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(Stock Exchange Code 2613)

June 5, 2023

(Commencement date of measures for electronic provision:

June 1, 2023)

J-OIL MILLS, Inc.

Notice of Convocation the 21st Annual General Meeting

We are pleased to announce the 21st Annual General Meeting of J-OIL MILLS, Inc. (the “Company”). The meeting will be held as stated below.

In convening this Annual General Meeting, the Company has adopted measures for electronic provision, and has posted this Notice of Convocation of the 21st Annual General Meeting as Matters Subject to Measures for Electronic Provision on the following website.

The Company’s website

<https://www.j-oil.com/en/ir/stock/meeting.html>

In addition to the above-stated website, matters subject to measures for electronic provision are also posted on the Tokyo Stock Exchange (TSE) website. Please access the following TSE website (TSE Listed Company Search), enter the issue name (company name) or securities code to perform the search, and select “Basic information” and then “Documents for public inspection/PR information” to view the information.

TSE Website

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

If you decide not to attend the Annual General Meeting in person, you may exercise your voting rights in advance in writing or via the Internet. In such case, we respectfully ask you to do so by 5:35 p.m. on Friday, June 23, 2023, after referring to the Reference Documents for the General Meeting of Shareholders included in the matters subject to measures for electronic provision.

- 1. Date and Time:** Monday, June 26, 2023 at 3:00 p.m. Japan time
*The reception desk will open at 2:00 p.m.
- 2. Place:** Coriander, 2nd Floor, Grand Hyatt Tokyo located at
6-10-3 Roppongi, Minato-ku, Tokyo, Japan
- 3. Meeting Agenda:**
 - Matters to be reported:** The Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements for the Company’s 21st Fiscal Year (April 1, 2022 - March 31, 2023) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
 - Proposals to be resolved:**
 - Proposal 1:** Election of 8 Directors
 - Proposal 2:** Partial Revision of the Performance and Share-based Remuneration System for Directors

Information concerning the General Meeting

- Among the matters subject to measures for electronic provision, “Structures to ensure the appropriateness of business” in the Business Report, the “Consolidated Statement of Changes in Equity” and “Notes to Consolidated Financial Statements” in the Consolidated Financial Statements, and the “Statement of Changes in Equity” and “Notes to Non-consolidated Financial Statements” in the Non-consolidated Financial Statements are not included in the paper copy of documents sent to shareholders who have requested their delivery, in accordance with provisions of laws and regulations and Article 15 of the Company’s Articles of Incorporation. Accordingly, such documents are part of the documents audited by the Auditor & Supervisory Board Members and Accounting Auditor for preparing audit reports.
- If any revisions are made to the matters subject to measures for electronic provision, the details thereof will be posted on the relevant websites.
- Please be advised that the results of the resolutions of this Annual General Meeting will be posted on the aforementioned website of the Company after the meeting instead of sending a written notification of resolutions.

Exercising of voting rights

- To attend the General Meeting of Shareholders
Please submit this Voting Rights Exercise Form at the reception desk.
- To exercise your voting rights by postal mail
Please indicate your vote for or against each proposal on the Voting Rights Exercise Form and return it so that it arrives by 5:35 p.m. on June 23, 2023
- To exercise your voting rights via the Internet
Please access the website for exercising voting rights (<https://evote.tr.mufg.jp/>) on your computer, follow the on-screen instructions and exercise your voting rights by 5:35 p.m. on June 23, 2023
- If a shareholder exercises the voting rights more than once via the Internet, the last vote to arrive at the Company shall be deemed valid.
- If a shareholder exercises the voting rights by postal mail and via the Internet, the vote via the Internet shall be deemed to be the intention of the shareholder.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Election of 8 Directors

The terms of office of all 8 Directors will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the election of 8 Directors is proposed, including 5 Outside Directors.

The candidates for Directors are as follows:

No.	Name	Current positions at the Company
1	Tatsuya Sato [Reappointment]	Representative Director, President
2	Takeshi Kamigochi [Reappointment]	Director Senior Managing Executive Officer
3	Eizo Matsumoto [Reappointment]	Director Managing Executive Officer
4	Tatsuya Sasaki [Reappointment] [Outside]	Outside Director
5	Osamu Watanabe [New Appointment] [Outside]	–
6	Yugo Ishida [Reappointment] [Outside] [Independent]	Outside Director
7	Hiroko Koide [Reappointment] [Outside] [Independent]	Outside Director
8	Tsuyoshi Kameoka [Reappointment] [Outside] [Independent]	Outside Director

