ensuring diversity

- Changes in the ratio of women in management positions
  FY2019: 5.7% FY2020: 6.0% FY2021: 6.0% FY2022: 6.3% FY2023: 7.0% FY2024: 8.1%
  FY2026 (target): 10.0% FY2030 (target): 20.0%
- We will maintain the ratio of women in the newly hired regular employees at 40% or more.
- The number of professional hires (mid-career hires) are increasing year by year. The percentage of mid-career hires out of total employees was approximately 30% as of April 2025, as compared to approximately 20% in 2020, five years ago. In FY2024, we will continue to accelerate our growth areas by securing human resources including talent with high expertise in accordance with our strategy.
- As of the end of March 2025, six employees are foreign nationals. We expect to continue hiring talented people and promoting them to management positions regardless of their nationality.

3. Status of ensuring diversity
As mentioned above, the number of women in management positions is increasing every year. We have been aggressively hiring women as regular employees: In the previous fiscal year, over 50% of the new graduates hired were women.

4. Human resource development policies and internal environment policies to ensure diversity
In FY2018 we launched the Cassiopeia Project, a cross-organizational project to promote the active participation of women in the workplace. In conjunction with the launch of a dedicated portal site and internal social media platform, we have enhanced theme development, planning, and initiatives, and have conducted

female employee workshops, career training sessions for young female employees, roundtable discussions for female managers, mentor training courses for female managers and general employees, and women's management classes. In addition, unconscious bias training for executives and line managers, which goes into the awareness and attitude of not only female employees but also their superiors and colleagues, and workshops on male childcare support were conducted. Furthermore, we have put in place an internal environment that supports flexible work styles by providing programs such as a flextime system without core time, hourly paid leave, teleworking, and satellite offices. Currently, with diversity as the keyword, project members participate in a wide range of activities, expanding the theme to include diversity within individuals and the participation of seniors and people with disabilities in addition to the participation of women.
The Company Group promotes the use of childcare leave by men, and issued a declaration of men's active participation in childcare in FY2022. In FY2023, we established an education system for managers toward male employee's participation in childcare and a special leave system to support childcare. The number of men taking childcare leave in the sales and production divisions has been increasing. 89.7% of all eligible male employees have used childcare leave as of March 2025. Going forward, we plan to further expand the acquisition of leave to create a more comfortable working environment. Furthermore, through the post-retirement reemployment system, we are preparing a working environment for employees over the age of 60.
The Company determines the treatment of its professional hires according to their expertise and abilities. We will work to ensure that the strengths of the characteristics of human resources with different backbones lead to inclusion through employees, regardless in management or general positions, playing active roles in variety of areas.

[Principle 2.6] (Roles of Corporate Pension Funds as Asset Owners)
The Company holds regular meetings of the Pension Asset Management Committee consisting of Chief Human Resource Officer, Chief Financial Officer, General Manager of Finance Department, and General Manager of Human Resources Department, representatives of labor unions, etc., and the Committee listens to the opinions and reports of multiple financial institutions with expertise and manages the investment assets by determining the asset portfolio, management policy, and investment products and reviewing asset allocation as appropriate. When managing the investment assets, we properly manage conflict of interest between the beneficiaries of the pension plan and the Company.
The secretariat of the Pension Asset Management Committee executes asset management in accordance with the policy determined by the Pension Asset Management Committee and reports the results to the Committee. In this way, the Company monitors the performance of its asset management.
Persons in the department in charge have been assigned to the secretariat of the Pension Asset Management Committee. They have acquired specialized knowledge by attending seminars conducted by specialized organizations including multiple financial institutions with expertise and other consulting firms.
We have entrusted the management of our pension assets to major financial institutions in a diversified manner, all of which have accepted Japan's Stewardship Code.

[Principle 3.1] (Full Disclosure)
1. Management philosophy and management strategy
(1) Management philosophy
For more information on our management philosophy, please refer to "Corporate Philosophy" section of "About J-Oil Mills"
Corporate Philosophy System｜JOYL -J-OIL MILLS
(2) Management strategy
The Company Group is striving to improve its corporate value based on the Sixth Medium-Term Business Plan, covering the period from FY2021 to FY2026, and is allocating the necessary management resources to achieve this goal. For more information on the Medium-Term Business Plan, please refer to the "Medium-Term Business Plan" in the "Management Policy" section of "Investor Relations"
Management Plan | Shareholder/Investor Information | JOYL -J-OIL MILLS
The annual progress is also disclosed in the "Financial results briefing."
Financial Results Briefing Materials | Shareholders/Investor Information | JOYL -J-OIL MILLS
2. Basic views on corporate governance
Please refer to the "Corporate Governance" on our website for the policy, overview, and diagram of the system.
Corporate Governance | Shareholder/Investor Information | JOYL -J-OIL MILLS

In addition, please refer to "Section 4. Status of the Submitting Company, 4. Corporate Governance" in the 23rd Securities Report. 00.pdf (eir-parts.net) (in Japanese)

3. Policies and procedures for determining the remuneration of Directors and senior management
It is our policy to clarify the linkage between the remuneration of Directors, etc., and the Company's performance and stock value, and to share relevant information with our shareholders. The Company's executive remuneration is as described in "II. 1. [Director Remuneration], Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods" in this report.

4. Candidates for Directors are nominated from various fields inside and outside the Company with requirements based on their ability to promote the enhancement of corporate value through the realization of the corporate philosophy and management strategy. Candidates are selected through evaluation of their performance of duties and at the Board of Directors, and screening and growth support is performed through executive training and internal executive candidate training. The Nomination Advisory Committee receives reports from the Representative Director, President & CEO on the development of candidates, and has opportunities for dialogue with candidates, etc., and after deliberating on candidates for Directors, provides advice and recommendations to the Board of Directors. The Board of Directors makes a resolution to nominate candidates for Directors after considering such advice and recommendations.
The appointment of Executive Officers shall be resolved at the Board of Directors meeting after going through the same procedures as those for nominating candidates for Directors.
In nominating candidates for Audit & Supervisory Board Members, the Audit & Supervisory Board recommends candidates from both inside and outside the Company who have practical experience and specialized knowledge and experience in accounting, law, etc., based on the basic policy of ensuring sound and sustainable growth of the Company and a good corporate governance system, and the Board of Directors passes a resolution to nominate candidates for Audit & Supervisory Board Members after considering the background, etc., of the recommended candidates.
If any reason arises for the dismissal of an Executive Officer, the Board of Directors will deliberate and pass a resolution, and if any reason arises for the dismissal of a Director or Audit & Supervisory Board Member, the Board of Directors and the Audit & Supervisory Board will deliberate respectively, and implement procedures in accordance with the Companies Act. The dismissal of Executive Officers and Directors is subject to deliberation by the Nomination Advisory Committee, depending on the reason.
The explanation of the nomination of candidates for Directors and Audit & Supervisory Board Members is given in the section on the proposal for the election of Directors and Audit & Supervisory Board Members at the Annual General Meeting of Shareholders for each fiscal year.
Notice of Convocation of General Meeting of Shareholders: The General Meeting of Stockholders | Shareholder/Investor Information | JOYL -J-OIL MILLS

[Supplementary Principle 3.1.3] (Sustainability Initiatives)
1. Sustainability initiatives
The Company Group recognizes ESG initiatives as an important management issue.
In FY2020 we established the Sustainability Committee and have been operating it continuously since. Chaired by a Director, the committee forms the foundation for promoting sustainability companywide. Giving top priority to climate change measures in the supply chain, the Company is working to overcome challenges by sharing sustainability issues and reducing environmental impacts companywide in everything from procurement to production, logistics, and sales. Considering that the environmental initiative in raw materials procurement is particularly important, we have strengthened the driving force for ESG by combining two subcommittees under the Sustainability Subcommittee, the Environmental Subcommittee and Sustainable Procurement Subcommittee, into the Sustainable Procurement and Environmental Subcommittee in 2022 to establish a system that it is more in line with our business model. The new subcommittee, as well as three other subcommittees, namely the Human Rights Subcommittee, Sustainable Product Development Subcommittee, and the Human Capital Subcommittee, which was newly added in July 2023, set targets for sustainability issues and formulates and implements concrete action plans. In FY2025, we further strengthened our efforts to formulate and review human resource strategies that align with management and business strategies, constructively dissolved the Human Capital Subcommittee to bolster the effectiveness of the strategies, and established the Human Resources Committee as an advisory body for the Executive Committee. Through human resource development and engagement improvement, we will provide an environment that not only

maximizes individuals' abilities for creation but also draws out their skills and experience to the maximum extent.

In November 2020, the Company announced its endorsement of the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and joined the TCFD Consortium. We have established a cross-functional TCFD working group in the Sustainability Committee and have facilitated the disclosure of information in line with the disclosure items recommended by TCFD recommendations.

Sustainability Website: Response to the TCFD recommendations

https://www.j-oil.com/sustainability/environment/climate_change/tcfd.html (in Japanese)

2. Investing in human resources

In the Sixth Medium-Term Business Plan, we will build human resources, organizations, and culture to "Work together to achieve high targets and exceed expectations" in order to appropriately respond to the rapidly changing external environment and achieve fundamental changes for the next era.

In March 2023, toward the realization of our corporate vision, "Joy for Life," we formulated the "Human Resources Policies," which elaborate the vision that we aim at through our human capital management. Furthermore, in April 2025, we established the Human Resources Committee and formulated human resources strategies that align with management and business strategies, while at the same time we bolstered the effectiveness of these strategies. By doing so, we will shift the emphasis of personnel management from human resources management to human capital management to maximize individuals' abilities for creation, and aim to realize a work environment to encourage diverse human resources to take on challenges and grow, as well as develop individuals with strength in sustainability and let those individuals with the strength play their active role as a team with enhanced engagement.

<Human Resources Policies>

- We will protect physical and mental health of our employees and safety at a workplace. We also ensure a sound work environment where human rights are respected and no discrimination is tolerated.
- We will create a "workplace which is comfortable and motivating" for our diverse human resources by developing a system and work environment to enable them utilize their unique character and skills to the maximum.
- We will support those who are willing to "take on challenges" and "grow themselves" and help their autonomous challenges and growth. With these initiatives, we will promote the cycle of the development of individuals with strength in sustainability and their active role as a team with enhanced engagement, namely integration of strong individuals.

We believe that the following are main issues that should be addressed to realize "human resources and an organization that are willing to take on challenges and grow" and "a comfortable workplace as well as physical and mental health for diverse human resources."

- Secure human resources in accordance with our strategy, considering the factors such as high expertise and foreign nationality
- Develop autonomous human resources who will think of various issues as their own problems and are willing to take on challenges and grow thorough such experience
- Retain talented people that drive our growth
- Vitalize job rotation as well as implement accelerated promotion and relocation based on a merit system
- Build the organizational structure and improve organizational capabilities in accordance with our strategy
- Demonstrate the leadership of the management to drive changes
- Build culture to encourage employees to take on challenges and grow, including developing the system for this initiative
- Realize environment and culture where diverse human resources can work comfortably and play their active roles
- Reduce the physical and mental load, and eliminate workplace accidents, occupational incidents, etc.

