

Fuji Oil Company, Ltd.

Corporate Profile



**FDC** Fuji Oil Company, Ltd.

Garden City Shinagawa Gotenyama  
7-29, Kitashinagawa 6-chome, Shinagawa-ku,  
Tokyo, 141-0001 Japan  
Phone 81-3-6277-2891 Fax 81-3-6277-2919  
<https://www.foc.co.jp/en/>

Revised in September 2024

## Corporate Philosophy

Ensure stable supply of energy

Maintain safety and protect the global environment

Work for the benefit of all stakeholders

Create energetic and motivating workplaces

### Group Management Policy

#### Maximize value for stakeholders

The Group works together to maximize the corporate value for all its stakeholders: shareholders, clients, employees and the local community.

#### Improve transparency of management

The Group strives to strengthen corporate governance, ensure thorough risk management and compliance, and disclose accurate information on a timely and appropriate basis.

#### Maintain stable operations and a solid earnings base

The Group aims to strengthen and maintain a stable earnings structure, supported by the Sodegaura Refinery with its advantageous location and advanced processing facilities as well as its solid client base.

#### Return profits to shareholders

The Group works to ensure stable payment of dividends to shareholders while taking into account a range of factors, such as a sufficient level of internal reserves to support business expansion over the medium- and long-term, earnings performance and the cash balance.

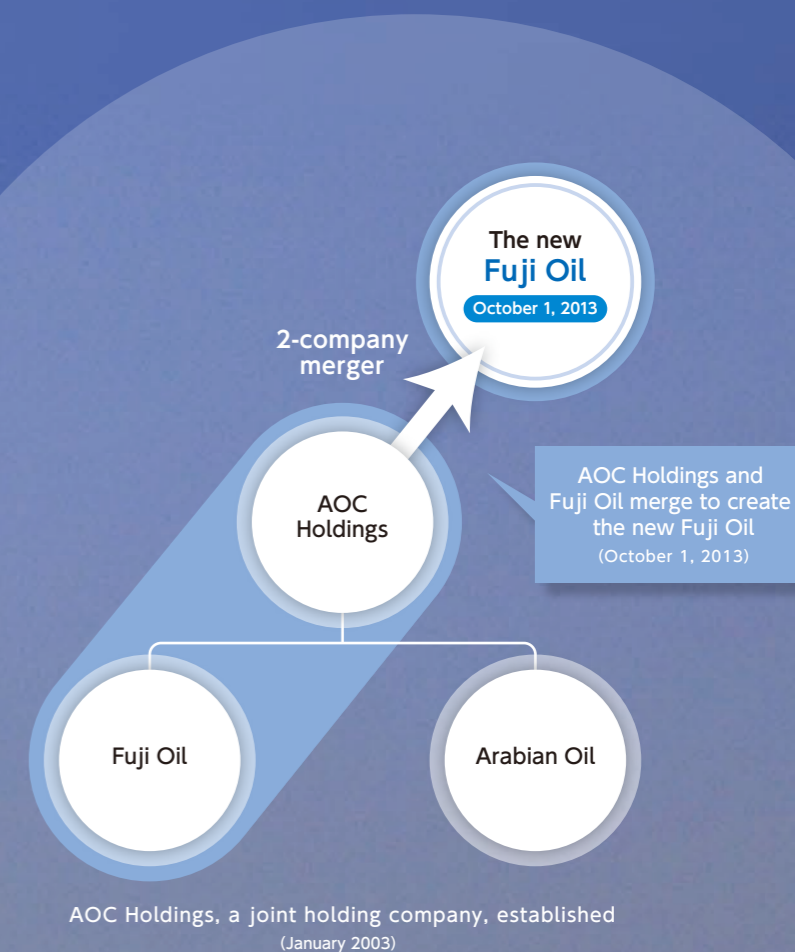
#### Challenge for sustained growth

The Group strives to deliver sustained growth by steadily implementing medium-term business strategies designed to preempt changes in the business environment.

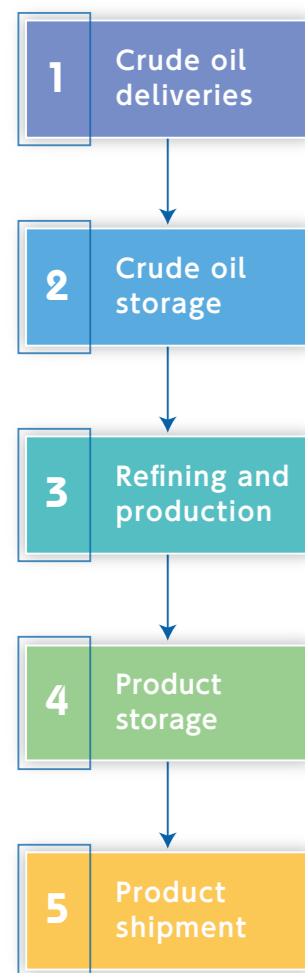
AOC Holdings merged with Fuji Oil on October 1, 2013, absorbing the company and inheriting the Fuji Oil name. Founded in January 2003, AOC Holdings Group has striven to expand and support clients through two companies, Arabian Oil, which was responsible for exploration, and Fuji Oil, which was responsible for refinement and sales. As the new Fuji Oil, the company now begins a fresh start.