- (Notes)
1. There are no special interests between each candidate and the Company.
 2. Five candidates, Mr. Tatsuya Sasaki, Mr. Osamu Watanabe, Mr. Yugo Ishida, Ms. Hiroko Koide and Mr. Tsuyoshi Kameoka, are candidates for Outside Directors as stipulated in Article 2, Paragraph 3, Item 7 of Ordinance for Enforcement of the Companies Act.
 3. Three candidates, Mr. Yugo Ishida, Ms. Hiroko Koide and Mr. Tsuyoshi Kameoka, are candidates for Independent Directors under the provisions of the Tokyo Stock Exchange.
 4. Pursuant to the stipulations in Article 427, Paragraph 1 of the Companies Act and the Company's Articles of Incorporation, the Company has entered into limited liability agreements with four candidates, Mr. Tatsuya Sasaki, Mr. Yugo Ishida, Ms. Hiroko Koide and Mr. Tsuyoshi Kameoka to limit their liability under Article 423, Paragraph 1 of the Companies Act to the minimum amount stipulated by laws and regulations. If the election of these four candidates is approved, the Company plans to extend these agreements with them. If the election of Mr. Osamu Watanabe is approved, the Company plans to enter into a limited liability agreement with the same details with him.
 5. The Company has entered into a directors and officers liability insurance (D&O insurance) agreement provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. In the event of a claim for damages submitted by a shareholder or a third party, etc., such insurance agreement shall compensate for damages including compensation for damages and legal expenses to be borne by the insured parties. However, damages, etc. caused by actions committed by the insured with knowledge that they were in violation of laws and regulations are not covered by the policy. The candidates shall be included in the insured parties in the insurance agreement. The Company plans to renew the agreement with the same details at the next renewal.

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions		Number of shares of the Company held
1	Tatsuya Sato (August 26, 1959) [Reappointment] [Tenure as Director (at the conclusion of this General Meeting of Shareholders)] 2 years [Attendance at the Board of Directors meetings] 18 out of 18 meetings (100%)	April 1983 July 2016 June 2017 July 2018 July 2018 June 2019 April 2021 June 2021 July 2021 April 2022	Joined Ajinomoto Co., Inc. President, Ajinomoto North America, Inc. Corporate Fellow, Ajinomoto Co., Inc. General Manager, North America Division, Ajinomoto Co., Inc. President, Ajinomoto Health and Nutrition North America Corporate Vice President, Ajinomoto Co., Inc. Senior Managing Executive Officer, In Charge of Corporate Administration, J-OIL MILLS, Inc. Director, J-OIL MILLS, Inc. In Charge of Corporate Administration, J-OIL MILLS, Inc. (to present) Representative Director, President, J-OIL MILLS, Inc. (to present)	1,800
[Reason for nomination as candidate for Director] He has been involved in food and a wide variety of businesses, mainly overseas, at Ajinomoto Co., Inc., and has abundant experience and insights related broadly to overseas business and corporate management in general. 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 nominated him as a candidate for Director.				
2	Takeshi Kamigochi (July 13, 1964) [Reappointment] [Tenure as Director (at the conclusion of this General Meeting of Shareholders)] 1 year [Attendance at the Board of Directors meetings] 14 out of 14 meetings (100%) * after assuming office as Director	April 1987 April 1999 January 2003 April 2006 April 2012 May 2015 April 2018 July 2021 December 2021 April 2022 June 2022	Joined Nippon Lever K.K. (currently Unilever Japan K.K.) CFO, Nippon Lever K.K. (currently Unilever Japan K.K.) SVP Finance, Supply Chain Food, Unilever Asia Office COO and CFO, Unilever Japan K.K. (in charge of Japan and Korea operations) SVP, Store Operation Division, Walmart Japan K.K. (Seiyu) CEO, Walmart Japan K.K. CEO, Global Consumer Goods Dept., Sunstar Suisse S.A. Executive Fellow, Corporate Administration, J-OIL MILLS, Inc. Senior Managing Executive Officer, Assistant in charge of Oils and Fats Business Unit, J-OIL MILLS, Inc. Senior Managing Executive Officer in charge of Oils and Fats Business Unit, J-OIL MILLS, Inc. (to present) Director, J-OIL MILLS, Inc. (to present)	1,800
[Reason for nomination as candidate for Director] He has been engaged in corporate management at global companies including Unilever Japan and Walmart Japan for many years, and has abundant experience and insights related to global business and corporate management. 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 nominated him as a candidate for Director.				
3	Eizo Matsumoto (January 25, 1961) [Reappointment] [Tenure as Director (at the conclusion of this General Meeting of Shareholders)] 6 years [Attendance at the Board of Directors meetings] 18 out of 18 meetings (100%)	April 1986 July 2011 April 2015 June 2017 June 2017 June 2017 July 2018	Joined Ajinomoto Co., Inc. Head, Process Industrialization Laboratory, Research Institute for Bioscience Products & Fine Chemicals, Ajinomoto Co., Inc. Deputy Director General for Science, Technology and Innovation, Cabinet Office Advisor, J-OIL MILLS, Inc. Director, J-OIL MILLS, Inc. (to present) Managing Executive Officer, J-OIL MILLS, Inc. (to present) In charge of Production & Technology, J-OIL MILLS, Inc. (to present)	8,700

