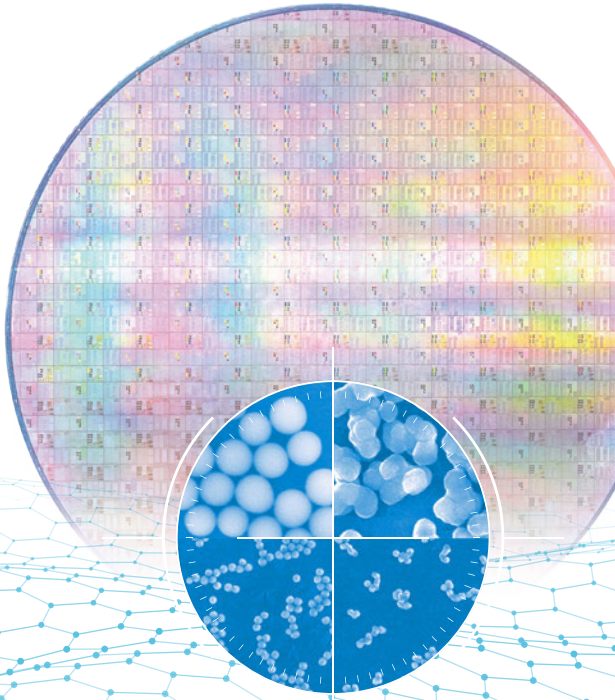


FUSO Integrated Report

2025



CONTENTS

1 About FUSO

Message from the President 03

FUSO History 06

2 FUSO's Value Creation and Strategies

Fuso's Value Creation Process 08

Medium-Term Management Plan 09

Medium- and Long-Term Business Strategies -Life Science Business 14

Medium- and Long-Term Business Strategies -Electronic Materials Business 20

3 FUSO's Foundation for Value Creation

FUSO's Production Base 26

Management Foundation Supporting Corporate Value Growth 30

Enhancing Human Capital Value 31

Intellectual Property Strategy 35

Respect for Human Rights and Sustainable Procurement 36

Sustainability 39

Social Contribution 47

4 FUSO's Governance

Corporate Governance 50

Compliance 56

Risk Management 58

Information Security 60

Board of Directors and Executive Officers 63

5 Corporate Data

Eleven-Year Financial Summary 66

Performance Highlights 67

Key Metrics, Targets, and Performance on Human Capital 68

Corporate Profile and Stock Information 71

Editorial Policy

- **Reporting period:** Fiscal year ended March 31, 2026 (April 1, 2025 to March 31, 2026). The report also includes some information on activities and events after April 2026.
- **Scope:** Fuso Chemical Co., Ltd. and its consolidated subsidiaries
  * The reporting scope may vary for certain indicators and items. Please refer to the relevant notes for details.
- **Guidelines referenced:**
  - IFRS Foundation, Integrated Reporting Framework
  - Global Reporting Initiative (GRI), GRI Standards
  - Ministry of Economy, Trade and Industry (METI), Guidance for Integrated Corporate Disclosure and Company-Investor Dialogue for Collaborative Value Creation 2.0
- **Published:** September 2026
- **Forward-looking statements:** Plans, forecasts, and other forward-looking statements in this report are based on information available to the Company as of the date of publication and involve risks and uncertainties. Actual results may differ materially from these statements due to various factors.

Note:
This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.



1 About FUSO

● Message from the President ——— 03
● FUSO History ——— 06

Message from the President

Under the Medium-Term Management Plan "Next Growth 2030," which starts in FY03/2027, we will make bold investments for future growth. Together, as one company, we will strive to achieve sustainable growth and enhance corporate value.



Shinichi Sugita
Representative Director and President
Fuso Chemical Co., Ltd.

1. Review of FY03/2026 and the previous Medium-Term Management Plan "FUSO VISION2025"

In the global economy in FY03/2026, overall growth remained moderate. However, the pace of recovery differed by region due to shifts in monetary policy and the impact of geopolitical risks.

Against this backdrop, the Group promoted business expansion in Japan and overseas and worked to build an efficient operating structure, with the aim of achieving sustainable growth.

As a result, in FY03/2026, net sales were 76,926 million yen (up 10.7% year on year) and operating profit was 18,850 million yen (up 16.1%). Ordinary profit was 19,573 million yen (up 18.2%), and profit attributable to owners of parent was 14,311 million yen (up 23.1%). EBITDA was 29,787 million yen (up 21.4%). Both net sales and EBITDA reached record highs.

Under the previous Medium-Term Management Plan "FUSO VISION2025," we did not reach the revised final-year net sales target of 85,000 million yen (revised upward in May 2023). However, operating profit (target: 19,000 million yen) and EBITDA (target: 30,000 million yen) were largely in line with the targets.

Message from the President

2. Launch of "Next Growth 2030"

Over the five years of the previous plan, net sales grew by approximately 80%, and operating profit and EBITDA about doubled. During the current plan period as well, demand is expected to expand, especially in the semiconductor field. To respond to strong demand, the Company has drawn up a plan to execute proactive investments. We chose the title "Next Growth 2030" to reflect our ambition to achieve another major leap forward, building on the growth delivered during the previous plan.

In the five-year Medium-Term Management Plan "Next Growth 2030," covering the period from FY03/2027 to FY03/2031, we have set the targets for FY03/2031 (the final year) at net sales of 120,000 million yen, operating profit of 36,000 million yen, and EBITDA of 56,700 million yen. With these targets, we aim for growth comparable to that of the previous plan.

To execute this growth strategy, two points are critical: the rapid ramp-up of the large-scale capital investments carried out during the previous plan, and the steady execution of growth investments totaling about 100,000 million yen over the five years. At our Kyoto Plant, we are already moving forward with expansion work for ultra high purity colloidal silica production facilities, targeting completion in February 2029. Going forward, while closely monitoring customer needs and trends in the semiconductor industry, we will make timely decisions and execute investments at the appropriate time.

We are also constructing a new R&D building in Higashiosaka City as a new research and development base, with completion scheduled for March 2029. After completion, we will consolidate R&D functions for the Life Science and Electronic Materials fields, which have previously been conducted at separate sites. We expect this to promote technical exchange across fields and create new value through innovation.