With this merger, AOC Holdings Group adopted a new structure, both in name and substance, placing the refining and sales previously handled by Fuji Oil at its core.

Along with this new system, the new Fuji Oil has established a new corporate philosophy and group management policy that follow on the spirit of the previous management philosophy established by both AOC Holdings and the former Fuji Oil. By adhering to this corporate philosophy and group management policy, the new Fuji Oil will not only focus on its own operations but will lead the Group as a whole, striving for better management efficiency, profitability and competitiveness.



Japan is almost entirely dependent on imports of crude oil. We import crude oil from around the world, but mainly from the Middle East. The Sodegaura Refinery processes this crude oil into a range of high-quality petroleum products while ensuring safe operations and minimal environmental impact. The finished products are distributed to clients in Japan and overseas. The Sodegaura Refinery has one of the largest refinery landing piers in Japan. The pier can handle tankers up to 120,000 DWT and has the capacity to export 3 million kiloliter of petroleum products each year, equivalent to around 40% of the Refinery's production capacity.



### 1 Crude oil deliveries

Crude oil arriving in Tokyo Bay in large 300,000 DWT-class tankers is delivered to the Sodegaura Refinery from the Keiyo Sea Berth, which is jointly operated by four refineries in the Keiyo area. Crude oil imported by 120,000 DWT and smaller tankers, as well as ship-borne imports of gasoline, kerosene and gas oil, are delivered directly to the Refinery by way of Fuji Oil's dedicated landing pier.



**Keiyo Sea Berth**  
Located 7 km offshore from the Sodegaura Refinery, the sea berth can accommodate two 300,000 DWT tankers concurrently. The sea berth is connected to the Refinery by an undersea pipeline.



**Dedicated landing pier**  
Capable of handling tanker up to 120,000 DWT

### 2 Crude oil storage

The Sodegaura Refinery has 15 storage tanks and the Nakasode Crude Storage Base has 12. Imported crude oil is transported to these tanks for storage. Fuji Oil and other oil companies in Japan are required to stockpile a 70-day supply of crude oil and petroleum products in case of an emergency.



Crude oil tanks at the Sodegaura Refinery



Crude oil tanks at the Nakasode Crude Storage Base

### 3 Refining and production

Facilities at the Sodegaura Refinery incorporate advanced technologies and a production system allows the Refinery to respond flexibly to changes in demand for petroleum products.

In Japan and worldwide, demand for petroleum products is shifting to white oil such as gasoline, kerosene and gas oil. We expect demand for these products to continue rising over the long term.

The Sodegaura Refinery is capable of producing white oil from heavy crude oil thanks to processing units incorporating the advanced technology, such as our proprietary vacuum residue thermal cracking unit (Eureka Thermal Cracking Unit).

An integrated cutting-edge production control system is used to operate and manage oil refining equipment, enabling efficient production of various petroleum products.



Vacuum residue thermal cracking unit (Eureka Thermal Cracking Unit)



Integrated control room

### 4 Product storage

The Sodegaura Refinery has around 140 tanks, ranging in size. These tanks are used to store a variety of petroleum products made by the Refinery, such as gasoline, kerosene and LPG.



Storage tanks

### 5 Product shipment

Petroleum products made by the Refinery are delivered to domestic clients throughout Japan by sea, rail, road and pipeline. We also export our products to overseas clients.



Marine shipments



Rail shipments



Road shipments



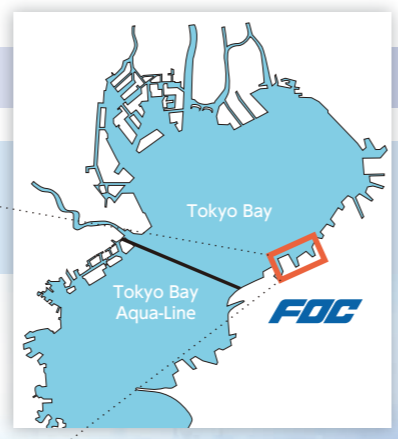
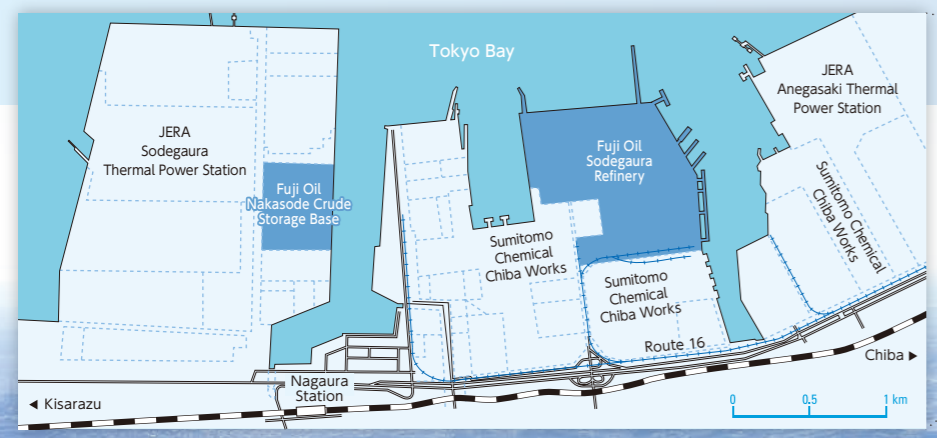
Pipeline shipments

# 4 Advantages of the New Fuji Oil

- 1 The Sodegaura Refinery's Advantageous Location
- 2 A Solid and Stable Client Base
- 3 One of Japan's Highest Heavy Oil Cracking Capacities
- 4 World-Class Safety Measures

Since opening the Sodegaura Refinery in 1968, Fuji Oil has consistently engaged in the refining and sale of petroleum products. We will continue to strive each day to further solidify the four advantages developed over those years.