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
	[Reason for nomination as candidate for Director] He has been involved in researches including for industrialization of food ingredients and pharmaceutical ingredients at Ajinomoto Co., Inc. For around two years since 2015, he performed his duties as Deputy Director General of Cabinet Office. Thus, he has abundant experience and profound insights related to researches in general for industrialization of various ingredients. Accordingly, the Company judged that he will be able to take a role of making important decisions and supervising business execution as Director, and nominated him as a candidate for Director.		
4	<p>Tatsuya Sasaki (June 25, 1963)</p> <p>[Reappointment] [Outside]</p> <p>[Tenure as Director (at the conclusion of this General Meeting of Shareholders)] 1 year</p> <p>[Attendance at the Board of Directors meetings] 14 out of 14 meetings (100%) * after assuming office as Director</p>	<p>April 1986 Joined Ajinomoto Co., Inc.</p> <p>January 2011 General Manager, Nutrition Care Department, Ajinomoto Co., Inc.</p> <p>July 2013 General Manager, Corporate Planning Department, Ajinomoto Co., Inc.</p> <p>June 2017 Corporate Executive Officer, Ajinomoto Co., Inc.</p> <p>June 2019 Corporate Vice President, Ajinomoto Co., Inc.</p> <p>July 2019 General Manager, Latin America Division, Ajinomoto Co., Inc. and President, Ajinomoto do Brasil Indústria e Comércio de Alimentos Ltda.</p> <p>June 2021 Executive Officer & Vice President, Ajinomoto Co., Inc.</p> <p>April 2022 Executive Officer & Senior Vice President, Ajinomoto Co., Inc. (to present)</p> <p>April 2022 General Manager, Global Corporate Division and Corporate Service Division, Ajinomoto Co., Inc.</p> <p>June 2022 Member of the Board, Ajinomoto Co., Inc. (to present)</p> <p>June 2022 Outside Director, J-OIL MILLS, Inc. (to present)</p> <p>November 2022 In charge of diversity and HR, Ajinomoto Co., Inc.</p> <p>April 2023 General Manager, Corporate Division, Ajinomoto Co., Inc. (to present)</p> <p>Significant concurrent positions: Member of the Board, Executive Officer & Senior Vice President, General Manager, Corporate Division, Ajinomoto Co., Inc.</p>	-
	[Reason for nomination as candidate for Outside Director and expected roles] He 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 in general. 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 nominated him as a candidate for Outside Director.		
5	<p>Osamu Watanabe (November 6, 1971)</p> <p>[New appointment] [Outside]</p> <p>[Tenure as Director (at the conclusion of this General Meeting of Shareholders)] -</p> <p>[Attendance at the Board of Directors meetings] -</p>	<p>April 1994 Joined MITSUI & CO., LTD.</p> <p>December 2006 Deputy General Manager, Produce & Provisions Division, Kuala Lumpur Branch, MITSUI & CO. (Asia & Pacific) Pte Ltd.</p> <p>July 2012 General Manager, Dongyanguang Business Promotion Office, Metal Dept., Mineral & Metal Resources Business Unit, MITSUI & CO., LTD.</p> <p>January 2014 General Manager, Multigrain Promotion Office, Grain Dept. 2, Food Business Unit, MITSUI & CO., LTD.</p> <p>April 2017 General Manager, Overseas Sales Dept., Kadoya Sesame Mills Incorporated</p> <p>July 2019 Operating Officer, General Manager, Overseas Sales Dept., Kadoya Sesame Mills Incorporated</p> <p>August 2020 General Manager, Food and Retail Business Division, MITSUI & CO. (Malaysia) Sdn Bhd</p> <p>April 2021 General Manager, Oils & Fats and Staple Foods Dept., Food Business Unit, MITSUI & CO., LTD.</p> <p>June 2021 External Director, FEED ONE CO., LTD. (Scheduled to retire in June 2023)</p> <p>December 2021 General Manager, Oil & Processed Material Solutions Dept., Food Business Unit, MITSUI & CO., LTD. (to present)</p> <p>Significant concurrent positions: General Manager, Oil & Processed Material Solutions Dept., Food Business Unit, MITSUI & CO., LTD.</p>	-