Visit our website for details on our Human Resources Policies, our initiatives to promote diversity, equity, and inclusion in human resources, and more.

policy_human_capital_20240329.pdf (j-oil.com)(in Japanese)

Diversity and Inclusion | JOYL -J-OIL MILLS

3. Investment in intellectual property
Investment in intellectual property is essential for us to strengthen our foundation for the future, which is the goal of the Sixth Medium-Term Business Plan.
Traditionally, the Company Group has sought to secure intellectual property rights through its activities in research and development, production, and proposals to customers, and enhance value of intellectual property. With the focus on securing technology for manufacturing Sustainable Aviation Fuel (SAF) materials, technology for oils and fats with cooking functionality such as long-lasting effects and requiring less oil for deep-frying, "Oishisa Design" technology including texture control technology using starch materials, and even technology to ensure "good taste, health, and low burden," including containers with reduced plastic, in addition to the Company Group's core technology of the manufacturing technology for edible oils and fats, we have been promoting the following four initiatives.
(1) Protection of the Company's technologies with intellectual property rights
We actively file patent applications for inventions made from our research and development and inventions which are important under the Company's business strategy, in order to acquire intellectual property rights. We also protect products which utilize trademarks and designs and enhance the value of brands, in an active manner. We participate in meetings with departments related to development and strive to detect inventions. Furthermore, we appropriately deal with infringements of rights by others in accordance with relevant laws and regulations.
(2) Support for formulation of the intellectual property strategy and formulation of business and research strategies
We collect, analyze, and evaluate patent information and promote the support for formulation of the intellectual property strategy and formulation of business and research strategies by utilizing the IP landscape method.
(3) Prevention of risks related to infringements of rights of others.
In order to respect the intellectual property of third parties, we make a rigorous examination before launching products to avoid infringements of rights of others.
(4) Education and enhancement of awareness regarding intellectual property rights
We conduct basic and follow-up training for younger employees, patent research seminars for mid-career employees in the departments related to development, information exchange meetings regarding trademarks for employees including the ones in operational departments, and basic and other types of training on intellectual property and trademarks for all employees. In addition, we promote education and enhancement of awareness regarding intellectual property rights by encouraging employees to proactively participate in external courses for patents.
As a result of these efforts, we held 240 patents, 358 trademarks, and 31 designs in Japan as of the end of FY2024. We also came in sixth place in the III-5 Food Chemistry Category in the number of patents registered by segment in the Patent Administration Annual Report 2024 (published by the Japan Patent Agency) and 15th in the food manufacturing category of the Japio-SDGs Patent Index announced by the Japan Patent Information Organization (Japio) (for Japanese Unexamined Patent Publications for 2024 announced by Japio in June 2025). Furthermore, we were placed 22nd for PCT international applications and 30th for applications in Japan in yearly SDGs Corporate Ranking for applications in 2021 with respect to Goal 2: Zero Hunger (announced by Japio in February 2025). As demonstrated by the above, we have contributed to solve SDGs related social issues.

We will continue to discuss investment items at meetings of the Board of Directors and other bodies.

[Supplementary Principle 4.1.1] (Brief Summary of the Scope of Matters Delegated from Board of Directors to the Management)
The Board of Directors is responsible for making decisions on important business operations and statutory matters based on the Company Group's medium- to long-term business plan, supervising the execution of duties by Directors, and establishing an appropriate internal control system.
In addition to what is stipulated in laws and regulations and the Articles of Incorporation, the Board of Directors also stipulates matters to be resolved by the Board of Directors in the Board of Directors Regulations. Other decisions on business execution are delegated to the Representative Director, President & CEO and the Executive Officers in charge. The details of such decisions are set forth in internal regulations such as the Approval Rules and the Rules for Division and Segregation of Duties.

[Supplementary Principle 4.1.3] (Succession Planning)
The Board of Directors and the Nomination Advisory Committee, chaired by an Independent Outside Director, are proactively involved in the next-generation manager development program, which aims to identify and develop management executives, including the Representative Director, President and CEO, as part of the succession planning for the Representative Director, President and CEO, and other officers. Based on the management philosophy and management strategy, the Board of Directors and the Nomination Advisory Committee appropriately supervise the program, including appointments and development.

[Supplementary Principle 4.3.2] (Appointment of the CEO)
The Board of Directors spends sufficient time and resources on ensuring objective, timely, and transparent procedures for the appointment of the Representative Director, President & CEO by consult with a voluntary Nomination Advisory Committee chaired by an Independent Outside Director for relevant matters including the succession planning.

[Supplementary Principle 4.3.3] (Dismissal of the CEO)
The Board of Directors ensures objective, timely and transparent procedures for the dismissal of the Representative Director, President & CEO by consulting with the voluntary Nomination Advisory Committee chaired by an Independent Outside Director, when it is deemed that the Representative Director, President & CEO is not fully performing his or her functions, based on an appropriate evaluation of the Company's performance and other factors.

[Principle 4.9] (Independence Standards and Qualification for Independent Directors)
The Company established the criteria for determining the independence of outside officers in 2019, and the specific details are as described in "II. 1. [Independent Directors/Audit & Supervisory Board Members], Matters relating to Independent Directors/Audit & Supervisory Board Members" in this report.

[Supplementary Principle 4.10.1] (Nomination Committee and Remuneration Committee)
The Nomination Advisory Committee, as an advisory body to the Board of Directors, deliberates on the nomination, election, and dismissal of Directors and Executive Officers, and reports to the Board of Directors. The members of the Nomination Advisory Committee are appointed by resolution of the Board of Directors, and the total number of members is five between July 2024 and June 2025. The committee consists of four Outside Directors (Chairperson: Tsuyoshi Kameoka, Members: Yugo Ishida, Akiko Ikeda, and Mifuyu Maki) and one internal Director (Member: Tatsuya Sato).
The majority of the chairperson and members are Independent Outside Directors to ensure the independence of the committee, while the composition of the committee includes an internal Director to enhance the substance of discussions at the committee.
A total of five meetings were held between July 2024 and June 2025. The committee mainly discussed the CEO succession plan, assessment of the CEO's suitability for office, appointments of officers, and initiatives for succession and development of management human resources. The composition of the committee has been changed, and as of the date of filing this report, the committee consists of three Outside Directors (Chairperson: Akiko Ikeda, Members: Yugo Ishida, and Mifuyu Maki) and one internal Director (Member: Yuichiro Haruyama).

The Remuneration Advisory Committee, as an advisory body to the Board of Directors, deliberates on the necessity of revising the remuneration system and evaluation system for Directors and Executive Officers and the appropriateness of their remuneration, and reports to the Board of Directors. The members of the Remuneration Advisory Committee are appointed by resolution of the Board of Directors, and the total number of members is six between July 2024 and June 2025. The committee consists of four Outside Directors (Chairperson: Yugo Ishida, Members: Tsuyoshi Kameoka, Akiko Ikeda, and Mifuyu Maki), one internal Director (Member: Tatsuya Sato), and one internal Audit & Supervisory Board Member (Member: Masami Kashiwakura).
The majority of the chairperson and members are Independent Outside Directors to ensure the independence of the committee.
A total of five meetings were held between July 2024 and June 2025, where topics such as the executive remuneration system were discussed. The composition of the committee has been changed, and as of the date of filing this report, the committee consists of three Outside Directors (Chairperson: Yugo Ishida, Members:

Akiko Ikeda, and Mifuyu Maki), one internal Director (Member: Yuichiro Haruyama), and one internal Audit & Supervisory Board Member (Member: Masami Kashiwakura).

[Supplementary Principle 4.11.1] (View on the Appropriate Balance between Knowledge, Experience and Skills of the Board of Directors as a Whole, and on Diversity and Appropriate Board Size)
We believe that the Board of Directors must be composed of members with diverse knowledge, diverse experience, and diverse and advanced abilities in order to supervise business execution and make important decisions, and we appoint Directors after discussing the balance of knowledge, experience, and abilities, diversity, and the appropriate number of Directors.
The Board of Directors consists of eight members, including five Outside Directors with expertise (three of whom are Independent Outside Directors). The Company is also working to ensure diversity, including the election of two female Independent Outside Directors at the 2024 Annual General Meeting of Shareholders.
The four Audit & Supervisory Board Members consist of one standing Audit & Supervisory Board Member, one Outside Audit & Supervisory Board Members with a high level of expertise in accounting, and two Outside Audit & Supervisory Board Member with a high level of expertise in law.
These members utilize their respective knowledge, experience, and abilities to make multifaceted decisions and supervise the execution of business.
The expertise, etc. of Directors and Audit & Supervisory Board Members (skill matrix) is disclosed in the Reference Documents for the General Meeting of Shareholders.
Notice of Convocation of General Meeting of Shareholders: 00.pdf (eir-parts.net) (page 11 to 12)

[Supplementary Principle 4.11.2] (Concurrent Positions of Directors and Audit & Supervisory Board Members)
Directors and Audit & Supervisory Board Members have sufficient time and energy to fully understand the Company’s business, etc., and to appropriately fulfill their roles and responsibilities.
The Company’s Outside Audit & Supervisory Board Members attend meetings of the Board of Directors and Audit & Supervisory Board, and Outside Directors attend meetings of the Board of Directors. Concurrent positions of Directors and Audit & Supervisory Board Members are disclosed in the Reference Documents for the General Meeting of Shareholders.
Notice of Convocation of General Meeting of Shareholders:
00.pdf (eir-parts.net) (page 4 to 9)
00.pdf (eir-parts.net) (page 30 of the Japanese original)

[Supplementary Principle 4.11.3] (Summary of Analysis and Evaluation of the Effectiveness of the Board of Directors)
The Company analyzes and evaluates the effectiveness of the Board of Directors as a whole each fiscal year for the purpose of examining how the Board of Directors contributes to the effective functioning of corporate governance, identifying issues, and making improvements.

1. Evaluation method (self-evaluation)
- The Company implements a process for evaluating the effectiveness of the Board of Directors based on self-assessment, conducts questionnaires for all Directors and Audit & Supervisory Board Members, and discusses the results of these questionnaires at meetings of the Board of Directors.
- The questionnaire consists of a quantitative evaluation of 13 items (roles and functions of the Board of Directors, operations of the meetings of the Board of Directors, size and composition of the Board of Directors, relationship with Outside Directors, company-wide optimization, risk management, and relationship with shareholders and investors) on a 5-point scale (with a free comment column for each item), and a qualitative evaluation of efforts to improve effectiveness.
- Below is an overview of the questionnaire results and evaluation of the effectiveness of discussions by the Board of Directors.

2. Results of the evaluation of the effectiveness of the Board of Directors (summary)
(1) General remarks
The effectiveness of the Board of Directors was generally at a certain level, and there were items that showed improvement as a result of efforts to improve the effectiveness of the Board of Directors. On the other hand, we recognize that there are items that need to improve further in the future.

(2) Initiatives based on the results of the previous questionnaire
The following reforms of the Board of Directors were implemented in FY2024 based on the issues pointed out in the FY2023 questionnaire.

1) Further strengthen agenda setting related to management issues toward achieving sustainable growth
The Board of Directors set annual agendas in line with growth strategies and structural reforms that contribute to the Company's sustainable growth and the strengthening of the management foundation, while conducting discussions on such topics as the updating of the medium- to long-term vision and the Medium-Term Business Plan.
2) Strengthen roles and functions of the Board of Directors
The Board of Directors conducted study sessions of the Company's products and technologies and production site visits for Outside Officers to raise their understanding of the Company's business. To improve the "information asymmetry" between the Inside Directors and Outside Directors, the Board of Directors also enhanced the explanations provided prior to the Board of Directors meetings, while at the same time working on securing opportunities for information sharing, such as the participation in events held on the execution side, including the Executive Officer off-site meetings.

(3) Response to future issues
In FY2025, we will continue to promote the initiatives for FY2024, and as a result of discussions at the meetings of the Board of Directors, we have decided to further implement the following initiatives.

1) Clarify the roles and functions of the Board of Directors
Promote discussions on the direction to be taken by the Board of Directors (organizational design, composition of the Directors) in order to contribute to the Company's sustainable growth.
2) Enhance the discussions on the execution side and set appropriate agendas for the Board of Directors
Enhance the discussions on the execution side, such as the discussions on the business portfolio and the allocation of management resources, and set appropriate agendas for the Board of Directors.