## 1 The Sodegaura Refinery's Advantageous Location



Sky view of the Sodegaura Refinery

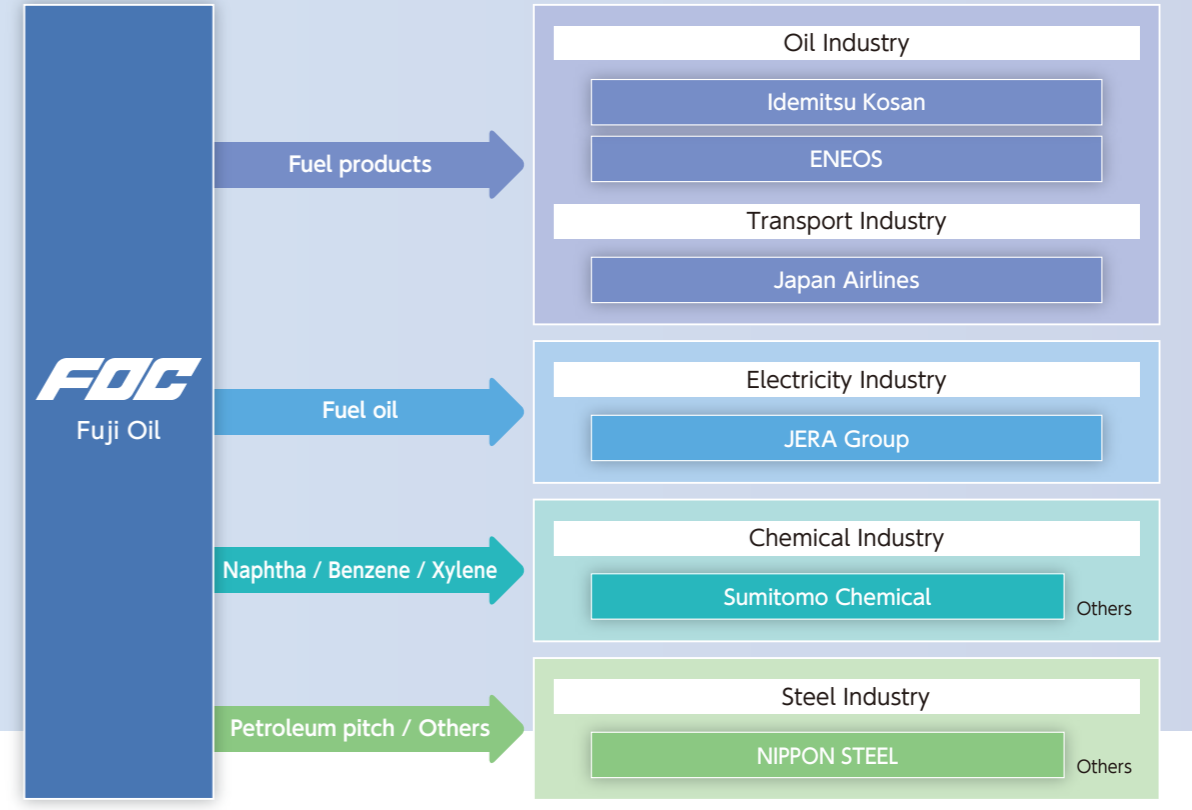
The Sodegaura Refinery is located in the Tokyo-Chiba industrial belt, on Tokyo Bay, in Chiba port, one of Japan's busiest cargo ports.

The site offers excellent access to not only crude oil import and domestic ship-borne routes of petroleum products, but also to export routes of petroleum products by large tankers. It is also connected to the overland transportation infrastructure, with routes such as the Tateyama Expressway and the Metropolitan Inter-city Expressway, providing excellent access not only to the major metropolitan consumption area, but also to the Kanto and Tohoku regions. The Refinery's location is extremely advantageous.



## 2 A Solid and Stable Client Base

### Supply of Petroleum Products



By making full use of its location and other advantages, Fuji Oil has created a solid and stable client base. With long-term contracts with Idemitsu Kosan, ENEOS and Japan Airlines, sales of fuel products at Fuji Oil, its main product, are focused on the Metropolitan region.