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
	[Reason for nomination as candidate for Outside Director and expected roles] He has been involved in businesses including overseas and food containing oils and fats at MITSUI & CO., LTD., and has abundant experience and insights related broadly to overseas business and food 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 nominated him as a candidate for Outside Director.		
6	Yugo Ishida (January 1, 1957) [Reappointment] [Outside] [Independent] [Tenure as Director (at the conclusion of this General Meeting of Shareholders)] 4 years [Attendance at the Board of Directors meetings] 17 out of 18 meetings (94%)	April 1979 Joined Nomura Securities Co., Ltd. November 1997 Representative Director and President, Nomura Italy S.I.M.p.A April 2004 Executive Officer, Nomura Holdings, Inc. April 2005 Director, President and CEO, Nomura Europe Holdings plc April 2008 Managing Executive Officer, Nomura Holdings, Inc. April 2009 Executive Vice President, Nomura Asset Management Co., Ltd. June 2011 Director, COO and President, Nomura Asset Management Co., Ltd. (Retired in August 2012) January 2014 Representative Director and President, LAZARD JAPAN ASSET MANAGEMENT K.K. (to present) June 2019 Outside Director, J-OIL MILLS, Inc. (to present) Significant concurrent positions: Representative Director and President, LAZARD JAPAN ASSET MANAGEMENT K.K.	-
	[Reason for nomination as candidate for Outside Director and expected roles] He 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 expected to take a role of making important decisions and supervising business execution as Director, and therefore the Company nominated him as a candidate for Outside Director.		
7	Hiroko Koide (August 10, 1957) [Reappointment] [Outside] [Independent] [Tenure as Director (at the conclusion of this General Meeting of Shareholders)] 4 years [Attendance at the Board of Directors meetings] 17 out of 18 meetings (94%)	September 1986 Joined J. Walter Thompson Japan K.K. (currently Wunderman Thompson Tokyo G.K.) May 1993 Joined Nippon Lever K.K. (currently Unilever Japan K.K.) April 2001 Director, Nippon Lever K.K. (currently Unilever Japan K.K.) (Retired in March 2006) April 2006 General Manager, Marketing Management Unit, Masterfoods Ltd. (currently Mars Japan Limited) April 2008 Chief Operating Officer, Masterfoods Ltd. (currently Mars Japan Limited) (Retired in August 2010) November 2010 Representative Director and President, Parfums Christian Dior Japon K.K. (Retired in January 2012) January 2013 Outside Director, Kirin Company (Retired in March 2018) April 2013 Senior Vice President, Global Marketing, Newell Rubbermaid Inc. (U.S.) (currently Newell Brands Inc. (U.S.)) (Retired in February 2018) June 2016 Outside Director, Mitsubishi Electric Corporation (to present) April 2018 Director, Vicela Japan Co., Ltd. (Retired in March 2019) June 2019 Outside Director, Honda Motor Co., Ltd. (Retired in June 2021) June 2019 Outside Director, J-OIL MILLS, Inc. (to present) May 2021 Outside Director, J. FRONT RETAILING Co., Ltd. (to present) November 2022 Outside Director, Newport Ltd. (to present) Significant concurrent positions: Outside Director, Mitsubishi Electric Corporation Outside Director, J. FRONT RETAILING Co., Ltd. Outside Director, Newport Ltd.	-
	[Reason for nomination as candidate for Outside Director and expected roles] She has been engaged in corporate management as well as involved in marketing at a variety of global companies, and has abundant experience and insights related to global business, 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 nominated her as a candidate for Outside Director.		

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
(Note) At Mitsubishi Electric Corporation, where Ms. Hiroko Koide serves as Outside Director, inappropriate practices related to quality were revealed at several manufacturing bases during her office as Outside Director. Ms. Koide had not recognized this fact in advance. However, she regularly heightened awareness from the perspective of legal compliance at Board of Directors and other meetings. After this fact was recognized, she has been giving instructions about measures for further strengthening the compliance system at Board of Directors and other meetings in order to conduct thorough examination for gaining a full understanding of the situation and finding the cause, and to prevent recurrence.			
8	<p>Tsuyoshi Kameoka (October 18, 1956)</p> <p>[Reappointment] [Outside] [Independent]</p> <p>[Tenure as Director (at the conclusion of this General Meeting of Shareholders)] 1 year</p> <p>[Attendance at the Board of Directors meetings] 13 out of 14 meetings (93%)</p> <p>* after assuming office as Director</p>	<p>April 1979 Joined Shell Sekiyu K.K.</p> <p>April 2003 Oil Products Division Manager, Showa Shell Sekiyu K.K.</p> <p>May 2005 Senior Officer and Kinki Area Manager, Showa Shell Sekiyu K.K.</p> <p>March 2006 Executive Officer and Kinki Area Manager, Showa Shell Sekiyu K.K.</p> <p>November 2008 Executive Officer and General Manager, Head Office Sales Division, Showa Shell Sekiyu K.K.</p> <p>March 2009 Corporate Executive Officer, Showa Shell Sekiyu K.K.</p> <p>March 2013 Executive Officer Vice President, Oil Business COO, Showa Shell Sekiyu K.K.</p> <p>March 2015 President & Representative Director, Group CEO, Showa Shell Sekiyu K.K. (Retired in April 2019)</p> <p>April 2019 Vice Chairman and Representative Director, and Vice Chairman and Executive Officer, Idemitsu Kosan Co., Ltd. (Retired in June 2020)</p> <p>June 2020 Special Advisor, Idemitsu Kosan Co., Ltd.</p> <p>June 2021 Outside Director, Kawasaki Kisen Kaisha, Ltd. (Scheduled to retire in June 2023)</p> <p>June 2022 Outside Director, J-OIL MILLS, Inc. (to present)</p> <p>June 2023 Outside Director, Sojitz Corporation (scheduled)</p> <p>Outside Director, Sojitz Corporation (scheduled)</p> <p>Significant concurrent positions:</p>	-
<p>[Reason for nomination as candidate for Outside Director and expected roles]</p> <p>He has been engaged in corporate management for many years, such as serving as President & Representative Director of Showa Shell Sekiyu K.K., and has abundant experience and insights related to corporate management. 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 nominated him as a candidate for Outside Director.</p>			

(Reference 1) Expertise, etc. of Directors and Audit & Supervisory Board Members after Conclusion of This General Meeting of Shareholders (Skill Matrix)

The Company focuses on the following seven areas as the combination of skills and expertise, etc. necessary to realize the Medium-Term Business Plan: “corporate management,” “financial accounting/finance (M&A),” “sales/marketing,” “R&D/production,” “global,” “legal affairs/compliance/sustainability,” and “human capital/organizational development.”