3. Growth strategies for both businesses and the production framework that supports them

In the Life Science business, we are seeking further growth opportunities in overseas markets. Leveraging our technological capabilities and solution proposal strengths built up through our founding business, we are further strengthening collaboration with overseas subsidiaries and working to expand sales of fruit acids, including malic acid. We are also developing a new group of food additive products (FFA) centered on fruit acids, to expand our business domain.

In addition, in the United States, we are expanding production facilities to meet growing demand for gluconic acid products, taking advantage of our local presence.

In the Electronic Materials business, we hold a world-leading share in ultra high purity colloidal silica for CMP slurry applications, and further growth is expected. We will build a supply structure aligned with future demand trends and also expand our lineup of higher-value-added products.

For both businesses, a stable and robust production framework is essential. During the previous plan period, we established a Production Division and built a structure to centrally manage production functions across both businesses. As a result, we have advanced the sharing of knowledge not only on production technologies developed at each department and site, but also on safety measures. Under the current plan, we will strengthen our production structure in both eastern and western Japan. We will also reinforce the production framework that supports stable operations by upgrading safety measures and enhancing maintenance



Message from the President

capabilities. At the same time, we will work to improve productivity by raising utilization rates and yields, thereby improving investment efficiency and reducing manufacturing costs. Through these efforts, we will pursue stable quality and reliable supply, and further strengthen customer trust.

4. Four values as the foundation for enhancing corporate value

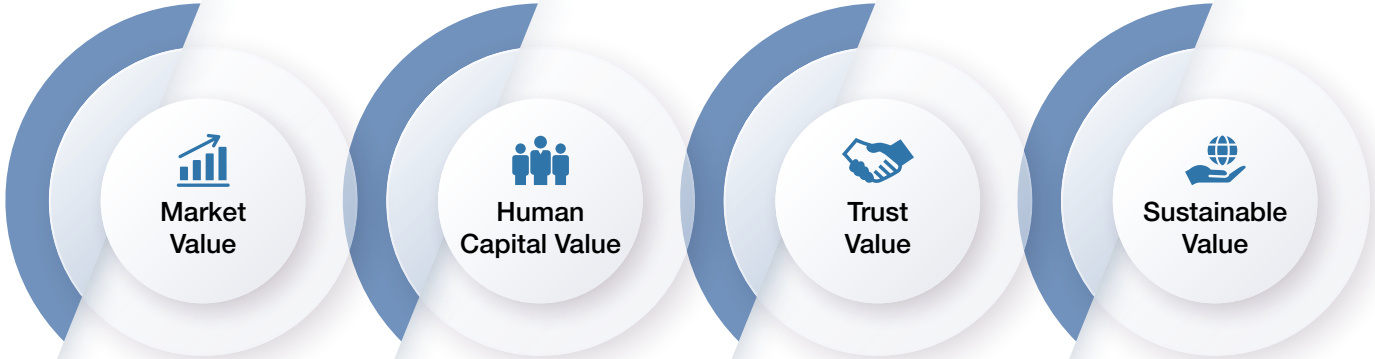
We will focus on four pillars to enhance corporate value: Human Capital Value, Trust Value, Sustainable Value, and Market Value. In particular, we will place strong emphasis on improving Human Capital Value. In line with the growth strategy set out in "Next Growth 2030," we will focus on securing the talent essential for our growth and developing highly skilled personnel—such as leaders and specialists—who will drive that growth. We will also foster employee well-being so that our people can truly feel that working at Fuso has been a rewarding experience.

For Trust Value, we aim to increase value by continuing to be a company trusted by a wide range of stakeholders. We have established the Corporate Value Enhancement Committee as a body responsible for monitoring, including tracking progress and identifying issues related to the Medium-Term Management Plan. The Corporate Value Enhancement Committee will regularly confirm progress on each initiative, identify issues, and assess risks and countermeasures. Through monitoring and discussions within this committee, we will build a more effective governance structure.

For Sustainable Value, we will increase value by conducting sustainable corporate activities and by engaging sincerely with environmental and social issues. With regard to reducing greenhouse gas (GHG) emissions, we established a system to calculate emissions through Scope 3 during the previous plan period. Under the current plan, as part of our environmental initiatives, we aim to obtain SBT certification and will promote sustainable efforts throughout the supply chain.

To enhance Market Value, in addition to achieving the financial targets set in the Medium-Term Management Plan, we have set ROIC in FY03/2031 (the final year) as a KPI to measure capital efficiency, with a target ROIC of 13% or more. We will pursue growth while maintaining strong capital efficiency. We will also continue to provide accurate, careful, and timely information about our status and initiatives, and we will actively engage in dialogue with shareholders and investors.

● **The Four Values: Pillars of Corporate Value Enhancement**



5. Toward our 70th anniversary

In 2027, we will mark the milestone of our 70th anniversary. Over nearly 70 years since our founding, we have grown significantly—as a comprehensive manufacturer of fruit acids such as malic acid, citric acid, and gluconic acid, and also as a leading manufacturer of ultra high purity colloidal silica, which is essential to semiconductor manufacturing processes.

Guided by our corporate motto, "Limitless Progress and Creation", we will continue to work to enhance corporate value by promoting the initiatives of the Medium-Term Management Plan "Next Growth 2030" and executing our growth strategy.

We look forward to continuing our dialogue with stakeholders as we pursue sustainable growth and long-term value creation.

FUSO History

Fuso Chemical began with the founder's small curiosity about chemistry.
Starting with the launch of malic acid production,
we have grown into a comprehensive manufacturer of fruit acids.
With the adoption of ultra high purity colloidal silica
in the semiconductor field, we expanded into electronic materials.
Since then, we have broadened our global presence to China,
the United States, and Thailand.

1957
FUSO CHEMICAL CO., LTD. was established.



1962
Began the manufacture of malic acid.



1973
Completed the first stage of the Sakai Factory (currently the Osaka Factory).

1984
Established the Fukuchiyama Factory (currently the Kyoto Plant).

1986
Began the refinement of citric acid.

1987
Ultra high purity colloidal silica adopted by semiconductor manufacturers.



1994
Established Qingdao Fuso Refining & Processing Co., Ltd.



2003
Purchased the domestic chemical business in Japan and the total shares of its subsidiary PMP Fermentation Products, Inc. in the United States from Astellas Pharma Inc.