The JERA Group and Sumitomo Chemical have both been partners since the Sodegaura Refinery first went into operation. The Refinery began its operations as a complex linking the adjacently located power plants and factories of each company. Fuji Oil has been a stable supplier of fuel for power generation, such as low - sulfur fuel oil C, to the JERA Group. It also has been supplying various petrochemical feedstocks

to the adjacent Sumitomo Chemical Chiba Works via pipeline. The Sodegaura Refinery and Sumitomo Chemical Chiba Works collaborate to raise the efficiency of operations, with reciprocal use of steam and effective use of waste heat. We also worked with Nippon Steel to develop effective uses for petroleum pitch, and have since been providing the company with a stable supply of petroleum pitch, a feedstock for coke.

By working closely with Japan's foremost companies, Fuji Oil engages in stable and ongoing transactions, ensuring a business model with minimal sales risks.

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Corporate Profile  
Fuji Oil Company, Ltd. **FOC**

### 3 One of Japan's Highest Heavy Oil Cracking Capacities



Crude Distillation Unit (CDU)

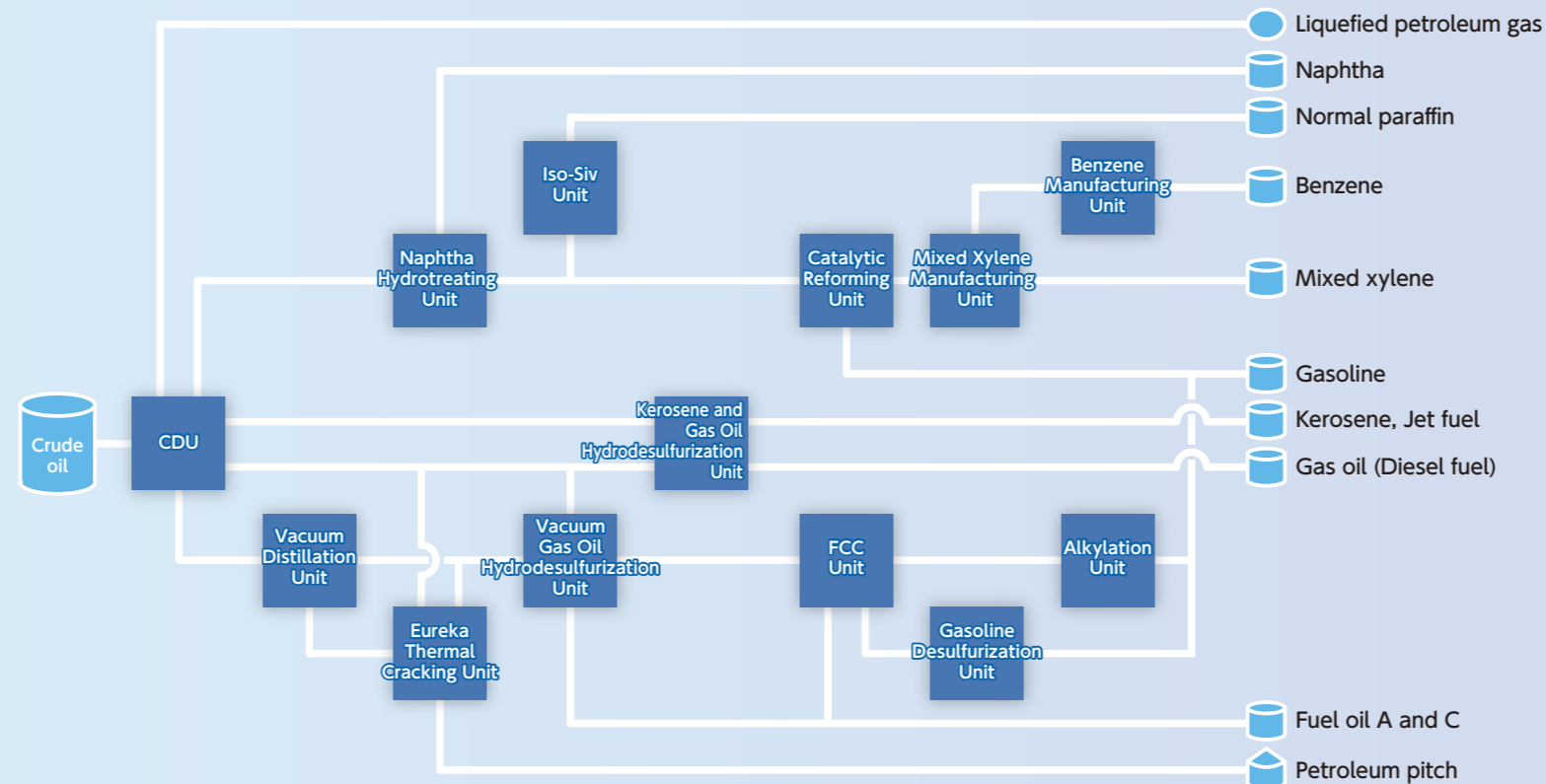


Naphtha Hydrotreating Unit



Iso-Siv Unit

#### Refining Process



Eureka Thermal Cracking Unit



Gasoline Desulfurization Unit



Alkylation Unit



Fluid Catalytic Cracking (FCC) Unit

At the time of start-up, the Sodegaura Refinery had a crude oil throughput of 70,000 barrels per day, but we currently boast a refining capacity of 143,000 barrels, accounting for 4% of the total refining capacity of Japan. In addition to fuel products such as gasoline, kerosene, jet fuel, gas oil and fuel oil, the Sodegaura Refinery produces a variety of products including petrochemical feedstocks such as benzene or xylene, and petroleum pitch. We are able to produce more light petroleum products (white oil) from heavy crude oil than other companies. Our proprietary refining unit allows us to smoothly meet changes in the demand structure, such as increased demand for white oil.