Name	Position	Corporate management	Financial accounting / finance (M&A)	Sales / marketing	R&D / production	Global	Legal affairs / compliance /sustainability	Human capital / organizational development
Tatsuya Sato	Representative Director, President	◎		◎		◎		○
Takeshi Kamigochi	Director, Senior Managing Executive Officer	◎	◎	○	○	◎	○	
Eizo Matsumoto	Director, Managing Executive Officer	◎			◎	◎	◎	
Tatsuya Sasaki	Outside Director	◎		○		◎	◎	
Osamu Watanabe	Outside Director	○	○	◎		◎		
Yugo Ishida	Outside Director	◎	○	◎		◎		
Hiroko Koide	Outside Director	◎		◎		◎		○
Tsuyoshi Kameoka	Outside Director	◎		◎		◎	◎	◎
Shunichi Komatsu	Audit & Supervisory Board Member (Standing)	◎		◎		◎		
Akira Nozaki	Audit & Supervisory Board Member						◎	
Akira Muto	Outside Audit & Supervisory Board Member	○	◎				◎	
Eiji Mizutani	Outside Audit & Supervisory Board Member		◎			○		

- (Notes)
- indicates areas in which the above persons have insight, and ◎ indicates areas of experience in addition to insight.
 - ◎ and ○ are assigned to a maximum of six items in total that have a high priority in the Company, and the above is not an exhaustive list of all areas of knowledge they have.

(Reference 2) Independence Criteria for Outside Officers

The Company assesses the independence of Outside Directors and Outside Audit & Supervisory Board Members after confirming whether any of the following categories apply:

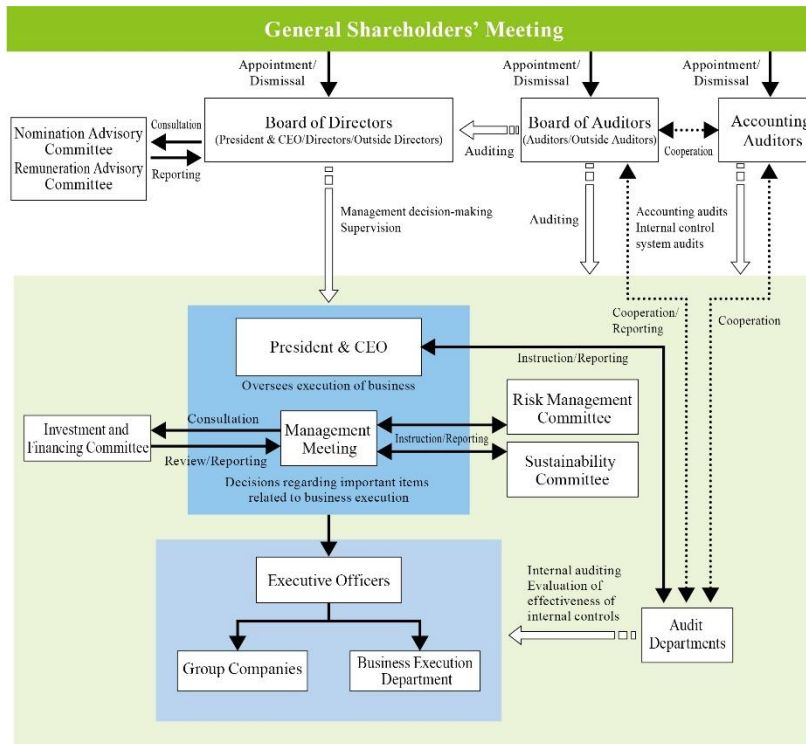
1. A business executive of the Company Group or person who previously served at the Company Group
 - *1 The “Company Group” refers to the Company and its consolidated subsidiaries.
 - *2 A “business executive” refers to an Executive Director, Executive Officer, Corporate Officer, other employee, etc.
 - *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 officer 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.

(Reference 3) Corporate Governance

1. Corporate governance system

The Company's corporate governance system is as follows.

(as of March 31, 2023)



2. Advisory committees

The Company has established the Nomination Advisory Committee and the Remuneration Advisory Committee.

- The Nomination Advisory Committee, when requested by the Board of Directors, deliberates on proposals for the appointment and dismissal of directors and executive officers and provides its recommendations to the Board of Directors. The committee consists of three outside directors and one internal director.
- The Remuneration Advisory Committee, when requested by the Board of Directors, deliberates on remuneration proposals for directors and executive officers and provides its recommendations to the Board of Directors. The committee consists of three outside directors, one internal director, and one audit & supervisory board member.

3. Other committees

The Company has established the following committees.