Through these measures, the Company will strive to improve the effectiveness of the Board of Directors and further strengthen corporate governance.

[Supplementary Principle 4.14.2] (Training Policy for Directors and Audit & Supervisory Board Members)
We have traditionally held training sessions for Directors and Executive Officers on management strategies, risk governance, and other themes. In FY2024, intensive discussions were held on broad management issues between Outside Directors and Executive Officers. Officer goals are set based on their missions and roles in their area of responsibility, for not only single-year performance targets, but also priority initiatives based on the Medium-Term Business Plan. We are further enhancing training by formulating succession plans that lead to concrete actions and holding training for officers and management candidates.
In order to deepen their understanding of the Company Group, Outside Directors and Outside Audit & Supervisory Board Members are given explanations of business and operational details from each department upon assuming office and as necessary, and are given opportunities to visit major business sites, and we will consider further enhancement of information provision.
Audit & Supervisory Board Members voluntarily attend training and seminars by external experts on laws and regulations, governance, the business environment, etc., to be required to fulfill their responsibilities. The Company provides necessary and appropriate support for this.

[Principle 5.1] (Policy for Constructive Dialogue with Shareholders)
1. Basic views
The Company has established the following systems and implemented the following initiatives, in order to proactively engage in "constructive dialogue with shareholders" to a reasonable extent so as to contribute to sustainable growth and enhancement of corporate value over the medium- to long-term.
Please refer to "Disclosure" section on our website for details of our disclosure policy and IR initiatives.
Information disclosure and IR | Shareholder/Investor Information | JOYL -J-OIL MILLS

2. IR system
The promotion of constructive dialogue with shareholders is led by Chief Financial Officer, in cooperation with the Representative Director, President & CEO. Chief Financial Officer works together with related departments on a daily basis to collect information and report it to the management team.

3. Methods of dialogue
We hold quarterly financial results briefings for securities analysts and institutional investors to explain the details of our financial results, earnings forecasts, and the progress of the Medium-Term Business Plan. In addition, we hold small meetings to encourage the market's understanding of the Company.
Materials and videos of the Medium-Term Business Plan and financial results briefings, including Q&A sessions, are disclosed on the website as appropriate.

4. Internal feedback
The opinions of shareholders and investors obtained through dialogue are shared among the Representative Director, President & CEO, Directors in charge, and Executive Officers in charge, and are reported to the Board of Directors as necessary to ensure that they are utilized in future management.

5. Management of insider information
With regard to the management of insider information when interacting with shareholders and the capital market, we have established the "Insider Trading Prevention Rules" and ensured that all employees are aware of them, and we have also established the "Disclosure Policy" for the handling of non-public information under the advice of experts, and are striving to operate in accordance with fair disclosure rules, etc.
Disclosure Policy | Shareholder/Investor Information | JOYL -J-OIL MILLS

6. Understanding of the composition of shareholders

The Company strives to understand the composition of shareholders by conducting surveys of beneficial shareholders as necessary.

[Principle 5.2] (Establishing and Disclosing Business Strategies and Business Plans)
Under the Sixth Medium-Term Business Plan, the Company discloses targets for consolidated operating profit margin, ROE (net income ratio, total asset turnover, and financial leverage), ROIC, EPS, sales/gross profit ratio of high-value-added products, and composition ratio by segment.
The Investment and Financing Committee thoroughly examines the cost of capital, with a return above the WACC of 5 to 6% as the standard for investment profitability.
When making investments, the Company considers the risk premium of each country for each individual project, verifies whether the investment in question is consistent with company-wide strategy and business strategy, and considers the appropriate allocation of management resources to capital investment, research and development, etc.
For more details regarding Sixth Medium-Term Business Plan , visit the "Management Plan" of "Shareholder/Investor information".
Management Plan | Shareholder/Investor Information | JOYL -J-OIL MILLS

[Action to Implement Management That Is Conscious of Cost of Capital and Stock Price]

Content of Disclosure	Disclosure of Initiatives (Update)
Availability of English Disclosure	Available
Date of Disclosure Update UPDATED	01/July/2025

Explanation of Actions UPDATED

Please refer to "FYE 3/2025 Full Year Financial Highlights" ("Consolidated Financial Results for FY2024 (April 1, 2024 – March 31, 2025)") posted on our website for the details.
Financial Results Briefing Materials | Shareholders/Investor Information | JOYL -J-OIL MILLS

2. Capital Structure

Foreign Shareholding Ratio	Less than 10%

[Status of Major Shareholders] UPDATED

Name / Company Name	Number of Shares Owned	Percentage (%)
Ajinomoto Co., Inc.	9,053,980	27.16
MITSUI & CO., LTD.	4,175,422	12.53
The Master Trust Bank of Japan, Ltd. (Trust Account)	3,079,500	9.24
Customers Fund for J-Oil Mills Shares	839,236	2.52
Custody Bank of Japan, Ltd. (Trust Account)	605,500	1.82
DFA INTL SMALL CAP VALUE PORTFOLIO (Standing Proxy Citibank, N.A., Tokyo Branch)	316,200	0.95
The Norinchukin Bank	270,260	0.81
Employee Stockholding Association of J-Oil Mills	264,513	0.79
Custody Bank of Japan, Ltd. (Trust Account E)	257,588	0.77
JP MORGAN CHASE BANK 385781 (Standing Proxy Mizuho Bank, Ltd., Settlement & Clearing Services Department)	249,551	0.75

Controlling Shareholder (except for Parent Company)	—
Parent Company	None

Supplementary Explanation UPDATED

- The status of major shareholders is based on the shareholder registry as of March 31, 2025.
- The percentage of shares owned is calculated based on the total number of shares issued after deduction of treasury shares.

3. Corporate Attributes

Listed Stock Market and Market Section	Tokyo Stock Exchange, Prime
Fiscal Year-End	March
Type of Business	Foods
Number of Employees (consolidated) as of the End of the Previous Fiscal Year	More than 1000
Sales (consolidated) as of the End of the Previous Fiscal Year	From 100 billion yen to less than 1 trillion yen
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	Less than 10

4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholder

—

5. Other Special Circumstances which may have Material Impact on Corporate Governance UPDATED

Ajinomoto Co., Inc. ("Ajinomoto") is a major shareholder, holding 27.2% of the Company's voting rights, and falls under the category of other affiliate of the Company. The Company has concluded a basic agreement on a business alliance with Ajinomoto and has established an alliance with Ajinomoto in the edible oils and fats business, including use of Ajinomoto's brands, use of certain Ajinomoto sales routes, and acceptance of employees seconded from Ajinomoto. Out of eight Directors, one Director concurrently serves as Director of Ajinomoto. However, the Company does not share the management strategy and management policy with Ajinomoto and the Company makes its own decisions on important management matters. Therefore, the Company considers that sufficient independence from Ajinomoto has been ensured.

II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management

1. Organizational Composition and Operation

Organization Form	Company with Audit & Supervisory Board Members

[Directors]

Maximum Number of Directors Stipulated in Articles of Incorporation	10
Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board UPDATED	Chairperson (excluding those concurrently serving as President)
Number of Directors UPDATED	8
Appointment of Outside Directors	Appointed
Number of Outside Directors UPDATED	5
Number of Independent Directors UPDATED	3

Outside Directors' Relationship with the Company (1) UPDATED

Name	Attribute	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
Tatsuya Sasaki	From another company					○		○				
Kaku Yoshisato	From another company					○		○				
Yugo Ishida	From another company											
Akiko Ikeda	From another company											
Mifuyu Maki	From another company											

* Categories for "Relationship with the Company"
* "○" when the Director presently falls or has recently fallen under the category;
"△" when the Director fell under the category in the past
* "●" when a close relative of the Director presently falls or has recently fallen under the category;
"▲" when a close relative of the Director fell under the category in the past

a. Executive of the Company or its subsidiaries
b. Non-executive Director or executive of a parent company of the Company
c. Executive of a fellow subsidiary company of the Company
d. A party whose major client or supplier is the Company or an executive thereof
e. Major client or supplier of the Company or an executive thereof
f. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Company besides remuneration as a Director
g. Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a legal entity)
h. Executive of a client or supplier company of the Company (which does not correspond to any of d, e, or f) (the Director himself/herself only)
i. Executive of a company, between which and the Company outside Directors/audit & supervisory board members are mutually appointed (the Director himself/herself only)
j. Executive of a company or organization that receives a donation from the Company (the Director himself/herself only)

k. Others

Outside Directors' Relationship with the Company (2) UPDATED

Name	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons of Appointment
Tatsuya Sasaki		Tatsuya Sasaki is a Director, Executive Officer & Senior Vice President of Ajinomoto Co., Inc. which is a major shareholder and client of the Company. The Company has annual product sales of 48,778 million yen and annual raw material purchases of 9,141 million yen with Ajinomoto (actual results for the fiscal year ended March 31, 2025).	Tatsuya Sasaki has been involved in food business both in Japan and overseas at Ajinomoto Co., Inc. and has abundant experience and insights related broadly to food business and corporate management. By leveraging these factors, he is expected to be capable of making important decisions and supervising business execution as Director, and therefore the Company elected him as Outside Director.
Kaku Yoshisato		Kaku Yoshisato Associate Officer of MITSUI & CO., LTD. which is a major shareholder and client of the Company. The Company has annual product sales of 1,2983 million yen and annual raw material purchases of 41,505 million yen with MITSUI & CO. (actual results for the fiscal year ended March 31, 2025).	Kaku Yoshisato has been involved in businesses including overseas and food/food product businesses at MITSUI & CO., LTD., and has abundant experience and insights related to overseas business and food/food product business. By leveraging these factors, he is expected to take a role of making important decisions and supervising business execution as Director, and therefore the Company elected him as Outside Director.
Yugo Ishida	○	—	Yugo Ishida has been engaged in corporate management as well as involved in finance in Japan and overseas at security companies and asset management companies, and has abundant experience and insights related to capital market and corporate management. By leveraging these factors, he is deemed to be capable of making important decisions and supervising business execution as Director, and therefore the Company elected him as Outside and Independent Director.
Akiko Ikeda	○	—	Akiko Ikeda has been engaged in corporate management as well as involved in marketing and administrative operations at major companies in retail and restaurant operation, among others, and has abundant experience and insights related to marketing and corporate management. By leveraging these

			factors, she is expected to take a role of making important decisions and supervising business execution as Director, and therefore the Company elected her as Outside and Independent Director.
Mifuyu Maki	○	—	Mifuyu Maki has been engaged in corporate management as well as involved in marketing at Benesse Corporation, and has abundant experience and insights related to marketing and corporate management. By leveraging these factors, she is expected to take a role of making important decisions and supervising business execution as Director, and therefore the Company elected her as Outside and Independent Director.

Voluntary Establishment of Committee(s) Corresponding to Nomination Committee or Remuneration Committee	Established

Committee's Name, Composition, and Attributes of Chairperson UPDATED

	Committee Corresponding to Nomination Committee	Committee Corresponding to Remuneration Committee
Committee's Name	Nomination Advisory Committee	Remuneration Advisory Committee
All Committee Members	4	5
Full-time Members	0	0
Inside Directors	1	1
Outside Directors	3	3
Outside Experts	0	0
Other	0	1
Chairperson	Outside Director	Outside Director

Supplementary Explanation

The details of the Nomination Advisory Committee and the Remuneration Advisory Committee are described in "I. 1. Disclosure Based on the Principles of the Corporate Governance Code [Supplementary Principle 4.10.1]" of this report.