In the distillation process, crude oil is heated to approximately 350°C in a heating furnace and fed into a refining unit called the CDU. In this process, various fractions of distillate, such as LPG, naphtha, kerosene, and gas oil, are extracted by their different vaporization temperatures to become various petroleum products. There will be remaining residues after the distillation process, from which fuel oil and asphalt are produced.

Demand for white oil, such as gasoline, kerosene, and gas oil, is growing around the world, particularly in fast-developing Asia. In this region, demand for gasoline is rising along with the increasing number of automobiles. Moreover, there is increased use of fuels that produce less sulfur oxides and nitrogen oxides due to environmental issues.

Secondary processes after distillation need to have a high cracking ratio to minimize the final production ratio of fuel oil and asphalt as far as possible, and thus increase the yield of white oil. Heavy oil contains many impurities, such as sulfur, which have a high impact on the environment. The higher cracking capacity the Refinery has the more effectively crude oil is processed, meaning petroleum products with a high level of quality and added value can be produced. A high cracking ratio means the Refinery can deal with both higher demands for white oil and increasing supplies of heavier crude oil.

When cracking heavy oil to create petroleum products with added value, the processing capacity of secondary processes is extremely important. Generally, this involves the use of catalytic reforming, catalytic cracking, desulfurization,

hydrocracking and thermal cracking units.

The Sodegaura Refinery has installed two fluid catalytic cracking units and the Eureka Thermal Cracking Unit. Those units contribute directly to heavy oil cracking during secondary processes. The Eureka Thermal Cracking Unit is capable of cracking and refining asphalt, considered the final residue of the crude oil refining process, into fractions used in the production of gasoline and gas oil. Fuji Oil is the only company in the world with this type of cracker.

The total of these cracking capacities divided by the actual amount of crude oil processed gives the processing rate of the units, which in the case of the Sodegaura Refinery is about 50%, a high cracking capacity for heavy oil. At many refineries, about 20% of crude oil is left behind as residue (asphalt) after refining, but by using our Eureka Thermal Cracking Unit at the Sodegaura Refinery, we are able to reduce this number to a mere 6%.

Japan imports various types of crude oil from various oil-producing countries. Refineries do not process a single type of crude oil all year, but rather employ a variety of crude oil in

their processing in response to the season or trends in product demand. The average API gravity\*1 of the crude oil processed at the Sodegaura Refinery for the fiscal year ended March 31, 2024 was 32.3° API, far below the national average of 36.8° API\*2. The Sodegaura Refinery, which processes some of the heaviest crude oils in Japan, has achieved high competitiveness as well as low crude oil costs.

\*1 API gravity: The American Petroleum Institute gravity, or API gravity, is a method used to measure the relative density of petroleum liquids. The higher the rating, the lighter the crude oil, and the lower the rating, the heavier the crude oil.

\*2 Source: Agency for Natural Resources and Energy, Ministry of Economy, Trade and Industry, Yearbook of Mineral Resources and Petroleum Products Statistics.

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### 4 World-Class Safety Measures

Since the Sodegaura Refinery first went into operation, ensuring safety has been one of the fundamental principles at Fuji Oil. The company has worked in unison towards this goal.

We have instituted a variety of measures to ensure safe and stable operations, believing that both hard initiatives, such as facility and system measures, and soft initiatives, such as HR asset\* training, are indispensable.

\*HR asset: We refer to our human resources as an asset, because we believe that our workforce is one of our most important resources.



One Team safety activities



Integrated control room



Safety coaches on patrol

S a f e  
S t a b l e

Hard  
Facilities/systems  
initiatives

Soft  
HR assets  
initiatives

#### 1. Integration of Control Rooms and Operational Control Systems

The Sodegaura Refinery control rooms, which had been previously dispersed over four areas, were integrated into a single location in 2009. The operational control systems were also integrated. Integration of the controls rooms helped to centralize information, making fast transmission possible and greatly increasing the organizational capacity of the entire refining department. Integration of operational control systems, meanwhile, made central control of all units possible, greatly improving not only operational efficiency but also safety.

Due to integration of the control rooms and systems, after the Great East Japan Earthquake of March 11, 2011 we were able to act with precision and speed to carry out inspections and respond to changes in operations. As a result, the Refinery was able to continue running at nearly full operation, without accidents or other trouble.

#### 2. Introduction of Emergency Depressurization System

During a major earthquake or other emergency, the units at the Sodegaura Refinery may need to undergo emergency shutdown. However, a large amount of combustible gas is contained within the Refinery unit. Safely expelling this gas when quickly shutting down unit requires sophisticated control systems. The Sodegaura Refinery was one of the first sites to apply electronic control systems based on safety logic conforming to international standards to its unit-by-unit emergency shutdown programs and automated emergency shutdown and depressurization system for all units during large-scale earthquake. In the case of a large earthquake or other emergency, these systems allow us to stop all units safely and automatically.