- The purpose of the Risk Management Committee is to comprehensively and promptly respond to potential risks, dangers (manifested risks) such as compliance violations, and crises (major crises) that may affect management, and to prevent and mitigate the impact of such crises. A “Compliance Subcommittee” and a “Risk Management Subcommittee” have been established under the Risk Management Committee to raise awareness of compliance among employees, address violations, anticipate and prevent risks, and respond to crises.
- The purpose of the Sustainability Committee is to incorporate the concept of sustainability that is linked to our corporate philosophy into our business activities and to engage in necessary discussions. We have positioned addressing climate change throughout our supply chain as a top priority, and we are working to resolve issues by reducing our environmental impact and sharing sustainability issues across the entire company, from procurement to production, logistics, and sales.
- The purpose of the Investment and Financing Committee, as an advisory body to the Management Committee, is to contribute to the deliberations of the Management Committee by conducting and following up on investments, financing, and corporate alliances, etc. as well as to identify and revitalize unprofitable businesses, from multiple perspectives. The Committee examines the details, issues, necessity, risks, financial plans, PMI and other management systems, and their priorities from a company-wide perspective, taking into consideration consistency with our corporate philosophy and management plan, and conformity with our investment plans, and domestic and overseas laws and regulations, and ensuring safety, environment, and quality, etc.

Proposal 2: Partial Revision of the Performance and Share-based Remuneration System for Directors

1. Reasons for the Proposal and Reasons Why the Proposal is Deemed Appropriate

This Proposal seeks the approval of the shareholders to make partial revisions (hereinafter referred to as the “Revision”) to the performance and share-based remuneration plan, the Board Benefit Trust (BBT) (hereinafter referred to as the “Plan”) for the Directors and Executive Officers of the Company (excluding Outside Directors. Hereinafter referred to as the “Directors, etc.”)

The Plan, upon being approved by resolution of the 15th Annual General Meeting of Shareholders held on June 22, 2017 was adopted by the Company. The Plan was subsequently revised upon approval of a partial revision by resolution of the 19th Annual General Meeting of Shareholders held on June 24, 2021 (hereinafter referred to as the “Original Resolution”), and continues to this day. The Plan’s objectives were to further clarify the link between the remuneration to Directors, etc. and the Company’s performance and stock value, so that Directors, etc. share with the shareholders not only the benefits of rising stock prices but also the risks of declining stock prices, thereby raising their awareness toward contributing to the continuous improvement of business performance and the increase of corporate value in the medium- to long-term.

On this occasion, the Company seeks approval to revise the target period for the Plan, as well as the limit on the number of shares of the Company, etc. to be awarded to the Directors, etc. and cash equivalents of such shares at market value (hereinafter collectively referred to as the “Company Shares, etc.”), so that the Directors, etc. will further share value with the shareholders and strengthen their motivation to improve corporate value and solidarity with the shareholders.

Under this Proposal, share-based remuneration will be paid to Directors, etc. separately, from the maximum amount of remuneration to Directors (not more than ¥450 million annually, however, excluding the salary portion (including not more than ¥50 million annually for Outside Directors)) approved by resolution of the Annual General Meeting Shareholders held on June 25, 2020. Accordingly, the Company seeks approval to partially revise the remuneration plan approved by the Original Resolution. Furthermore, the Company proposes to leave the details of the Plan after the Revision to the discretion of the Board of Directors within the scope outlined in paragraph 2. below.

Given that the Revision has been deliberated by the Nomination Advisory Committee and the Remuneration Advisory Committee, the majority of which comprises Independent Outside Directors and that it aligns with the Policy on Decisions concerning the Details of Individual Remunerations of Directors of the Company (Please see Appendix), which is to be approved by the meeting of the Board of Directors following this Annual General Meeting of Shareholders, the Company has deemed that the details of this Proposal are appropriate.

Currently, the number of Directors eligible under the Plan is 3. If Proposal 1 is approved as originally proposed, the number of Directors eligible under the Plan will remain 3.

There will be no changes to the timing of payment following the Revision, and payment of the Company Shares, etc. based on the points awarded to Directors, etc. will be carried out at the time of retirement, in principle.

Following the Revision, preliminary points awarded to the Directors, etc. in office at the time of the Revision for the fiscal year ended March 31, 2022 and the fiscal year ended March 31, 2023 will be adjusted and determined by multiplying the said points by an evaluation coefficient (within the range of 0.0 through 1.50), which has been determined in advance according to the business performance in the fiscal year ended March 31, 2022 and the fiscal year ended March 31, 2023 (hereinafter, points calculated in this manner are referred to as the “Fixed Points Prior to the Revision”).

2. Details of the Revision (Calculation Method of the Amount of Remuneration under the Plan and Details Thereof)

The details of the previous Plan shall be partially revised as follows.

(1) Overview of the Plan

The Plan is a performance and share-based remuneration plan whereby shares of the Company are acquired through a trust (hereinafter, the trust established based on the Plan is referred to as the “Trust”) using the cash contributed by the Company as funds, and the Company Shares, etc. are paid to the Directors, etc. through the Trust, pursuant to the Rules for the Payment of Shares to Officers, established by the Company. The Directors, etc. of the Company shall receive payment of the Company Shares, etc. in principle, at the time of retirement.

(2) Amount of Trust Funds

The Company, within the maximum amount approved by resolution of the 15th Annual General Meeting of Shareholders, has contributed cash in the amount of ¥700 million as funds to acquire shares for payment to the Directors, etc. of the Company under the Plan for the 4 fiscal year-period from the fiscal year ended March 31, 2018 to the fiscal year ended March 31, 2021 (hereinafter referred to as the “Initial Target Period”) and established the Trust with the Directors, etc. who satisfy the beneficiary requirements as the beneficiaries. The Trust, using the cash entrusted by the Company as funds, has acquired 349,800 shares of the Company for the Initial Target Period (number of shares that reflects the stock split implemented as of April 1, 2021).