[Audit & Supervisory Board Members]

Establishment of Audit & Supervisory Board	Established
Maximum Number of Audit & Supervisory Board Members Stipulated in Articles of Incorporation	5

Number of Audit & Supervisory Board Members	4

Cooperation among Audit & Supervisory Board Members, Accounting Auditor and Internal Audit Department

・ In principle, the internal audit department and a standing Audit & Supervisory Board Member meet once a month to exchange opinions. The internal audit department also reports directly to the Audit & Supervisory Board Members on the status of audit implementation as a dual reporting line, and has a system in place to cooperate with the Audit & Supervisory Board Members when requested to do so in the course of their audits. ・ The Audit & Supervisory Board Members and the Accounting Auditor have submitted explanations on the progress of audits and the interim review, submitted annual financial results audit reports, explain audit plans, etc., and considered KAMs (key audit matters), and have met a total of nine times. Furthermore, the Company holds a total of four three-way audit meetings to share information and exchange opinions on audit activities. ・ The Accounting Auditor and the internal audit department meet regularly to exchange opinions, and the internal audit department has a system in place to cooperate with the Accounting Auditor when requested to do so in the course of its audits. ・ The internal audit department, Audit & Supervisory Board Members, and the Accounting Auditor exchange opinions on compliance and risk management with Corporate Strategy and Management Department which is in charge of the internal control function, the Corporate Communication, Sustainability & Risk Management Department, Legal and General Administration and the Finance, as appropriate, and these departments have a system in place to cooperate with the internal audit department, Audit & Supervisory Board Members, and the Accounting Auditor when requested to do so in the course of their audits.

Appointment of Outside Audit & Supervisory Board Member	Appointed
Number of Outside Audit & Supervisory Board Members UPDATED	3
Number of Independent Audit & Supervisory Board Members UPDATED	3

Outside Audit & Supervisory Board Member's Relationship with the Company (1) UPDATED

Name	Attribute	Relationship with the Company*												
		a	b	c	d	e	f	g	h	i	j	k	l	m
Masaki Ueno	From another company													
Mariko Sugawara	lawyer													
Masafumi Tanabu	CPA													

* Categories for "Relationship with the Company"

* "○" when the audit & supervisory board member presently falls or has recently fallen under the category;
"△" when the audit & supervisory board member fell under the category in the past

* "●" when a close relative of the audit & supervisory board member presently falls or has recently fallen under the category;
"▲" when a close relative of the audit & supervisory board member fell under the category in the past

a. Executive of the Company or its subsidiary
b. Non-executive Director or accounting advisor of the Company or its subsidiaries

c. Non-executive Director or executive of a parent company of the Company
d. Audit & supervisory board member of a parent company of the Company
e. Executive of a fellow subsidiary company of the Company
f. A party whose major client or supplier is the Company or an executive thereof
g. Major client or supplier of the Company or an executive thereof
h. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Company besides remuneration as an audit & supervisory board member
i. Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a legal entity)
j. Executive of a client or supplier company of the Company (which does not correspond to any of f, g, or h) (the audit & supervisory board member himself/herself only)
k. Executive of a company, between which and the Company outside Directors/audit & supervisory board members are mutually appointed (the audit & supervisory board member himself/herself only)
l. Executive of a company or organization that receives a donation from the Company (the audit & supervisory board member himself/herself only)
m. Others

Outside Audit & Supervisory Board Members' Relationship with the Company (2) UPDATED

Name	Designation as Independent Audit & Supervisory Board Member	Supplementary Explanation of the Relationship	Reasons of Appointment
Masaki Ueno	○	—	Masaki Ueno has been involved in legal affairs operation at Kirin Holdings Company, Limited for many years and has served as fulltime Audit & Supervisory Board Member of Kyowa Kirin Co., Ltd., and thus has abundant experience and insights related to compliance and corporate management. He is expected to provide objective monitoring and supervision of performance of duties by management personnel, and therefore the Company elected him as Outside and Independent Audit & Supervisory Board Member.
Mariko Sugawara	○	—	Mariko Sugawara has specialized knowledge and abundant experience as a lawyer and has been engaged in corporate legal affairs for many years. Although she has never been involved in corporate management in the past other than by serving as outside director, she is expected to provide objective monitoring and supervision of performance of duties by management personnel, and therefore the Company elected her as Outside and Independent Audit & Supervisory Board Member.
Masafumi Tanabu	○	—	Masafumi Tanabu has specialized knowledge and abundant experience as a certified public accountant, and has not been engaged in corporate management in the past. Nevertheless,

			he is expected to provide objective monitoring and supervision of the execution of duties by management, and therefore the Company elected him as Outside and Independent Audit & Supervisory Board Member.

[Independent Directors/Audit & Supervisory Board Members]

Number of Independent Directors/Audit & Supervisory Board Members UPDATED	6

Matters relating to Independent Directors/Audit & Supervisory Board Members UPDATED

The Company has elected three Independent Outside Directors and two Independent Outside Audit & Supervisory Board Members at the Annual General Meeting of Shareholders in 2025 and one Independent Outside Audit & Supervisory Board Member at the Annual General Meeting of Shareholders in 2024, and the reasons for their election are disclosed in the respective notices of convocation.

The Company assesses the independence of Outside Directors and Outside Audit & Supervisory Board Members after confirming any of the following categories does not apply:

1. A business executive of the Company Group or person who previously served at the Company Group
   *1 The "Company Group" refers to the Company and its consolidated subsidiaries.
   *2 A "business executive" refers to an Executive Director, Executive Officer, Corporate Officer, other employee, etc.
   *3 A "person who previously served" refers to an employee with experience of serving at the Company Group.
2. A major shareholder of the Company or a business executive thereof
   *4 A "major shareholder" refers to a party that holds 10% or more of voting rights.
3. A business executive of a company, etc. of which the Company is a major shareholder
4. A party for which the Company Group is a major business partner or a business executive thereof
   *5 A "party for which the Company Group is a major business partner" refers to a business partner for which net sales to the Company Group account for 2% or more of total net sales.
5. A major business partner of the Company Group or a business executive thereof
   *6 A "major business partner of the Company Group" refers to a business partner that accounts for 2% or more of the Company Group's consolidated net sales.
6. A major lender to the Company Group or a business executive thereof
   *7 A "major lender to the Company Group" refers to a lender (financial institution) to whom the Company's outstanding borrowings at the end of the fiscal year are 2% or more of consolidated total assets.
7. The Accounting Auditor of the Company or a person belonging thereto
8. A consultant, accounting professional, or legal professional receiving 10 million yen or more per annum in cash or other proprietary benefits from the Company, excluding executive remuneration (if the party receiving this property is a corporation, partnership, or other organization, a person belonging to that organization)
9. A party receiving donations of 10 million yen or more per annum from the Company Group or a business executive thereof
10. A business executive of a party with a relationship with the Company Group whereby outside officers are mutually appointed
11. A person who fell under the above category 1. in the past or a person who fell under any of the categories 2. through 10. in the past three (3) years
12. A spouse or relative within the second degree of kinship of a person who falls under any of the above categories 1. through 11.

13.	When there are any reasons other than those in each of the above items by which it is reasonably judged that the person will not be able to fulfill his or her duties as an independent outside officer, such as cases when a conflict of interest may arise with the Company.

[Incentives]

Incentive Policies for Directors	Performance-based Remuneration

Supplementary Explanation

The details are described in [Bonuses (short-term incentives)] and [Share-based remuneration (long-term incentives)] under "II. [Director Remuneration], [Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods], 2. Composition of remuneration.

Recipients of Stock Options	

Supplementary Explanation

—

[Director Remuneration]

Disclosure of Individual Directors' Remuneration	Partial disclosure

Supplementary Explanation UPDATED

The total amount of remuneration, etc., for Directors for the fiscal year ended March 31, 2025 was 284 million yen for eight Directors.

(Notes)

1. The amount of share-based remuneration is the amount that was posted as expenses with respect to the Board Benefit Trust (BBT) during the fiscal year.
2. The amount of bonuses is the amount planned to be paid.
3. Three Outside Directors (including one Outside Director, who retired at the conclusion of the 22nd Annual General Meeting of Shareholders held on June 24, 2024.) are not included because they receive no remuneration.

Tatsuya Sato, Representative Director, President & CEO

Total amount: 122 million yen

(Breakdown)

Fixed remuneration: 46 million yen

Bonus payments: 19 million yen

Share-based remuneration: 57 million yen

(Notes)

・ The amount of share-based remuneration is the amount that was posted as expenses with respect to the Board Benefit Trust (BBT) during the fiscal year.

・ The amount of bonuses is the amount planned to be paid.

・ The position stated above is as of March 31, 2025, the fiscal year-end.

Policy on Determining Remuneration Amounts and Calculation Methods UPDATED	Established

Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods

1. Basic Policy
The Company's director remuneration system is designed to clarify the responsibility of directors for the improvement of the Company's performance and corporate value, and to increase motivation and raise morale for the improvement of the performance and corporate value.
The remuneration of Audit & Supervisory Board Members is determined by deliberation of the Audit & Supervisory Board Members based on the resolution of a General Meeting of Shareholders.

2. Composition of remuneration
The Director remuneration consists of fixed remuneration and performance-based remuneration. Performance-based remuneration is made up of bonus payments and share-based remuneration and serves as both short-term as well as long-term incentives toward the improvement of the performance and corporate value. The calculation of performance-based remuneration takes into consideration company-wide performance evaluations and individual performance evaluations, and the remuneration is calculated based on the ratio of performance evaluations according to position and role.
The higher the position of the officer, the greater the proportion of performance-based remuneration that is set, such that the higher the position, the more significant are the expected outcomes and the greater is the responsibility for company performance. The proportion of performance-based remuneration of the Directors (excluding non-executive Directors and Outside Directors) will fluctuate within a range of 0 to 73%. Outside Directors receive only fixed remuneration.
Audit & Supervisory Board Members received only fixed remuneration.
The fixed remuneration of Directors consists of execution's portion determined with respect to execution of duties according to position, the Director's portion determined with respect to basic responsibility as Director, and representative authority's portion determined with respect to responsibility for representative authority, and the remuneration is calculated based on the ratio of performance evaluations according to position. The fixed remuneration of Directors also includes the chairperson's portion determined with respect to the responsibilities of each chairperson of the Board of Directors, the Nomination Advisory Committee, and the Remuneration Advisory Committee, which was newly established at a meeting of the Board of Directors held on January 29, 2025.
The fixed remuneration of Audit & Supervisory Board Members is determined by deliberation of the Audit & Supervisory Board Members.
Remuneration levels are benchmarked against peer companies with similar net sales and operating profit based on data from outside research firms as an objective indicator so that the total remuneration is equivalent to the 50th to 75th percentile once the Medium-Term Business Plan budget is achieved while maintaining a minimum level equivalent to the 25th percentile level. The remuneration of Audit & Supervisory Board Members is determined by deliberation of the Audit & Supervisory Board Members within the maximum amount resolved by the General Meeting of Shareholders.

At a meeting of the Board of Directors held on January 29, 2025, the Company decided to revise the executive remuneration system for Directors from April 2025 and beyond. For the details of the revision, please refer to "Section 4. Status of the Submitting Company, 4. Corporate Governance, (4) Remuneration, etc., for Officers" in the 23rd Securities Report 00.pdf (eir-parts.net) (in Japanese).