#### 1. Organizational Integration

Together with the 2009 integration of the control rooms and operational control systems, six sections in the refining department at the Sodegaura Refinery were also integrated into three sections. This integration has reduced the negative effects of sectionalization and improved operational efficiency. It has also made more time available for equipment maintenance and new employee training. We are also able to allocate staff more smoothly in times of emergency, as was seen during our nearly full operational status after the Great East Japan Earthquake of 2011. Control room and organizational integration has shown great results, with improved training for new employees helping to secure safe operations into the future.

#### 2. Company-Wide Endeavors

The president and other top management at Fuji Oil carry out safety inspections of the Sodegaura Refinery twice per year, at fixed intervals. Inspecting facilities directly and communicating face-to-face with operators allows management and staff to share in the awareness of and responsibility for safety. There are also many other initiatives for safe and stable operations at the Refinery, which involve the cooperation of all employees. These include monthly One Team safety activities, during which all departments, including back offices, inspect equipment and clean the manufacturing field, daily patrols carried out by safety coaches chosen from veteran staff with ample knowledge and experience in safety, initiatives to examine close-calls and other small incidents for potential sources of danger, disaster prevention drills for all staff, danger prediction initiatives, and zero-accident/injury campaigns.

**Basic Approach**

Fuji Oil Company, Ltd. (the "Company") has formulated a Corporate Philosophy and a Charter of Corporate Behavior for the Company Group to gain the confidence and support of society, such as shareholders, customers and local communities. All the Group officers and employees, coming together as a tightly knit team, are working on the implementation of the Philosophy and Charter to realize the targets specified therein.

For the purpose of attaining sustainable growth and increasing corporate value over the medium- to long-term, the Company endeavors to secure transparent, fair, timely and decisive decision-making with due attention to the needs and perspectives of shareholders, customers and local communities through appropriate establishment and implementation of "corporate governance," which is regarded as one of the most important issues of the Company's management. In order to achieve this purpose, we have set the following five principles that represent our basic approach toward such governance.

1. We take appropriate measures to fully secure shareholder rights, develop an environment in which shareholders can exercise their rights appropriately and effectively, and secure effective equal treatment of shareholders.
2. We endeavor to appropriately cooperate with a range of stakeholders, including customers, employees and local communities.
3. We appropriately make information disclosure in compliance with the relevant laws and regulations, but also strive to actively provide information beyond that required by law. This includes both financial information, such as financial standing and operating results, and non-financial information, such as business strategies and business issues, risk, and governance.
4. Our Board of Directors sets the direction of corporate strategy, establishes an environment where appropriate risk-taking is supported, and carries out effective oversight of directors and the management.
5. We engage in active and constructive dialogue with shareholders with the aim of sustainable growth and the increase of corporate value over the medium- to long-term.

**Charter of Corporate Behavior**

**Stable Supply**

We are committed to ensuring a stable supply of energy such as petroleum products.

**Safe Operations and Environmental Protection**

We strive to make high-quality petroleum products and develop energy resources while ensuring safe operations. We also promote awareness of environmental protection and actively implement voluntary measures to tackle environmental issues.

**Social Contribution**

We actively engage in philanthropic and other activities of social benefit and strive to contribute to the development of society. As a member of the international community, we respect the culture, religion, customs and languages of each nation or area where we operate and endeavor to contribute to their development.

**Compliance with Laws, Regulations and Rules**

We comply with laws, regulations and rules related to our activities, both domestically and overseas, and conduct ourselves in a socially responsible manner in accordance with ethical standards.

**Rejection of Antisocial Groups**

We reject all contact with antisocial groups that threaten peace and order in society.

**Improving Communication**

We conduct wide-reaching communication with members of society such as shareholders, clients and local citizens and disclose corporate information actively and fairly.

**Respect for Employees' Individuality and Differences**

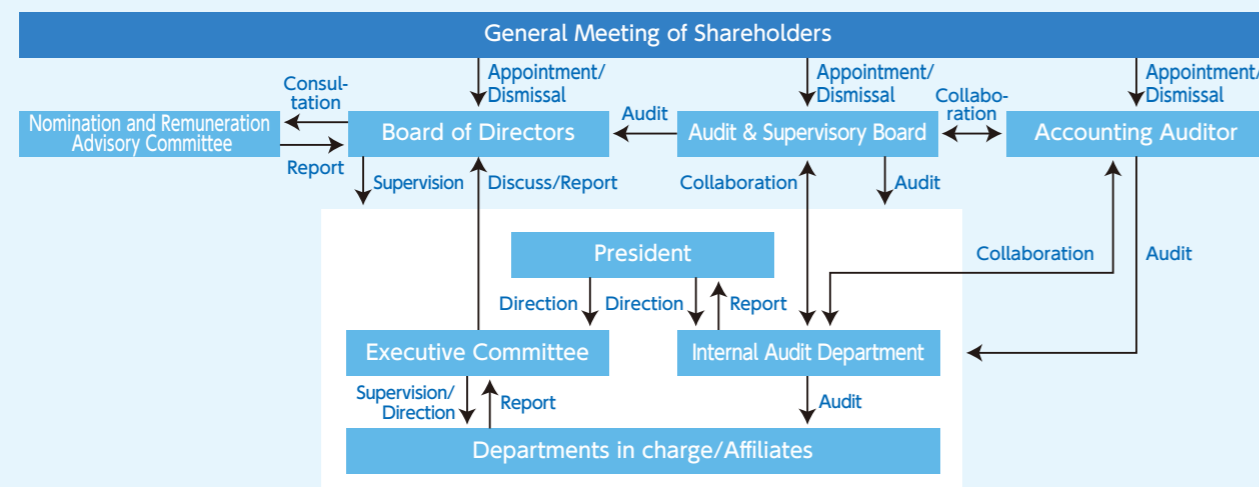
We strive to develop our employees' skills and respect their personality and individuality. We also promote safe and comfortable