2003
Started production and marketing of gluconic acid through acquisition of PMP Fermentation Products, Inc.

2008
Established FUSO (THAILAND) CO., LTD.



2014
Started marketing maleic anhydride and fumaric acid, taking over the organic acid business from Mitsui Chemicals, Inc.

2017
Established the Kashima Plant.



2019
Completed construction of the malic acid production facilities at the Kashima Plant.



2023
Completed construction of the ultra high purity colloidal silica production facilities at the Kashima Plant.



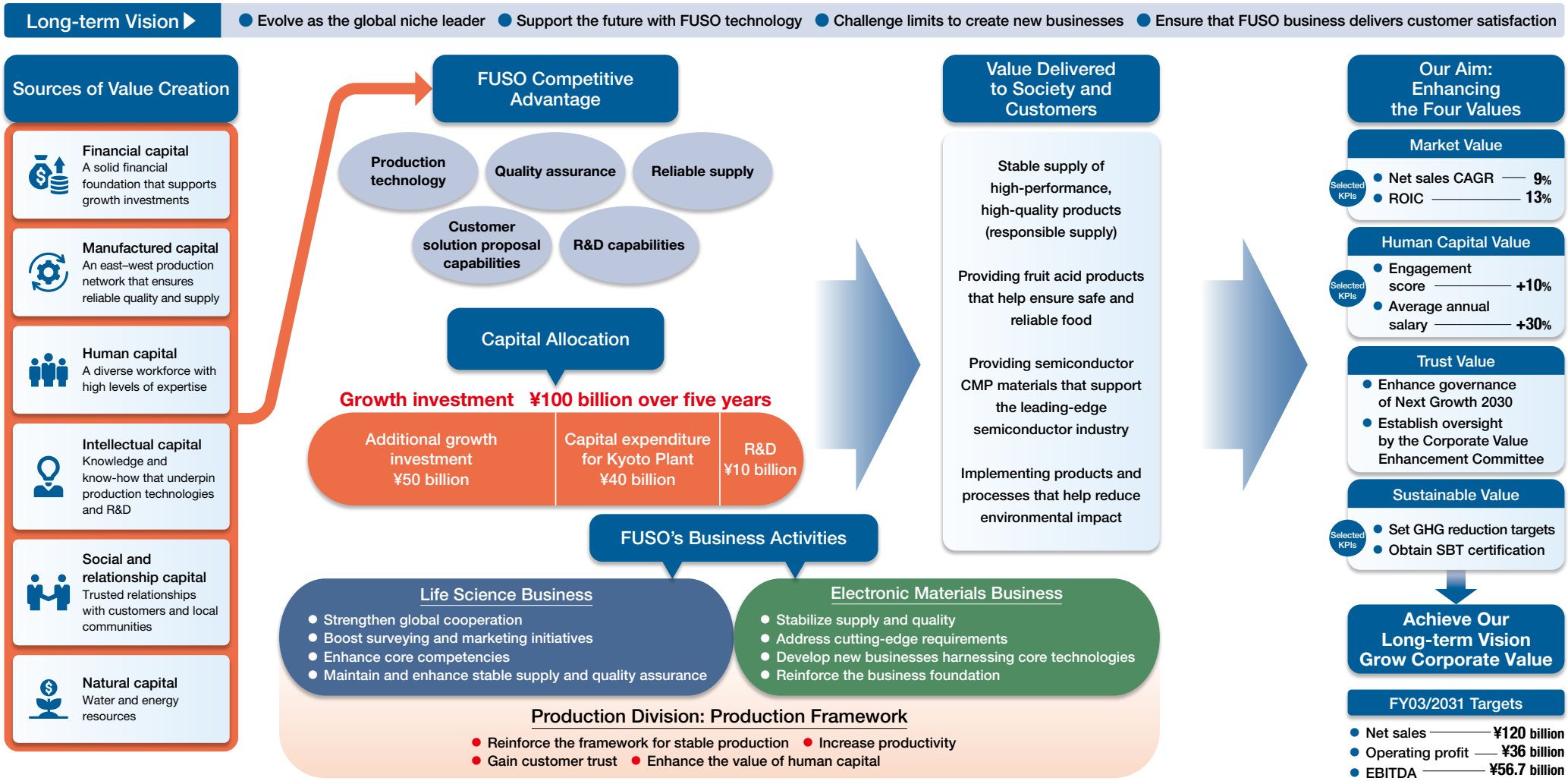


2 FUSO's Value Creation and Strategies

- FUSO's Value Creation Process → 08
- Medium-Term Management Plan → 09
- Medium- and Long-Term Business Strategies -Life Science Business → 14
- Medium- and Long-Term Business Strategies -Electronic Materials Business → 20

Fuso's Value Creation Process

We have defined four priority pillars in our Medium-Term Management Plan "Next Growth 2030" to strengthen long-term corporate value: Market Value, Human Capital Value, Trust Value, and Sustainable Value. These pillars represent the issues we will focus on over the medium to long term. In this Integrated Report, they also serve as our materiality (key issues). By focusing on these four pillars, we aim to balance two goals: delivering value to society and customers and steadily increasing corporate value through our business activities and capital allocation.



Medium-Term Management Plan "Next Growth 2030"

Next Growth 2030

Fuso Chemical Co., Ltd. operates two business segments:
Life Science and Electronic Materials.
As a leading Japanese manufacturer with a broad portfolio of fruit acids,
we provide value across food, consumer goods, and industrial applications.
We also hold a leading global market share in ultra high purity materials
for semiconductor CMP processes.

Company Motto

Limitless Progress and Creation

Management Philosophy

-Value trust, and make it a principle to be reliable

-Contribute to the nation and society through technology

-Achieve employee fulfillment through prosperous business

Long-Term Vision

- Evolve as the global niche leader
- Support the future with FUSO technology
- Challenge limits to create new businesses
- Ensure that FUSO business delivers customer satisfaction

The Fuso Chemical Group's Long-Term Vision

As we develop our Medium-Term Management Plan, we have set a "Long-Term Vision" that describes where we want to be in ten years. We will focus on profitability and capital efficiency to further increase corporate value and strengthen our position as a trusted global leader in niche markets.

Medium-Term Management Plan "Next Growth 2030"

Overview of the Medium-Term Management Plan "Next Growth 2030"

Building on the stronger management foundation and capital investment achieved under the previous medium-term plan, we are now well positioned for further growth. We expect unprecedented market growth in overseas markets for our Life Science business and in the semiconductor market for our Electronic Materials business.