[Fixed remuneration (monthly remuneration)]
As consideration for the "expectations" entailed by the roles and duties of each director, a fixed monthly amount has been set depending on the position and paid each month.
The fixed remuneration consists of execution's portion determined with respect to execution of duties according to position, the Director's portion determined with respect to basic responsibility as Director, the representative authority's portion determined with respect to responsibility for representative authority, and the chairperson's portion determined with respect to the responsibilities of the chairperson of the Board of Directors, each Advisory Committee, and the Remuneration Advisory Committee, which was newly established at a meeting of the Board of Directors held on January 29, 2025.
The remuneration of Audit & Supervisory Board Members is determined by deliberation of the Audit & Supervisory Board.

[Bonuses (short-term incentives)]
As consideration for the achievement of business performance for each year, bonuses are determined and paid based on the level of achievement of company-wide performance and individual performance targets. When making contributions to the improvement of business performance and corporate value, the basic indicator to evaluate company-wide performance comprises consolidated operating profit.
Calculation method of bonus = a) × [b) × d) + c) × d](varies in the range of 0% to 200%).

a) Amount to be paid by position according to the budgeted amount of consolidated operating profit at the beginning of the year
b) Rate of achievement of company-wide performance target compared to the budgeted amount of operating profit at the beginning of the year (varies from 0% to 200%)
c) Rate of achievement of commitment targets (implementation status of initiatives that the Company focuses on, and to which the executives themselves are especially committed) (varies from 0% to 200%)
d) Distribution by position (company-wide performance targets: 80% for Representative Director, President & CEO and 70% for Director and Executive Officer; commitment targets: 20% for Representative Director, President & CEO and 30% for Director and Executive Officer)
   In the event quality issues, serious accidents, or scandals arise, the determined amount of the payment may be reduced.

[Share-based remuneration (long-term incentives)]
As consideration for the achievement of medium- to long-term company-wide performance targets, the shares of the Company are paid to director who were in office during the performance-evaluation period on a fiscal year basis during the pre-determined performance-evaluation period, in our efforts to share value with the shareholders and strengthen officers' motivation to improve corporate value and solidarity with the shareholders.

The basic indicators used to evaluate company-wide performance targets are consolidated operating profit, ROIC, ROE, and EPS, which are equally weighted at 25%, in order to contribute to the improvement of business performance and corporate value.
Share-based remuneration (long-term incentives) will be paid to upon retirement of officers.
It was resolved that in the event of any kind of fraudulent act or other irregularity during the term of office, the benefits will be reduced or not be paid, and that even after receiving the benefits and leaving office, the Company will be able to request the return of money of economic value equivalent to the shares and money received in the event of any of the matters stipulated in the Rules for the Payment of Shares to Officers.
Calculation method of share-based remuneration = a) × b) (varies in the range of 0% to 150%)

a) Base points awarded by position (1 point equals 1 share)
b) Rate of achievement of each indicator to the target of the Medium-Term Business Plan in the final year (varies from 0% to 200%)

3. Targets and results of performance-based remuneration indices for FY2024
Please refer to "Section 4. Status of the Submitting Company, 4. Corporate Governance, (4) Remuneration, etc., for Officers" in the 23rd Securities Report.
00.pdf (eir-parts.net) (in Japanese)

4. Determination of remuneration
The amounts and the methods of calculation of Director remuneration have been specified by the Board of Directors in our Executive Compensation Policy. To clarify the independence, objectivity, and accountability of the functions of the Board of Directors relating to Director remuneration, the amounts of executive remuneration are determined by the Board of Directors following the discussions by the Remuneration Advisory Committee on the implementation of the remuneration system and the validity of the system itself.
For details of the position of the Remuneration Advisory Committee in the corporate governance system and the committee's composition and activities, etc., please refer to "I. 1. Disclosure Based on the Principles of the Corporate Governance Code [Supplementary Principle 4.10.1]" of this report.
At the 18th Annual General Meeting of Shareholders held on June 25, 2020, it was resolved that the maximum amount of remuneration (fixed remuneration and bonuses) for the Board of Directors shall be 450 million yen annually (including 70 million yen annually for Outside Directors, as resolved at the 22nd Annual General Meeting of Shareholders held on June 24, 2024), and at the 15th Annual General Meeting of Shareholders held on June 22, 2017, it was resolved that the maximum amount of share-based remuneration

under the Board Benefit Trust plan for the applicable period of four years shall be 700 million yen (including 390 million yen for Directors).
In addition, at the 19th Annual General Meeting of Shareholders held on June 24, 2021, a resolution was passed to change the timing for Directors, etc., to receive benefits of the Company's shares, etc., under this system from every four years during the trust period to upon retirement in principle, to increase the ratio of share-based remuneration (long-term incentive) to the total amount of remuneration for Directors, etc., and the maximum number of points, and to revise the evaluation coefficient. After the revision, the maximum total number of points to be granted during the subject period will be 170,000 points for Directors and 90,000 points for Executive Officers. After adjustment by the evaluation coefficient, the maximum number of points will be 255,000 and 135,000, respectively.
At the 21st Annual General Meeting held on June 26, 2023, the Company passed the following resolutions: to designate the 6 fiscal year-period from the fiscal year ended March 31, 2022 to the fiscal year ending March 31, 2027 as the subject period during which the Directors receive benefits of the Company's shares, etc., and thereafter, to designate, as the subject period, each period as determined by the Board of Directors on a case-by-case basis that coincides with the period covered by each Medium-Term Business Plan, within a range between a minimum of 3 fiscal years and a maximum of 6 fiscal years, to determine the number of points granted to the Directors, etc. in office through the fiscal year ended March 31, 2023 by multiplying the said points by an evaluation coefficient, which has been determined in advance according to the business performance, to determine the number of points determined based on the position of Director, etc. for the fiscal year ending March 31, 2024 and each fiscal year thereafter, by multiplying the said points by an evaluation coefficient, which has been determined in advance according to the business performance in that fiscal year, and to revise the evaluation coefficient. After the revision, the total maximum value of the number of points to be granted for each fiscal year during the revised subject period after determination by the evaluation coefficient will be a maximum of 85,000 points for Directors and a maximum of 45,000 points for Executive Officers.

The remuneration of Audit & Supervisory Board Members is determined by deliberation of the Audit & Supervisory Board. At the 15th Annual General Meeting of Shareholders held on June 22, 2017, it was resolved that the maximum amount of basic remuneration for Audit & Supervisory Board Members shall be 90 million yen annually (including 60 million yen annually for Outside Audit & Supervisory Board Members).

[Supporting System for Outside Directors and/or Outside Audit & Supervisory Board Members]

- The internal audit department, the Corporate Strategy and Management Department, which is in charge of internal control, Corporate Communication, Sustainability & Risk Management Department, Legal and General Administration and the Finance provide relevant information and exchange opinions on important decision-making matters, compliance and risk management, etc., as appropriate. In addition, we have a system in place to cooperate with Outside Directors and Outside Audit & Supervisory Board Members when requested to do so.
- The Corporate Communication, Sustainability & Risk Management Department distributes materials for meetings of the Board of Directors to Outside Directors and provides explanations in advance as necessary.
- The full-time staff of the Audit & Supervisory Board Office assists the part-time Audit & Supervisory Board Members in their overall duties.
- The Company's Audit & Supervisory Board Members and the Independent Outside Directors hold information exchange meetings as necessary to share issues and exchange opinions.

2. Matters on Functions of Business Execution, Auditing, Oversight, Nomination and Remuneration Decisions (Overview of Current Corporate Governance System) UPDATED

(1) Overview of the current governance system
The Company has adopted an executive officer system in order to clarify the functions of management execution and supervision within the governance framework of a company with Audit & Supervisory Board Members.

- The Board of Directors consists of eight Directors including five Outside Directors. It holds regular meetings once a month in principle and extraordinary meetings as necessary to make decisions on important matters and supervise the execution of business.
- In addition, in order to further strengthen the functions of the Board of Directors and improve management efficiency, the Executive Committee, which is attended by a standing Director, and Executive Officers appointed by the Representative Director, President & CEO, meets two times a month in principle to make decisions on basic and important matters related to the execution of business for the J-Oil Mills Group.
- The Company's organization for audits by Audit & Supervisory Board Members, the Audit & Supervisory Board, consists of four members including three Outside Audit & Supervisory Board Members. It holds regular meetings once a month in principle and extraordinary meetings as necessary. Each Audit & Supervisory Board Member audits the legality and appropriateness of business execution in accordance with the audit policy, audit plan, and allocation of audit duties determined by the Audit & Supervisory Board.
- Elsewhere, the Company has established the J-Oil Mills Code of Conduct, the Corporate Ethics Rules which stipulate compliance with the Code, and other codes and regulations. The Company has established organizations such as the Risk Management Committee, and is working to ensure that these codes and regulations are thoroughly understood and implemented.

(2) Status of audits

- Organization and personnel for audits by the Audit & Supervisory Board Members
  The Company's organization for audits by Audit & Supervisory Board Members, the Audit & Supervisory Board, consists of four members: one standing Audit & Supervisory Board Member, and three part-time Outside Audit & Supervisory Board Members. The Company's Audit & Supervisory Board shall include at least one person who has considerable knowledge of finance and accounting.
  The Chairperson of the Audit & Supervisory Board is standing Audit & Supervisory Board Member Masami Kashiwakura. Standing Audit & Supervisory Board Member Masami Kashiwakura has been involved in food business, as well as wide-ranging other businesses, mainly overseas at Ajinomoto Co., Inc. and has abundant experience and insights related to international business and corporate management. Outside Audit & Supervisory Board Member Masaki Ueno has been involved in legal affairs operation at Kirin Holdings Company, Limited for many years and has served as fulltime Audit & Supervisory Board Member of Kyowa Kirin Co., Ltd., and thus has abundant experience and insights related to compliance and corporate management. Audit & Supervisory Board Member Mariko Sugawara is a lawyer and has expert knowledge of legal issues surrounding the Company based on her experience as an Outside Director of other companies. Outside Audit & Supervisory Board Member Masafumi Tanabu has experience in accounting audits of many companies in his capacity as a certified public accountant and representative partner of an auditing firm, and has expertise in finance and accounting.
  We have established the Audit & Supervisory Board Office to assist the activities of the Audit & Supervisory Board. Personnel evaluation of the staff of the Audit & Supervisory Board Office are subject to standing Audit & Supervisory Board Member. Personnel transfers and rewards and punishments of the staff of the Audit & Supervisory Board Office are subject to the consent of the Audit & Supervisory Board Members, and independence from Members of the board is maintained.

- Activities of the Audit & Supervisory Board
  The Audit & Supervisory Board met 24 times in FY2024, holding regular meetings once a month, and whenever necessary. Outside Audit & Supervisory Board Member Mizutani have attended all 24 meetings, Audit & Supervisory Board Member Nozaki have attended 23 meetings, standing Audit & Supervisory Board Member Komatsu and Outside Audit & Supervisory Board Member Muto have attended all eight meetings until their retirement, and standing Audit & Supervisory Board Member Kashiwakura and Outside Audit & Supervisory Board Member Ueno have, since their appointment, attended all 16 meetings of the Audit & Supervisory Board. The Audit & Supervisory Board passed resolutions on the audit policy, audit plan, division of duties, reappointment of the Accounting Auditor, consent to the Accounting Auditor's audit remuneration, etc. In addition, the Audit & Supervisory Board receives explanation of an overview of the quarterly and annual financial results from the Finance and explanations on the progress of audits, the interim review, and the audit report from the Accounting Auditor, and discusses agenda items for meetings of the Board of Directors in advance, and analyzes agenda items discussed by Risk Management Committee etc. Specifically, the Audit & Supervisory Board conducted audits of the following priority audit items in FY2024: verification of the responsibilities of

Directors and the effectiveness of the Board of Directors, verification of internal control systems, verification of efforts to reform internal corporate culture, verification of the state of governance at group companies. The status of the development and the effectiveness of operation of the internal control system was audited from the perspective of responding to changes in the social environment and revisions to the legal system and reported to the Board of Directors once a year.