working conditions and work to ensure the physical and mental well-being of our employees.

**Resolution of Problems**

The highest level of management is responsible for implementing the Charter of Corporate Behavior and for taking all necessary actions to promote awareness of the charter throughout the Group. In the event of any violation of the principles of this charter, the management will take the initiative to solve the problem, and strive to discover its cause and develop measures to prevent recurrence of similar violations. It will also promptly disclose accurate information to society, clarify the responsibilities and scope of the authority of those involved, and take disciplinary actions against those held responsible, including the management itself.

**Corporate Governance Structure (As of June 26, 2024)**



Our corporate philosophy includes a commitment to the stable supply of energy, and to maintaining safety and protecting the global environment. In order to provide a stable supply of oil, which is a useful and high-quality source of energy, we work around the clock to ensure safety and preserve the environment.

**Basic Safety and Environmental Policies**

All operations are carried out according to the following basic safety and environmental policies listed below. These policies were established at a conference on safety and the environment chaired by the Fuji Oil president.

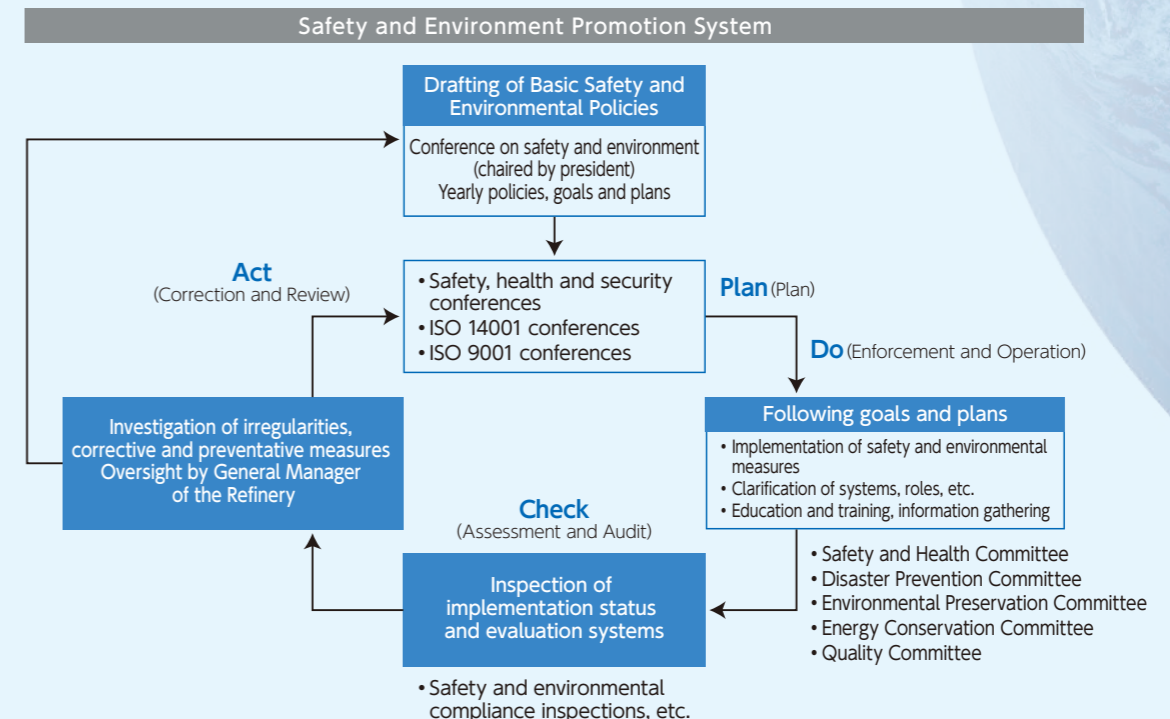
**Basic Safety and Environmental Policies 2024**

All officers and employees

1. Recognize safety and global environmental protection as one of the most important issues of management, and under the strong leadership of management, will work to foster a company-wide culture of safety and environmental awareness.
2. Will, in the course of their work and in compliance with laws and regulations, achieve zero severe accidents and zero occupational injuries and thoroughly implement activities to reduce environmental impact.
3. We will strive to raise safety and environmental awareness in cooperation with our contractors by promoting education and training for both our own employees and those of our contractors.
4. Promote disaster prevention and mitigation measures to prepare for natural disasters, including massive earthquakes, and other unexpected situations, and strengthen business continuity capabilities.
5. We will develop a system to further advance risk assessment, and strive to reduce risks by comprehensively identifying, evaluating, and visualizing potential risks to our business, while ensuring and improving our self-security capabilities through the use of advanced technology and enhanced cyber security.
6. Promote the low-carbonization of refineries and make steady progress in solving medium- and long-term issues for the supply of low-carbon petroleum and carbon-neutral energy.