Under **"Next Growth 2030,"** we will respond quickly and effectively to this market expansion to create corporate value that exceeds expectations. For FY03/2031, the final year of the plan, our consolidated targets are net sales of ¥120.0 billion, operating profit of ¥36.0 billion, and EBITDA of ¥56.7 billion.

In addition to these financial targets, **"Next Growth 2030"** also sets out how we will enhance corporate value. Specifically, we have broken corporate value down into four areas and developed initiatives to strengthen each one. By executing these initiatives, we aim to raise each area of value and, in turn, further enhance the Fuso Chemical Group's overall corporate value.

Life Science Business Strategy

- Strengthen global cooperation
- Boost surveying and marketing initiatives
- Enhance core competencies (develop new fields)
- Maintain and enhance stable supply and quality assurance

Electronic Materials Business Strategy

- Stabilize supply and quality
- Address cutting-edge requirements
- Develop new businesses harnessing core technologies
- Reinforce the business foundation

Production Division Production Framework

- Reinforce the framework for stable production
- Increase productivity
- Gain customer trust
- Enhance the value of human capital

Medium-Term Management Plan

Next Growth 2030

(covering FY03/2027 to FY03/2031)

Higher Market Value

- Achieve high CAGR
- Engage in ROIC-driven management

Higher Human Capital Value

- Implement human resources strategy in line with the Management Plan
- Enhance employee engagement

Increased Trust in FUSO

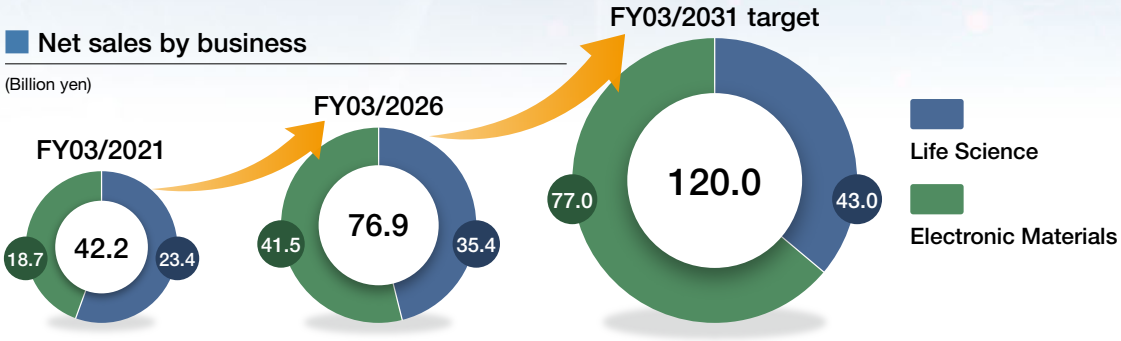
- Establish a committee on enhancing corporate value to promote and manage progress
- Design an executive compensation system linked to the Management Plan

Increased Sustainability

- Achieve harmony with the local community
- Engage in GHG reduction initiatives

	FY03/2026 results	FY03/2031 target	CAGR
Net sales	76.9	120.0	9.3%
Operating profit	18.8	36.0	13.8%
EBITDA	29.7	56.7	13.7%

(Billion yen)



Medium-Term Management Plan "Next Growth 2030"