・ Activities of the Audit & Supervisory Board Members
Each Audit & Supervisory Board Member audits the legality and appropriateness of business execution in accordance with the audit policy, audit plan, and allocation of audit duties determined by the Audit & Supervisory Board. In FY2024, Audit & Supervisory Board Member Nozaki and Outside Audit & Supervisory Board Member Mizutani have attended 15 meetings, standing Audit & Supervisory Board Member Komatsu and Outside Audit & Supervisory Board Member Muto have attended all four meetings until their retirement, standing Audit & Supervisory Board Member Kashiwakura and Outside Audit & Supervisory Board Member Ueno have, since their appointment, attended all 12 meetings of the Board of Directors, and expressed opinions as necessary. In addition to the meetings of the Board of Directors, the standing Audit & Supervisory Board Member and part-time Audit & Supervisory Board Members attend important meetings such as the Executive Committee, the Risk Management Committee, and the Sustainability Committee in order to supervise the important decision-making process and the execution of business. In addition to receiving reports and explanations on the status of business execution from all Executive Directors, Executive Officers, and employees who are General Managers of major divisions, the standing Audit & Supervisory Board Member and part-time Audit & Supervisory Board Members exchange opinions with the Representative Director, President & CEO once a month, as a general rule, on issues to be addressed by the Company, important auditing issues, etc. Furthermore, the standing Audit & Supervisory Board Member inspects approval documents and other important documents, and visits Plants, Branches and Research Center as needed to make on-site inspections.
At the end of each fiscal year, the Audit & Supervisory Board conducts an evaluation of the effectiveness of the auditing activities by the Audit & Supervisory Board Members, and the results are reflected in the auditing policies and plans for the next fiscal year.

・ As for the status of the Company's internal audits, the Audit Department, which reports directly to the Representative Director, President & CEO, has been established and consists of 11 members to check and provide guidance mainly on business audits. The Audit Department audits the overall internal control of the executive departments in accordance with the Internal Audit Rules and the audit plan, and reports the status of audit implementation to the Representative Director, President & CEO on a regular basis. The Audit Department also directly reports the annual audit plan and the status of audit implementation to the Board of Directors.

・ With regard to the status of the Company's accounting audits, the Company has commissioned Ernst & Young ShinNihon LLC to conduct accounting audits, and has continuously undergone audits under the Companies Act and the Financial Instruments and Exchange Act. The names of the certified public accountants who performed the audit are Designated Limited Liability Partner and Engagement Partner Shigeyuki Honda (five years of continuous auditing) and Designated Limited Liability Partner and Engagement Partner Tomoka Nemoto (two years of continuous auditing), and as of March, 2025, the number of assistants for the audit was 10 certified public accountants, 13 persons who have passed the accountant examination, and 15 others.

(3) Efforts to strengthen the functions of Audit & Supervisory Board Members
Please refer to the "[Audit & Supervisory Board Members], Cooperation among Audit & Supervisory Board Members, Accounting Auditor and Internal Audit Department" and "[Supporting System for Outside Directors and/or Outside Audit & Supervisory Board Members]" in "II. 1. Organizational Composition and Operation" of this report.

(4) Limited liability agreement
The Company has entered into limited liability agreements with Outside Directors Tatsuya Sasaki, Kaku Yoshisato, Yugo Ishida, Akiko Ikeda and Mifuyu Maki and Outside Audit & Supervisory Board Members Masaki Ueno, Mariko Sugawara and Masafumi Tanabu and Audit & Supervisory Board Member Masami

Kashikura, limiting their liability under Article 423, Paragraph 1 of the Companies Act to the minimum amount stipulated by laws and regulations.

3. Reasons for Adoption of Current Corporate Governance System UPDATED

The Board of Directors, which consists of eight Directors including five Outside Directors, makes decisions on important matters and supervises the execution of business. In addition, four Audit & Supervisory Board Members, including three Outside Audit & Supervisory Board Members, audit the legality and appropriateness of business execution in cooperation with the Accounting Auditor and the internal audit department. Thus, we believe that a system to ensure the appropriateness of business execution is in place, accordingly we have adopted this current system that is based on a company with an Audit & Supervisory Board and the establishment of the Nomination and Remuneration Advisory Committees for Directors, etc. We will continue to consider the improvement of our governance system as an important management issue.

The Company is implementing the following in order to make the current corporate governance system effective.

- Outside Directors (three out of five are Independent Outside Director) attend the meetings of Board of Directors and make comments on internal control and other important issues based on their experience and insight as corporate managers, etc., as appropriate.
  In addition, Outside Directors exchange opinions on compliance and risk management, etc., with the internal audit department, the Corporate Strategy and Management Department which is in charge of the internal control function, the Corporate Communication, Sustainability & Risk Management Department, Legal and General Administration and the Finance, and each of these departments has a system in place to cooperate with Outside Directors when requested to do so in the course of their supervision.
- The three Independent Outside Audit & Supervisory Board Members, together with the standing Audit & Supervisory Board Member, attend regular meetings of the Audit & Supervisory Board (held once a month in principle) as well as extraordinary meetings of the Audit & Supervisory Board held as necessary to ensure close cooperation in auditing business.
  In addition, the internal audit department and standing Audit & Supervisory Board Members meet once a month, in principle, to exchange opinions. The internal audit department also reports directly to the Audit & Supervisory Board Members on the status of audit implementation as a dual reporting line, and has a system in place to cooperate with the Audit & Supervisory Board Members when requested to do so in the course of their audits.
  The Audit & Supervisory Board Members and the Accounting Auditor have submitted explanations on the progress of audits and the interim review, submitted annual financial results audit reports, explain audit plans, etc., and considered KAMs (key audit matters), and have met a total of nine times. Furthermore, the Company holds a total of four three-way audit meetings to share information and exchange opinions on audit activities.

  The Accounting Auditor and the internal audit department meet regularly to exchange opinions, and the internal audit department has a system in place to cooperate with the Accounting Auditor when requested to do so in the course of its audits.
  The internal audit department, Audit & Supervisory Board Members, and the Accounting Auditor exchange opinions on compliance and risk management with the Corporate Strategy and Management Department, which is in charge of the internal control function, the Corporate Communication, Sustainability & Risk Management Department, Legal and General Administration and the Finance, as appropriate, and these departments have a system in place to cooperate with the internal audit department, Audit & Supervisory Board Members, and the Accounting Auditor when requested to do so in the course of their audits.

III. Implementation of Measures for Shareholders and Other Stakeholders

1. Measures to Vitalize the General Meeting of Shareholders and Smooth Exercise of Voting Rights UPDATED

	Supplementary Explanations
Early Notice of Convocation of the General Meeting	The Company sends out the notice 21 days prior to the General Meeting of Shareholders.
Scheduling General Meeting of Shareholders Avoiding the Peak Day	The date of the General Meeting of Shareholders has been set to avoid concentrated holding of meetings.
Allowing Electronic Exercise of Voting Rights	The Company allows exercise of voting rights via the Internet.
Participation in Electronic Voting Platform and Other Efforts to Improve the Environment for the Exercise of Voting Rights of Institutional Investors	The Company participates in the electronic voting rights exercise platform provided by ICJ, Inc.
Providing the Notice of Convocation of the General Meeting in English	An English translation of the Notice of Convocation of the General Meeting (summary) is available on the English version of the Company's website.
Other	The Company strives to enhance the content of the notice of convocation of the General Meeting of Shareholders by, for example, proactively incorporating information that is considered to be beneficial to shareholders in addition to the legally required information. In addition, questions are accepted prior to the General Meeting of Shareholders. On the day of the General Meeting of Shareholders, we use video materials to provide shareholders with easy-to-understand explanations, and we strive to respond to questions in an attentive manner. In addition, we provide live streaming of the General Meeting of Shareholders so that shareholders can view the meeting from their homes or other locations. The presentation materials used by the chairperson on the day of the meeting are posted on the Company's website.

2. IR Activities UPDATED

	Supplementary Explanations	Availability of explanation by the President and CEO
Preparation and Publication of Disclosure Policy	We have formulated the J-Oil Mills Disclosure Policy, which includes the following: to comply with the Companies Act, the Financial Instruments and Exchange Act, the rules set by the Tokyo Stock Exchange, Inc., and other laws and regulations regarding the disclosure of corporate information, and to disclose information in a timely and accurate manner in accordance with these laws and regulations. The policy is available on our website. Disclosure Policy | Shareholder/Investor Information | JOYL -J-OIL MILLS	

Regular Investor Briefings for Analysts and Institutional Investors	Quarterly financial results briefings are held, where we explains the management overview, management policies, financial results, and ESG-related issues. The script of the presentation and the Q&A session are available on our website. With the aim of enhancing corporate value and gaining understanding from the capital market, we also hold small meetings with securities analysts and institutional investors as appropriate to promote understanding from the market. In FY2024, we held 22 meetings for dialogue with domestic institutional investors. Chief Financial Officer handles the meetings for dialogue.	Yes
Disclosure of IR Materials on Website	Financial results statements, securities reports, semi-annual reports, notices of convocation annual General Meeting, J-Oil Mills Report (Integrated Report), General Meetings presentation materials, financial results presentation materials, and individual investor presentation materials are disclosed on the Company's website. This IR information also includes special contents such as "To Individual Investors," which explains the Company's profile, business overview, and strategies in an easy-to-understand manner. In addition to the above, we actively issue press releases based on timely and voluntary disclosure, and post them on our website.	
In Charge of IR	We have established the Information Disclosure Committee as a body responsible for strengthening strategic information dissemination and decision-making on company-wide cross-sectional information disclosure, and it is implementing timely and voluntary disclosure. We have an IR function in the Finance Department as a contact point for dialogue with securities analysts, institutional and individual investors, and shareholders. Through the Corporate Communication, Sustainability & Risk Management Department, we disseminate information to and promote understanding of the capital market, and provide feedback to management. In addition, information is reported at the Board of Directors and the Executive Committee depending on the importance of the disclosed information.	

Other	[Initiatives for shareholders] We deliver our products and other items to our shareholders once a year. Details of the shareholder benefit program: https://www.j-oil.com/ir/stock_information/benefit.html (in Japanese) [Publication of the J-Oil Mills Report(Integrated Report)] We make well known our initiatives to become a sustainable value-creating company through financial and non-financial information in an integrated report based on the voices of experts. [General IR activities] We are continuously strengthening our IR activities through advice from Outside Directors and support from the operational organizations.	