Conditional upon the approval of this Proposal, the Company shall designate the 6 fiscal year-period from the fiscal year ended March 31, 2022 to the fiscal year ending March 31, 2027 as the initial Target Period after the Revision (hereinafter, said 6 fiscal year-period is referred to as the “Revised Initial Target Period,” and each period determined by the Board of Directors on a case-by-case basis as the period that coincides with the period covered by each Medium-Term Business Plan, which starts after the expiration of the Revised Initial Target Period (minimum 3 fiscal years, maximum 6 fiscal years), is referred to as the “(Revised) Target Period”). In the event that in the Revised Initial Target Period, a shortage in the number of shares required for payment to the Directors, etc. under the Plan is expected, the Company shall reasonably estimate the number of shares required and make additional contributions to the Trust of the funds deemed to be required by the Trust to acquire the shares in advance. Furthermore, the Company, for each (Revised) Target Period, after the Revised Initial Target Period and until the termination of the Plan, shall reasonably estimate the number of shares required for the payment to the Directors, etc. under the Plan and make additional contributions to the Trust of the funds required by the Trust to acquire the shares in advance. However, when making such additional contributions, if any shares of the Company remain in the Trust (excluding shares of the Company equivalent to the number of points awarded to the Directors, etc. corresponding to each Target Period immediately preceding the current Target Period, and not yet granted) or cash (hereinafter collectively referred to as the “Remaining Shares, etc.”), the Remaining Shares, etc. shall be allocated to the funds required for payment under the Plan for the (Revised) Target Period, and the amount of the additional contributions shall be calculated upon taking into account the Remaining Shares, etc.

Any decision by the Company to make additional contributions will be disclosed in a timely and appropriate manner.

(3) Method of Acquiring the Shares of the Company and the Number of Shares to Be Acquired

The Trust shall use funds contributed, as described in paragraph (2) above, to acquire the shares of the Company on the stock market or by underwriting the disposal of the Company’s treasury shares. As described in paragraph (4) below, the maximum points awarded to the Directors, etc. shall be a total of 130,000 points for each fiscal year.

Accordingly, given that the remaining Revised Initial Target Period is 4 years and that the number of shares of the Company remaining in the Trust at this time for which points have yet to be granted is 264,100, the maximum number of shares to be acquired by the Trust during the Revised Initial Target Period will be 255,900 shares. For reference, when this maximum number of shares is multiplied with the closing price of shares of the Company on May 17, 2023 (¥1,598), the funds for the acquisition of shares would amount to approximately ¥408 million.

(4) Limit on the Number of the Company Shares, etc. to Be Awarded to the Directors, etc.

In each fiscal year after the fiscal year ending March 31, 2024, Directors, etc. will be awarded a fixed number of points determined by multiplying the number of points determined based on his or her position pursuant to the Rules for the Payment of Shares to Officers, by an evaluation coefficient (within the range of 0.0 through 2.00), which has been determined in advance according to the business performance in that fiscal year (hereinafter, points calculated in this manner are referred to as the “Fixed Points After the Revision”). The total maximum value of the number of points to be awarded to Directors for each fiscal year shall be a maximum of 85,000 points, and the total number of points to be awarded to Executive Officers each fiscal year shall be a maximum of 45,000 points. These numbers have been decided upon comprehensively taking into consideration such factors as current executive remuneration levels, trends in the number of Directors, etc., and future outlook, and are, therefore, deemed appropriate.

The points awarded to the Directors, etc., in the payment of the Company Shares, etc., described in paragraph (5) below, shall be exchanged into the common stock of the Company at a rate of one share per point (however, where after this Proposal has been approved by this Annual General Meeting of Shareholders, a stock split, a gratis allotment or stock consolidation, etc. takes place concerning such

shares, the Company shall perform a reasonable adjustment of the limit on the number of points and the number of points already awarded or the exchange ratio, depending on the ratio of shares after such change).

The percentage of the number of shares corresponding to the maximum number of points per one-fiscal-year period to be awarded to Directors, etc. (130,000 shares) to the total number of shares issued (total number issued after deducting treasury shares from the total number of shares issued as of March 31, 2023) is approximately 0.4%.

The number of points held by Directors, etc. for determining the awarding of Shares, etc. pursuant to (5) below is, in principle, the sum of Fixed Points Prior to the Revision and the Fixed Points After the Revision awarded to Directors, etc. up to the point at which they retire (hereinafter, the sum of “Fixed Points Prior to the Revision” and the “Fixed Points After the Revision” are referred to as the “Final Number of Points”).

(5) Payment of the Company Shares, etc. and the Specific Calculation Method of the Amount of Remuneration

Directors who have satisfied beneficiary requirements, by completing the prescribed procedures to be designated as a beneficiary, shall, in principle, receive payment of the shares of the Company according to the number of Fixed Points, determined in accordance with the description of paragraph (4) above, from the Trust at the time of retirement. However, if the requirements set forth in the Rules for the Payment of Shares to Officers are met, a certain proportion of the payment may be received as a cash payment equivalent to the market value of the shares of the Company, in lieu of the payment in shares. The Trust may sell shares of the Company when making such cash payments.