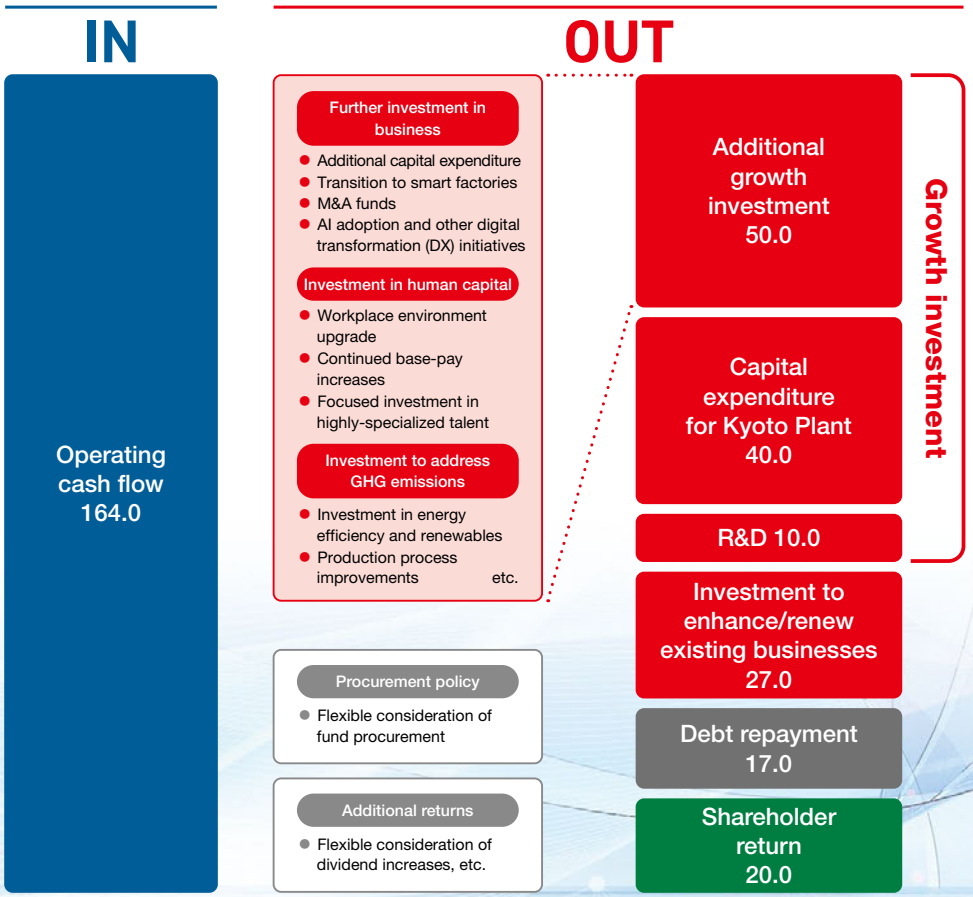
Cash Allocation and Shareholder Returns

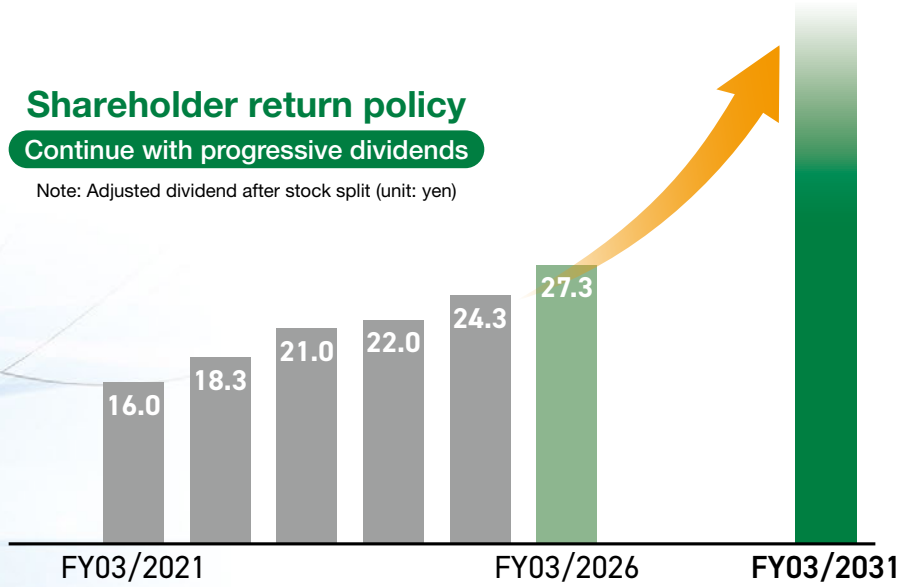
Under the Medium-Term Management Plan "Next Growth 2030," we expect cumulative operating cash flow of approximately ¥164.0 billion over five years, and plan to allocate most of it to growth investments. In addition to investments to strengthen and renew our existing businesses, we have set a ¥100.0 billion investment budget for growth.

Of this, ¥40.0 billion will be invested in production facilities for ultra high purity colloidal silica at the Kyoto Plant, scheduled for completion in February 2029.

The additional ¥50.0 billion growth investment budget will be allocated flexibly to areas such as additional capacity investment in response to demand trends in the semiconductor industry and other markets, productivity improvements including smart factory initiatives, human capital investment, and investments to reduce GHG emissions.

For shareholder returns, we will continue our longstanding progressive dividend policy and plan total dividends of ¥20.0 billion over five years. While steadily executing investments for future growth, we will also maintain stable shareholder returns centered on progressive dividends, and work to enhance corporate value on a sustainable basis.





Medium-Term Management Plan "Next Growth 2030"

Key Risks and Opportunities for Delivering Our Medium-Term Management Plan

The table on the right outlines the key risks and opportunities we have identified in achieving our Medium-Term Management Plan. In the external environment, we may face highly uncertain events such as geopolitical and political risks arising from developments in the Middle East and other regions, a sudden market downturn caused by a global recession or major disasters, and changes in market structure due to technological innovation. Because it is difficult to incorporate the future impact of these factors into forecasts in a consistent way, we do not reflect them as fixed assumptions in our planning. Instead, we continuously monitor early signs and maintain a resilient management and governance framework that allows us to revise assumptions and implement countermeasures quickly when needed.

In the internal environment, we recognize the following major risks: Japan's declining population and widening disparities in market growth in the Life Science business; production capacity constraints in the Electronic Materials business amid rising demand; and talent shortages during rapid growth. To address these, in the Life Science business we will accelerate the global rollout of the FUSO brand and develop new applications and technologies by leveraging adjacent technologies. In the Electronic Materials business, we will strengthen supply capacity and competitiveness through the focused allocation of growth resources. At the same time, through human capital initiatives that combine people with DX and AI, we will maintain and enhance the technological strengths of both businesses. We will also drive enterprise value enhancement and strengthen our Market Value through appropriate management decisions for growth, responsible financial and capital policies, ROIC-driven management, and timely and appropriate disclosure.

	Category	Risks	Assessment and Opportunities
Business Environment	External environment changes	● **Geopolitical and political risks** (Fragmentation, conflicts, barriers, etc.) ● **Sudden market downturn** (Global recession, major disasters) ● **Loss of markets due to technological innovation**	● **A resilient management system** ➡ Reliable management controls and a sound financial position ● **Maintain the technological strengths of both businesses**
	Internal environment changes	● **Life Science business** (Impact of Japan's declining population) (Widening disparities in market growth) ● **Electronic Materials business** (Production capacity limits amid demand growth) ● **Talent shortages during rapid growth**	● **Life Science business** ➡ Global rollout of the FUSO brand ➡ New applications and technologies leveraging adjacent technologies ● **Electronic Materials business** ➡ Strategic allocation of growth resources to rapidly expanding markets ● **Human capital initiatives that integrate people with DX and AI**
Corporate growth	Offensive and defensive governance	Requirements, etc. ● **Create earning power** ● **ROIC-based management** ● **Strengthening governance functions** ● **Timely and appropriate disclosure**	● **Appropriate management decisions for growth opportunities** ➡ Formulation of the new Medium-Term Management Plan "Next Growth 2030" ➡ Responsible financial and capital policies ● **Enhance information provided to stakeholders** ➡ Support corporate growth and strengthen Market Value

Business Segment Summary ..... Two core businesses of FUSO

Life Science

Life Science Business

- Malic acid
- Citric acid
- Gluconic acid
- Fumaric acid
- Vitamin C
- Other fruit acids (Succinic acid, Lactic acid, Tartaric acid)
- Food additive formulations
- Maleic anhydride
- High purity organic acid