3. Measures to Ensure Due Respect for Stakeholders UPDATED

	Supplementary Explanations
Stipulation of Internal Rules for Respecting the Position of Stakeholders	Based on our corporate philosophy system, "Joy for Life—Bringing joy to the future by food—," which is the guiding principle of J-Oil Mills, we have formulated the J-Oil Mills Code of Conduct and the Corporate Ethics Rules which stipulates compliance with the Code, and through this code and regulations, we stipulate respect for the position of our stakeholders. [J-Oil Mills Code of Conduct] We will always keep our eyes on Our Vision of Joy for Life, and go back to Our Mission of taking on the challenges of eating and creating through Oishisa Design (taste design) and contributing to a better society based on Our Values of "Work together to achieve high targets and exceed expectations." We will act based on the J-Oil Mills Action Guidelines while keeping in mind Our Values and Reason for Existence of "Based on our origin as an oil supplier, we support our diets with reliable quality by reaping nature's potential." This J-Oil Mills Code of Conduct is based on the above corporate philosophy, in accordance with which we aim to comply with all laws and regulations and other social norms as a corporate citizen that is part of society, and thereby be a company that is trusted by society. [Formulation and compliance with the Human Rights Policy] In 2020, we formulated the J-Oil Mills Human Rights Policy to establish and implement human rights due diligence, including remedies, correction, education and training. The Human Rights Policy is based on the International Bill of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the UN Guiding Principles on Business and Human Rights, and encompasses Children's Rights and Business Principles and the Principles on the Elimination of All Forms of Discrimination against Women.
Implementation of Environmental Activities, CSR Activities etc.	Recognizing ESG initiatives as an important management issue, the Company is working to solve social issues. For information on our ESG initiatives, please refer to our sustainability site or the J-Oil Mills Report (integrated report). Sustainability Site: https://www.j-oil.com/sustainability/ (in Japanese)

	J-Oil Mills Report (integrated report): J-OIL MILLS Report｜Shareholder/Investor Information｜JOYL -J-OIL MILLS
Development of Policies on Information Provision to Stakeholders	The J-Oil Mills Code of Conduct sets forth our basic stance on information disclosure, and we have formulated the J-Oil Mills Disclosure Policy, which includes the following: to comply with the Companies Act, the Financial Instruments and Exchange Act, the rules set by the Tokyo Stock Exchange, Inc., and other laws and regulations regarding the disclosure of corporate information, and to disclose information in a timely and accurate manner in accordance with these laws and regulations. The policy is available on our website. Disclosure Policy｜Shareholder/Investor Information｜JOYL -J-OIL MILLS

Other	[Diversity, equity and Inclusion] Along with the environmental and social axes, J-Oil Mills considers its employees to be important stakeholders and promotes diversity, equity and inclusion and health management as important material issues. We aim to create an organization where human resources with diverse values and ways of thinking can maximize their abilities and create innovation. With regard to the advancement of women, one of the themes of the Human Resources Project launched in FY2015, we launched the Cassiopeia Project to promote the active participation of women in FY2018. In conjunction with the launch of a dedicated portal site and internal social media platform, we have enhanced theme development, planning, and initiatives, and have conducted female employee workshops, female career training, mentoring training, and women’s management classes for the third year in a row since FY2022, and have been building an internal network for women, implementing a career support system, and providing capacity building for leadership development. In September 2019, we acquired an “Eruboshi” certification mark (Grade 2) for the promotion of women’s active participation and obtained the “Platinum Kurumin” certification for the first time in FY2024 by the Minister of Health, Labour and Welfare. Furthermore, unconscious bias training for line managers, which goes into the awareness and attitude of not only female employees but also their superiors and colleagues, workshops on male childcare support, a special leave system to support childcare, and a second job system and leave program for self-enlightenment aimed at enhancing diversity within individuals were newly established. With diversity, equity and inclusion as keywords, project members representing all genders and various ages and job types continued their activities in FY2024 and participated in a wide range of activities, expanding the theme to include the participation of seniors, diversity within individuals, and the participation of people with disabilities, in addition to the participation of women. We will continue to implement such activities company-wide. [Health management activities] The Company Group believes its employees are the driving force behind its growth. To enhance health management, the Representative Director, President & CEO is spearheading an initiative to ensure that its employees continue to work in good physical and mental health. In addition to focusing on promoting work-life balance and health management measures such as reducing excessive work, we are working to create an environment where employees can work in good health by introducing the “Flexible Office” (telecommuting) and a full-flex system that enables employees to work freely and introducing a health management app Calomama Plus for all employees. Since 2022, we have organized walking events utilizing this app. Furthermore, we are working to enhance industrial physician services to provide support for both mental and physical health. We will work to overcome challenges while linking engagement and stress checks. In March 2024, we were recognized as one of the “Health and Productivity Management Outstanding Organizations (Large Enterprise Category),” a program jointly organized by the Ministry of Economy, Trade and Industry (METI) and the Japan Health Council, for the fourth consecutive year. We will continue to promote initiatives that take into account the health and safety of each and every employee. For more information about sustainability and ESG management at J-Oil Mills, please refer to the following J-Oil Mills report (Integrated Report). J-OIL MILLS Report | Shareholder/Investor Information | JOYL -J-OIL MILLS

IV. Matters Related to the Internal Control System

1. Basic Views on Internal Control System and the Progress of System Development

In order to enhance our corporate value and fulfill our social responsibility as a corporation by practicing our corporate philosophy, including "Joy for Life—Bringing joy to the future by food—," the Company Group has established the following basic policies regarding the development of a system to ensure the appropriateness of the Company Group's operations (below, the "internal control system").

1. System to ensure that the execution of duties by Directors and employees complies with laws and regulations and the Articles of Incorporation

(1) In accordance with our corporate philosophy, we have formulated the J-Oil Mills Code of Conduct which stipulates the social norms to be observed by executives and employees of the J-Oil Mills Group. By thoroughly adhering to that, we aim to establish our corporate ethics and be a company trusted by society.

(2) The Company has established the Risk Management Committee, chaired by the Representative Director, President & CEO, and the Compliance Subcommittee under that committee, to oversee the compliance activities of the J-Oil Mills Group. These organizations work to raise the awareness of compliance and instill the J-Oil Mills Code of Conduct through activities such as providing continuous education and training.

(3) In order to prevent and rectify acts that violate social norms and corporate ethics, the Company has formulated the Internal Reporting Rules, thereby establishing a helpline with an external organization as a consultation contact point as well, in addition to the secretariat of the Compliance Subcommittee. Relevant divisions within the Company respond to reports without delay and report the results to the Risk Management Committee, Executive Committee, and Board of Directors to prevent recurrence of problems.

(4) We have established the Nomination Advisory Committee and Remuneration Advisory Committee as voluntary advisory bodies of the Board of Directors, majority of which is composed of Independent Outside Directors respectively and each chaired by an Independent Outside Director, to increase transparency and objectivity in regard to nominating candidates for Director and decisions on remuneration for Directors and Executive Officers.

(5) In order to ensure the reliability of the execution of duties, the Audit Department, which reports directly to the President, has been established as an internal audit department. The Audit Department evaluates the effectiveness of companywide internal controls related to compliance with laws and regulations, the Articles of Incorporation, and internal rules, and reports the results to the Representative Director, President & CEO and Audit & Supervisory Board (i.e., "double reporting"), monitors organizations subject to auditing, and instructs the relevant departments to take necessary corrective actions.

2. System for retention and management of information concerning the execution of duties by Directors

Documents and electronic records such as minutes of Board of Directors meetings, minutes of the Executive Committee, documents related to decision-making, and minutes of other meetings which contain important information related to the execution of duties by Directors are stored and managed in accordance with laws, regulations, and internal regulations.

3. Rules and other systems concerning management of risk of loss

(1) In order to oversee the identification, evaluation, and management of risks that may have a significant impact on corporate management and business continuity, we have established the Risk Management Committee and the Risk Management Subcommittee under the said committee to select and identify risks of a companywide management level among the various risks faced by the J-Oil Mills Group and drive initiatives to address them. In addition, in order to apply sustainability themes to business activities, we have established the Sustainability Committee and theme-specific subcommittees under the said committee to drive initiatives to address climate change and other problems such as environmental and human rights problems.

(2) In the event of a major crisis, we will establish the Crisis Task Force, as necessary, in accordance with the Crisis Management Rules, and respond to the crisis smoothly and promptly, including appropriate communication of information both internally and externally, in order to achieve an appropriate resolution.

(3) The entire organization responds to anti-social forces, with the basic policy of never responding to their demands and never engaging in transactions that encourage their activities or operations.

4. System to ensure that Directors execute their duties efficiently

(1) The Board of Directors, in principle, meets once a month, and discusses and decides important matters stipulated in laws and regulations, the Articles of Incorporation, the Board of Directors Regulations, and other rules and regulations, and supervises the execution of duties by Directors.

(2) The Executive Committee, which is attended by persons designated by the Representative Director, President & CEO, meets twice a month in principle to make decisions on basic and important matters related to business execution based on the management policy decided by the Board of Directors.

(3) The Company has established the Investment and Financing Committee as an advisory body for the Executive Committee to contribute to the Executive Committee's discussions on important investment and financing projects. It deliberates on matters such as the feasibility, risk-return assessments, and the validity of plans concerning investment and financing projects, and reports the results to the Executive Committee.

5. Following systems and other systems to ensure the appropriateness of business operations at the corporate group consisting of the Company and its subsidiaries

(1) System for reporting to the Company on matters related to the performance of duties by Directors of subsidiaries

(A) In principle, the Company sends Directors and Audit & Supervisory Board Members to each subsidiary to monitor its management and strengthen group governance.

(B) At the Company, departments in charge are responsible for supervising subsidiaries that have been assigned to them in accordance with the Affiliate Operating Rules. They request reports on the performance of duties by subsidiaries' Directors and other executives, and obtains a resolution by the Company's Executive Committee or Board of Directors in regard to important matters.

(2) Rules and other systems for managing the risk of loss at subsidiaries

Under the direction and supervision of the Company's Risk Management Committee and Risk Management Subcommittee under the said committee, each subsidiary strives to appropriately manage risks surrounding subsidiaries by identifying priority risks for each subsidiary, taking specific measures, acting on those measures, implementing the PDCA cycle to reflect the evaluation in the next fiscal year, and periodically reporting the progress to the parent company in accordance with the Affiliate Operating Rules. In the event of a crisis, we will establish the Crisis Task Force, as necessary, in accordance with the Crisis Management Rules, and respond to the crisis smoothly and promptly, including appropriate communication of information both internally and externally, in order to achieve an appropriate resolution.

(3) System to ensure that Directors of subsidiaries execute their duties efficiently

(A) In order to ensure the appropriateness and efficiency of operations, the Company's rules and regulations specified in the Affiliate Operating Rules are applied to the subsidiaries.

(B) We ensure the soundness and efficiency of the business activities of subsidiaries by deliberating on their management plans and annual plans, and by promptly and accurately gaining an understanding of consolidated business results on a monthly basis.

(4) System to ensure that the execution of duties by Directors and employees of subsidiaries complies with laws and regulations and the Articles of Incorporation

(A) In accordance with the Affiliate Operating Rules, the Company applies the J-Oil Mills Code of Conduct, the basic policies of compliance, to subsidiaries in Japan and overseas to ensure business execution in compliance with laws and regulations and the Articles of Incorporation. In addition, the Company strives to ensure that employees, etc. of subsidiaries are well aware of the J-Oil Mills Code of Conduct through ongoing education, training, and other activities by the Compliance Subcommittee.

(B) In order to prevent and rectify acts that violate social norms and corporate ethics, the Company accepts reports from subsidiaries through the Company's helpline, and the Compliance Subcommittee responds to reports appropriately.

(C) The Audit & Supervisory Board Members may, as necessary, inspect or copy the approval documents and other important matters of subsidiaries.

(D) The Audit Department conducts internal audits according to the attributes and importance of subsidiaries and audits the legality and appropriateness of business execution, and reports the results to the Representative Director, President & CEO and the Audit & Supervisory Board (i.e., “double reporting”), monitors subsidiaries, and instructs them to take necessary corrective actions.

6. System to ensure the effectiveness of audits by Audit & Supervisory Board Members

(1) Matters related to employees who assist Audit & Supervisory Board Members in their duties

(A) The Company has established the Audit & Supervisory Board Office where necessary staff has been assigned to assist Audit & Supervisory Board Members in their duties. Audit & Supervisory Board Office staff members perform their duties under the direction and orders of Audit & Supervisory Board Members.