**Safety and Environment Promotion System**

In March of every year, Fuji Oil holds a conference on safety and the environment that is chaired by the company president. Results for the fiscal year are announced and Basic Safety and Environmental Policies, which serve as the basis for safety and environmental measures, are established for the following year. Activity plans for the following year are drawn up according to these policies, and relative measures are pursued.



## Corporate Overview

Company Name	Fuji Oil Company, Ltd.		
Date of Establishment	January 31, 2003		
Location	[Head Office]	Garden City Shinagawa Gotenyama 7-29, Kitashinagawa 6-chome, Shinagawa-ku, Tokyo, 141-0001 Japan Phone 81-3-6277-2891 Fax 81-3-6277-2919	
	[Sodegaura Refinery]	Kitasode 1, Sodegaura, Chiba, 299-0266 Japan Phone 81-438-63-7011 Fax 81-438-62-7175	
Paid-in Capital	24,467 million yen		
Main Business	Import of crude oil, refining of oil and production, processing, storage, import, export, purchase and sales of petroleum products and petrochemical feedstock		

## Subsidiaries and Affiliates (As of July 1, 2024)

Company Name	Location	Paid-in Capital	Investment Ratio(%)	Main Business
Fuji Oil Sales Company, Ltd.	*1 Tokyo	¥100 million	100.0	Sale of petroleum products
Fuji Rinkai Co., Ltd.	*1 Chiba	¥10 million	85.0	Maritime disaster prevention operations, Loading/unloading of crude oil & petroleum products, Collection and transportation of industrial waste, Solar power generation
Arabian Oil Company, Ltd.	*1 Tokyo	¥100 million	100.0	Management of oil development project-related assets, etc.
Japan Oil Engineering Company Ltd.	*1 Tokyo	¥100 million	100.0	Consulting and engineering services for development and production of oil, gas and other energy resources and for environmental protection
Petro Progress Inc.	*1 Tokyo	¥100 million	100.0	Purchasing and marketing of crude oil and petroleum products
PETRO PROGRESS PTE LTD	*1 Singapore	S\$34 million + US\$733 thousand	(100.0)	Overseas purchasing and marketing of crude oil and petroleum products
ARAMO SHIPPING (SINGAPORE) PTE LTD	*2 Singapore	US\$20,742 thousand	(50.0)	Operation of crude oil and LPG carriers
Tokai Engineering & Construction Co., Ltd.	*2 Chiba	¥40 million	40.0	Construction and maintenance of various plants, etc.

\*1 Consolidated subsidiary \*2 Affiliate accounted for by the equity method

Note: Values in parenthesis indicate indirect investment ratio

## Corporate History

Apr. 1964	Fuji Oil established with investment from Arabian Oil, TEPCO (now Tokyo Electric Power Company Holdings), Sumitomo Chemical, Nippon Mining (now ENEOS) and other companies
Aug. 1966	Fuji Oil participates in Kyodo Oil Group (now ENEOS)
Oct. 1968	Sodegaura Refinery starts operations with Crude Distillation Unit (CDU) capacity of 70,000 bbl/day
Nov. 1970	New facilities at Sodegaura Refinery begin operations (second phase of expansion)
Oct. 1974	New facilities at Sodegaura Refinery begin operations (third phase of expansion)
Dec. 1982	Nakasode Crude Storage Base completed
Jul. 1993	Benzene manufacturing unit and mixed xylene manufacturing unit begin operation
Apr. 1996	Sodegaura Refinery secures ISO 9002 certification (international standard for quality assurance and quality management systems)
Oct. 1998	Sodegaura Refinery CDU capacity increased (192,000 bbl/day)
Mar. 1999	Sodegaura Refinery secures ISO 14001 certification (international standard for environmental management systems)
Apr. 2002	Sodegaura Refinery secures ISO 9001 certification (international standard for quality management systems)
Jan. 2003	Joint holding company AOC Holdings established through a share transfer between Fuji Oil and Arabian Oil AOC Holdings lists common stock on the First Section of the Tokyo Stock Exchange
Oct. 2005	Supply of petroleum products to Showa Shell Sekiyu (now Idemitsu Kosan) begins
Jun. 2006	Supply of petroleum products to Japan Airlines International (now Japan Airlines) and Kyushu Oil (now ENEOS) begins
Nov. 2010	Sodegaura Refinery CDU capacity reduced (140,000 bbl/day)
Apr. 2011	Sodegaura Refinery CDU capacity increased (143,000 bbl/day)
Oct. 2013	AOC Holdings merges with subsidiary Fuji Oil, begins trading under Fuji Oil name
Apr. 2024	Capital and business alliance agreement signed with Idemitsu Kosan

### Our Website

Our website offers easy-to-understand explanations of Fuji Oil's businesses and advantages, and was established to help all stakeholders become better acquainted with the company. Please visit the site to learn more.

Fuji Oil Search