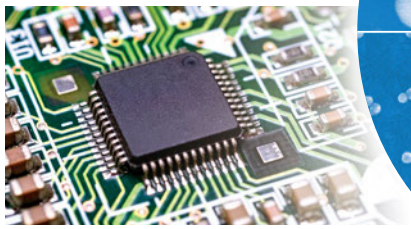


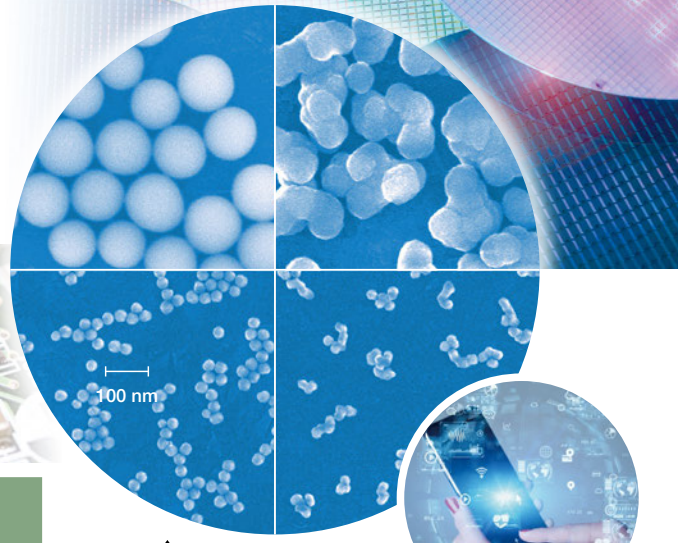


Electronic Materials

Electronic Materials Business

- Ultra high purity colloidal silica
- Silica nano powder
- High purity organo silica sol
- Alkyl silicate





▲ Quartron®
Ultra high purity colloidal silica





Segment Strategy Life Science Business

Manager's Message

Haruo Masauji
General Manager of Life Science Business Unit

Our Life Science business has grown steadily by expanding the applications of our organic acid technologies. What began mainly in food, healthcare, and primary industries has expanded into a wide range of industrial fields. Around the world, demand is growing for healthier products, lower environmental impact, and solutions to reduce food loss. As a result, the value of organic acids and their functions is increasing. These trends are creating new growth opportunities for our business.

As part of the Fuso Group, we combine our expertise in fruit acids with a global business platform spanning the United States, China, and Southeast Asia. Close collaboration among these bases enables us to provide a stable supply of high-quality products. As a result, we have earned the trust of customers around the world.

In our Medium-Term Management Plan "Next Growth 2030," we have identified four key growth pillars:

- Strengthen global cooperation
- Boost surveying and marketing initiatives
- Enhance core competencies (develop new fields)
- Maintain and enhance stable supply and quality assurance

We will create new markets by expanding applications in primary industries and in health and wellness-related fields. We will also develop high-purity fruit acids and functional ingredients to deliver greater value to customers and strengthen our earnings base.

Through these initiatives, we aim to achieve sustainable sales growth and higher profitability while improving capital efficiency. With technology at the core of our business, we will continue to address social challenges, enhance corporate value, and meet the expectations of all our stakeholders.





We develop food additive formulations based on the organic acid technologies we have refined over many years. Through these products, we help provide safe, high-quality food and reduce food loss.

Strength

- **Among the very few fruit acid producers in Japan**
- **Quality and trust built up over many years**

Products

Malic acid

Malic acid was first discovered in apples. Known for its crisp, refreshing sourness, it is widely used as a food additive across numerous products. Beyond its applications in food, malic acid's functional properties are harnessed in a variety of fields, including medical, industrial, and agricultural sectors. FUSO, a pioneer in the development of malic acid and currently the only manufacturer in Japan, is committed to ensuring a stable supply of high-quality products and continuously innovating with new formulations. We remain dedicated to advancing this vital organic acid to meet diverse industry needs.

Citric acid

Organic acids are found naturally in citrus fruits like lemons and mandarins, as well as in pickled plums. The sour taste we enjoy comes from citric acid. This refreshing acidity is widely used in drinks and foods, adding flavor and helping to keep fruits and vegetables fresh by preventing discoloration and aiding mineral absorption. It also helps to improve shelf life by balancing pH levels. Beyond food, citric acid has many industrial uses, including soil conditioning, cleaning alkaline stains, and as an ingredient in household detergents. It's a versatile natural compound that supports both our daily life and industry.

Gluconic acid

Gluconic acid is a natural organic acid found in foods like honey and royal jelly. If citric acid's sharpness is rated at 100, gluconic acid offers a mild, smooth acidity around 30, providing a gentle flavor. It is widely used as a safe, natural food additive—acting as a coagulant in tofu and cheese, a leavening agent in baking, and more. Additionally, it supports gut health by promoting the growth of beneficial Bifidobacteria. In industrial applications, its mild acidity makes it useful for metal surface treatment and as a concrete setting retarder. FUSO produces gluconic acid by fermenting corn-derived sugar solutions at PMP Fermentation Products, Inc. in Illinois, USA, ensuring a reliable supply of this versatile ingredient.

Other fruit acid products

We also offer a broad range of other organic acids, including **fumaric acid, tartaric acid, lactic acid, succinic acid, ascorbic acid (vitamin C), and phytic acid**.

Main Applications

Food additives Our fruit acids are used as acidulants in a wide range of processed foods, including soft drinks, confectionery, and seasonings. They also help extend shelf life by adjusting pH and preventing discoloration and microbial growth. This contributes to food safety and helps reduce food loss.

Household and personal care products Because of their mild acidity, our fruit acids are used in personal care products such as bath additives. Their ability to remove stubborn dirt around water fixtures also makes them useful in a wide range of household cleaning products. As naturally occurring ingredients, they help reduce environmental impact while remaining easy to handle.

Industrial applications Our fruit acids are used in a wide range of industrial fields, including concrete admixtures, metal surface treatment agents, cleaning agents, plating, papermaking, and dyeing. Their mild acidity and chelating properties help control trace metal ions in production processes. As a result, they can help reduce quality variation and improve productivity.