(B) The standing Audit & Supervisory Board Members evaluate the Audit & Supervisory Board Office staff and obtains the consent of the Audit & Supervisory Board for personnel transfers, awards, and punishments, thereby enhancing their independence from Directors and ensuring the effectiveness of instructions from Audit & Supervisory Board Members.

(2) System for reporting to Audit & Supervisory Board Members

(A) Directors, employees, etc., immediately report to Audit & Supervisory Board Members when they discover any facts that may cause significant damage to the Company.

(B) The Company has established a system that allows Audit & Supervisory Board Members to attend meetings of the Board of Directors and other important meetings and to inspect related documents. In addition, Directors, employees, etc., report to Audit & Supervisory Board Members as necessary or as requested by Audit & Supervisory Board Members on important matters concerning corporate management and business operations, as well as the status and results of business execution. These important matters include compliance and risk-related matters and other matters related to internal control.

(C) If any Director, Audit & Supervisory Board Member, or employee of subsidiaries , or any person receiving a report from any of them, discovers any fact that may cause significant damage to the Company, such fact is immediately reported to the Audit & Supervisory Board Members.

(D) The Audit & Supervisory Board Members of the Company and its subsidiaries exchange information as appropriate.

(E) Information on whistleblowing is reported to the Audit & Supervisory Board Members by the Compliance Subcommittee.

(F) The Company has established a system to ensure that those who have made reports as described in (A), (B), and (C) are not treated disadvantageously for making such reports.

(3) Policy regarding the handling of audit expenses

The Company bears the expenses necessary for the execution of duties by Audit & Supervisory Board Members. Such expenses include not only the costs required for on-site inspections, but also the costs of utilizing independent outside experts (legal, accounting, taxation, etc.) in order to form audit opinions. In addition, in the event that there is a request for advance payment of expenses, etc., in accordance with Article 388 of the Companies Act, the Company promptly handles such expenses or liabilities.

(4) Other systems to ensure that audits by Audit & Supervisory Board Members are conducted effectively

(A) At the request of the Audit & Supervisory Board, the Audit & Supervisory Board can appoint experts on law, accounting, taxation, etc., and guarantees opportunities to receive advice on audit work.

(B) Audit & Supervisory Board Members may attend various meetings and discussions of the Company and its subsidiaries as necessary. In addition, the Audit & Supervisory Board Members may hear business reports from all Directors, Executive Officers, and general managers, as well as conduct on-site inspections at each business office and subsidiary.

(C) In accordance with the audit plan formulated by the Audit & Supervisory Board, Audit & Supervisory Board Members may interview executive Directors in charge of business execution and important employees individually about the status of execution of their duties.

(D) The Audit periodically reports to the Audit & Supervisory Board on the status of internal audits and exchanges opinions with it, and cooperates with the audits of Audit & Supervisory Board Members when requested by the Audit & Supervisory Board Members.

(E) The Audit & Supervisory Board holds regular meetings to exchange opinions with the Representative Director, President & CEO, Outside Directors, and the Accounting Auditor, respectively.

2. Basic Views on Eliminating Anti-Social Forces

The basic policy on the development of an internal control system stipulates that "The entire organization responds to anti-social forces with the basic policy of never responding to their demands and never engaging in transactions that encourage their activities or operations." In addition, the J-Oil Mills Code of Conduct also stipulates that "We will take a firm stance against anti-social forces and undue pressure without giving in." Accordingly, we have established a system to deal with any unreasonable demands, mainly by the Legal and General Administration, in cooperation with the police and other relevant administrative agencies, anti-bullying organizations, and our legal counsel.

V. Other

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not Adopted

Supplementary Explanation

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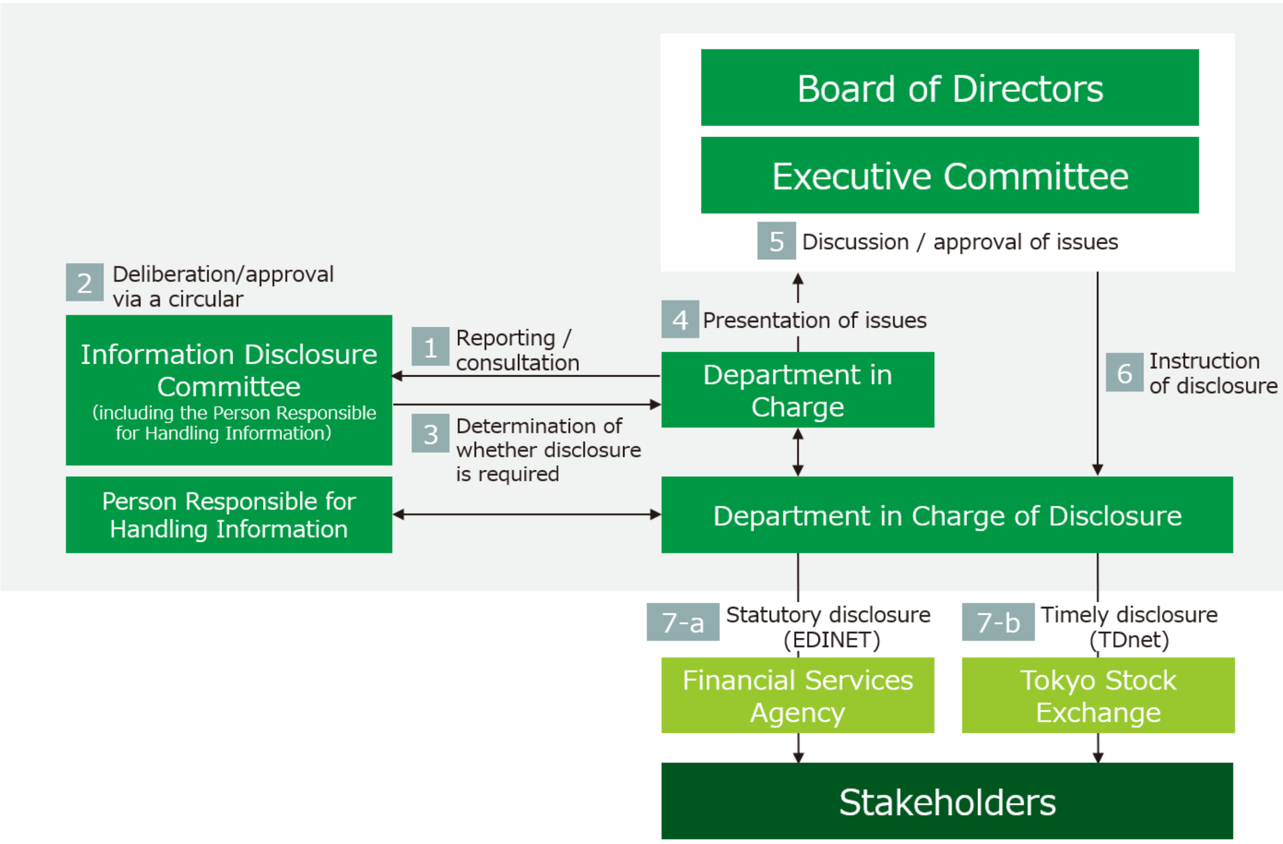
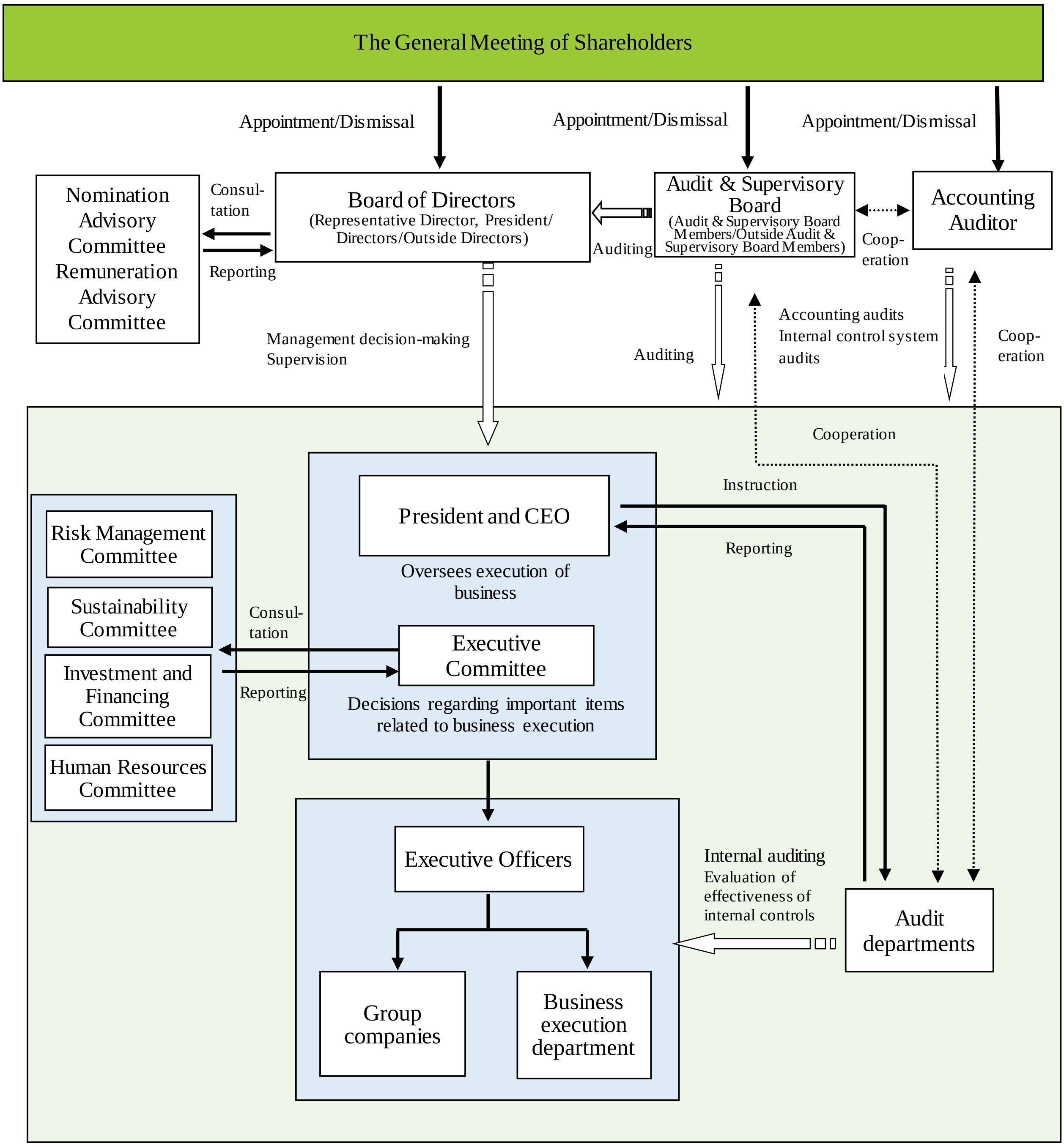
2. Other Matters Concerning Corporate Governance System UPDATED

An overview of the Company's timely disclosure system and a schematic diagram of the corporate governance system are shown in the Appendix.



[Corporate Governance System]



Corporate Governance Code Implementation Status Table

General Principles	Principles	Supplementary Principles	Status of Implementation	
			Comply	Explain
Section 1: Securing the Rights and Equal Treatment of Shareholders	1.1 Securing the Rights of Shareholders	—	●	
		1.1.1	●	
		1.1.2	●	
		1.1.3	●	
	1.2 Exercise of Shareholder Rights at General Shareholder Meetings	—	●	
		1.2.1	●	
		1.2.2	●	
		1.2.3	●	
		1.2.4	●	
		1.2.5	●	
	1.3 Basic Strategy for Capital Policy	—	●	
	1.4 Cross-Shareholdings	—	●	
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