Directors, etc., even after they have been awarded points, may have their awarded points confiscated, in whole or in part, by resolution of the Board of Directors, if any events set forth in the Rules for the Payment of Shares to Officers occur. Furthermore, Directors, etc., even after they have received payment, may be demanded the return of cash equivalent to the shares and cash received, if any events set forth in the Rules for the Payment of Shares to Officers occur.

The amount of remuneration received by the Director shall be based on the total number of points awarded to the Director at the time the points are awarded multiplied by the book value per share of the shares of the Company held by the Trust (however, where a stock split, a gratis allotment or stock consolidation, etc. takes place concerning such shares, the Company shall perform a reasonable adjustment, depending on the ratio of shares after such change). Furthermore, if, as an exceptional case, cash is to be paid pursuant to the provisions of the Rules for the Payment of Shares to Officers, the amount of remuneration will be the amount to which said amount has been added, when deemed appropriate.

(6) Handling of Dividends

Dividends pertaining to the shares of the Company within the Trust account shall be received by the Trust and allocated to the funds used to acquire the shares of the Company or to trust fees, etc. for the trustee related to the Trust. In addition, upon the termination of the Trust, dividends, etc., remaining shall be prorated and paid to the Directors, etc., who are in office at that time, according to the number of points held, pursuant to the Rules for the Payment of Shares to Officers.

[Appendix] Policy on Decisions concerning the Details of Individual Remunerations of Directors of the Company

*Underlined sections indicate the major revisions.

(I) Basic Policy

J-Oil Mills' executive remuneration system comprises fixed remuneration and performance-based remuneration to clarify the executives' responsibility toward improving business performance and corporate value and to raise their motivation and morale toward the improvement of business performance and corporate value. 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 business performance and corporate value. Remuneration levels are determined based on objective indicators following analysis and comparison utilizing data from outside research firms, so that the total amount of remuneration will be equivalent to the 50-75th percentile when the medium-term business plan target is achieved, having secured the lower limit of the 25th percentile, by taking peer companies with similar net sales and operating profit as a benchmark.

The amounts and the methods of calculation of executive 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 executive 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.

(II) Policy on Decisions concerning the Amount of Individual Basic Remunerations (Monetary Remuneration) (including the policy on the decisions on when to pay remunerations and the conditions for payment)

As consideration for the “expectations” entailed by the roles and duties of each executive, a fixed monthly amount has been set depending on the job position and paid each month.

(III) Policy on Decisions concerning the Details of Performance-based Remuneration and Non-monetary Remuneration and the Calculation Method of the Amount and Number Thereof (including the policy on the decisions on when to pay remunerations and the conditions for payment)

The calculation of performance-based remuneration takes into consideration company-wide performance evaluations and commitment target (implementation status of initiatives that the Company focuses on, and to which the executives themselves are especially committed) evaluations, and salary is calculated based on the ratio of performance evaluations, depending on position and role. The higher the position of the executive, the greater the proportion of performance-based remuneration that is set, given that the higher the position, the more significant are the expected outcomes and the greater is the responsibility for company performance.

(i) “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 commitment targets (implementation status of initiatives that the Company focuses on, and to which the executives themselves are especially committed). When making contributions to the improvement of business performance and corporate value, business performance is seen as crucial determining criteria. Accordingly, the basic indicator to evaluate company-wide performance comprises consolidated operating profit. In the event quality issues, serious accidents, or scandals arise that damage the Company’s corporate value or brand value, the determined amount of the payment may be reduced.

(ii) “Share-based remuneration (long-term incentives)”

As consideration for the achievement of medium-to long-term company-wide performance targets, the number of shares of the Company to be awarded are determined after each fiscal year has ended, in an effort to share value with the shareholders. Payments are made at retirement, and if the executives were engaged in fraud or other misconducts during their term of office, payment will be reduced or not made. Performance is evaluated on a fiscal year basis in order to further share value with the shareholders and strengthen their 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. In order to increase the link to the improvement of corporate value, the base performance of consolidated operating profit is ¥11.0 billion, ROIC is 5.0%, ROE is 8%, and EPS is ¥260.

(IV) Policy on Decisions concerning the Ratio of the Amounts of Monetary Remuneration, Performance-based Remuneration or Non-monetary Remuneration to the Amount of Individual Remunerations of Directors

The proportion of performance-based remuneration of the Directors (excluding Outside Directors) will fluctuate within a range of 0 to 73%. Outside Directors and Audit & Supervisory Board Members receive only fixed remuneration.

Position	Fixed remuneration (%)	Performance-based remuneration (%)	
		Bonuses	Share-based remuneration
Representative Director, President	47	19	34
Director, Senior Managing Executive Officer	54	22	24
Director Managing Executive Officer	56	22	22
Outside Directors	100	-	-
Audit & Supervisory Board Members	100	-	-

(V) Matters relating to the Determination of the Policy on Decisions concerning the Details of Individual Remunerations of Directors and Audit & Supervisory Board Members

The Policy on Decisions concerning the Details of Individual Remunerations of Directors and Audit & Supervisory Board Members is 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.