LIFE SCIENCE

Business Strategy

- Strengthen global cooperation
- Boost surveying and marketing initiatives
- Enhance core competencies (develop new fields)
- Maintain and enhance stable supply and quality assurance

Medium-term strategy of Life science business

Strengthen global cooperation	China business Southeast Asian markets US and European markets	• Integrate strategies with overseas subsidiaries • Increase food additive sales to Asia • Expand share of FUSO's fruit acids in overseas markets • Enhance US operations
Boost surveying and marketing initiatives	Expand sales of in-house products Grow domestic business Raise revenue per employee	• Create markets to gain revenue opportunities • Develop primary industry market • Push hard to expand business, backed by stable production and increased capacity • Find and strengthen relations with business partners expected to grow stably over the long term • Pursue digital transformation to strengthen and make visible the procurement management system
Enhance core competencies / develop new fields	FFA*-related products Antioxidation technology Technology for health benefits of organic acids	• Strengthen food-loss-preventing products • Uncover demand in the health maintenance and healthcare fields • Develop ultra high purity fruit acid product group • Develop new technologies and applications
Maintain and enhance stable supply and quality assurance	Raise product quality Establish supply system for pharmaceutical-grade products Enhance FUSO brand	• Raise production quality with quality management system • Swiftly establish production system for newly developed products • Implement measures to increase brand penetration

Higher CAGR	Increased confidence in FUSO's growth
Contribution to operating profit	Enhancement of sales capacity backed by technical capabilities
Increased sustainability	Contribution to health and society
Increased trust in FUSO	Core technologies and stable quality

Higher ROIC → **Higher ROE**

*FFA: A collective term for Functional Fruit Acids and related products

Strategies for Global Business Expansion







Stronger global cooperation

Chinese market

US market

Develop FUSO brand

Southeast Asian market

Product strengths

Reliability

Technical capabilities

Thailand: FUSO (THAILAND) CO., LTD.

Strategic base for expansion in Southeast Asia

Growth strategy

- Enhance sales and proposal capabilities through skills development of local staff
- Create new business approaches for Asia
- Pursue development as production base (consider production of sodium citrate)

China: Qingdao Fuso Group

Key base responsible for manufacturing, sales, and R&D

Growth strategy

- Boost development of food additives for Chinese market
- Expand sales of high-value-added products
- Expand exports to other regions

USA: PMP Fermentation Products, Inc.

Sole gluconates manufacturer in North America

Growth strategy

- Expand production capacity to meet demand growth
- Establish framework for stable supply through technological innovation
- Promote development of primary industry applications

Risks and Opportunities

Risks

Risks	Our Risk Response	Risk Assessment
Risk of significant business performance impact in the event of a demand downturn due to a high level of dependence on specific industries and major customers	Reduce this dependence by launching new products into growth markets.	High
Risk of product use restrictions resulting from regulatory changes in industries such as chemicals, food, and pharmaceuticals	Continuously monitor regulatory trends and formulate and implement measures in response to developments.	Low
Risk of disruptions in the supply of key raw materials and intermediates, or sharp price increases	Promote procurement from multiple sources and reduce dependence on specific supply routes.	High
Risk of suspension of operations due to aging facilities, natural disasters, etc.	Enhance maintenance plans and strengthen preventive measures.	High
Risk of declining competitiveness of our products due to the emergence of new manufacturing technologies or alternative materials	Maintain competitiveness by developing and launching new products and high-value-added products.	Medium
Risk of being unable to respond to rising social demands regarding environmental impact and sustainability	Develop and implement a GHG emissions reduction plan to keep pace with rising social demands.	Medium

Opportunities

Opportunities	Growth and Profitability Outlook	Earnings Impact
Growth in overseas markets	By launching new products into growth markets, we expect to reduce our dependence on specific industries.	High
Growing need for flexible responses to regulations, etc.	By leveraging our strength in responding to quality and other regulatory requirements, we expect to gain share from competitors that are not yet compliant.	High
Growing demand for stable supply	Build a brand around an “uninterrupted supply chain” and win customer-designated purchases.	Medium
Need to shift to high-value-added and next-generation products	By accelerating the shift from commodity products to next-generation products, we expect to maintain and expand our competitiveness.	High
Growing need to reduce environmental impact	By expanding our lineup of low-environmental-impact products, we will help users reduce their environmental footprint and expand sales opportunities for our products.	Medium

COLUMN

Supplying biostimulant* ingredients that help stabilize crop growth under high-heat stress

As **global warming** progresses, heat stress is increasingly causing growth problems in crops. Drawing on the know-how we have built up over many years in functional materials, we developed Stress Free® Z, an ingredient for agricultural inputs designed to enhance heat-stress tolerance by bringing out plants' natural strength. Because it is formulated mainly with naturally derived ingredients, it achieves both safety and environmental consideration.

By delivering new value to the primary industry sector, we will help realize sustainable agriculture and support continued business growth.



Bentgrass heat-stress exposure test
(Stress Free® application → heat exposure → recovery).
Photos were taken after the recovery period.

* Biostimulants are agricultural inputs (or their ingredients) that help control abiotic stresses on plants—such as high temperatures, low temperatures, and drought—reducing damage caused by climate and soil conditions and keeping plants healthy. They also help suppress yield losses caused by stress.

Segment Strategy Electronic Materials Business

Manager's message

Motoki Sugimoto
Board Director
Division Manager of
Electronic Materials Division

The Electronic Materials Division has long provided high-performance materials that support the evolution of the semiconductor industry, based on manufacturing excellence and R&D expertise developed over many years. Our flagship product, Quartron®, an ultra high purity colloidal silica, is widely recognized as an essential material for the CMP process and plays a vital role in semiconductor manufacturing as semiconductor devices become smaller and more highly integrated. These proprietary technologies and our commitment to quality underpin our competitive advantage.



— Providing key materials for a more advanced society —

In recent years, advances in AI, 5G, IoT, and autonomous driving are expected to support sustained growth in the semiconductor market, creating significant opportunities. At the same time, challenges are also emerging, including market volatility, rapid technological innovation, and supply chain uncertainty, requiring fast and flexible responses. To address these changes, we are increasing production capacity and enhancing our multi-site supply structure to ensure stable supply and strengthen business continuity.

In our Medium-Term Management Plan "Next Growth 2030," we identify the Electronic Materials business as a key growth driver and pursue sustainable growth through two key initiatives: expanding our portfolio of high-value-added products and strengthening our production structure. Building on the nanoparticle control technologies developed through Quartron®, we will accelerate the development of new products such as hollow silica and silica-coated materials. In addition to the semiconductor field, we will also promote expansion into new applications such as high-frequency materials and next-generation devices.

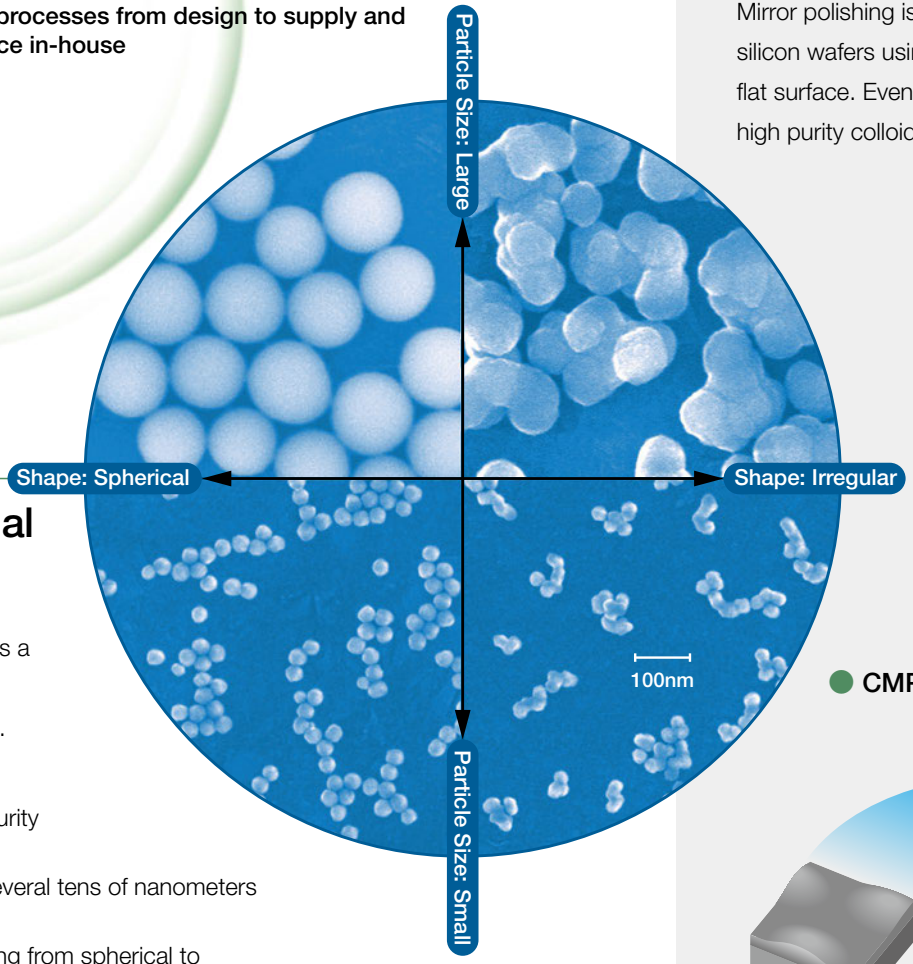
Going forward, we will continue to view a rapidly changing market environment as an opportunity for growth. By steadily advancing technological innovation and improving quality, we will provide key materials for a more advanced society, enhance corporate value, and contribute to society.

We support nanoscale planarization with ultra high purity colloidal silica, an essential material for manufacturing advanced semiconductor chips, and contribute to greater device complexity and integration.

Electronic Materials

Strength

- Providing super-high-quality materials
- Conducting all processes from design to supply and quality assurance in-house



Products

Ultra high purity colloidal silica Quartron®

Ultra high purity colloidal silica Quartron® is a dispersion of nanoscale silica particles in water, produced using the sol-gel method.

Key features

- Ultra high purity colloidal silica with a purity of 99.9999% or higher
- Particle sizes can be controlled from several tens of nanometers to approximately 200 nm
- Particle shape can be controlled, ranging from spherical to irregular, by adjusting the degree of particle association
- Highly resistant to aggregation and sedimentation

Main application

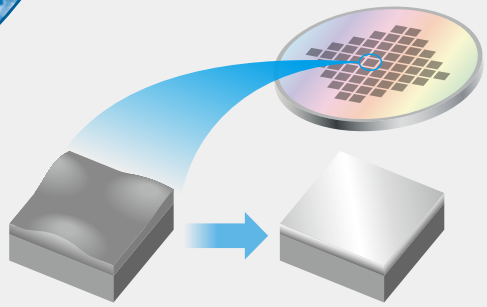
Mirror polishing of silicon wafers

Mirror polishing is a process that removes microscopic surface irregularities from silicon wafers using fine abrasive particles and a polishing pad to create an extremely flat surface. Even minute contamination or scratches can affect polishing quality. Ultra high purity colloidal silica is widely used as a key ingredient in polishing slurries.

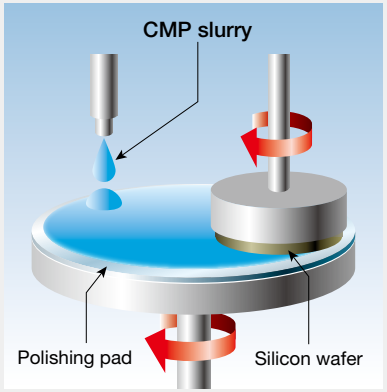
CMP

CMP (Chemical Mechanical Planarization) is a process that combines chemical reactions with mechanical polishing to efficiently create a flat surface. Semiconductor manufacturing involves repeatedly flattening metal wiring and insulating layers before forming additional wiring layers on top. As semiconductor chips become more complex, multilayered, and compact, the importance of CMP continues to increase. Ultra high purity colloidal silica is an essential material and a key ingredient in polishing slurries.

CMP schematic diagram



▲ Nanoscale planarization is essential for multilayer and miniaturized semiconductor chips.



Electronic Materials

Business Strategy

- Stabilize supply and quality
- Address cutting-edge requirements
- Develop new businesses harnessing core technologies
- Reinforce the business foundation

Medium-term strategy of Electronic Materials Business

Stabilize supply and quality

- Make capital expenditures
- Address BCP
- Enhance quality management

- Decide on investment timing in view of shifts in demand
- Produce at multiple locations
- Strengthen raw materials supply chain
- Make key processes more robust and raise quality of equipment maintenance
- Digitalize quality management

Address cutting-edge requirements

- Particle size control technology
- High-purification technology
- Material design technology

- Address next-generation nodes and new materials
- Strengthen collaboration with users

Develop new businesses harnessing core technologies

- Ultra-high purification
- Particle design and dispersion control
- Precision analysis and quality assurance

- Develop new functional materials
- Raise the level of analysis and evaluation services offered
- Expand applications into CMP-related uses and adjacent fields

Reinforce the business foundation

- Establish roadmap-based development and an end-to-end development process leading up to bulk production
- Address environmental concerns through energy efficiency, waste reduction, and more rigorous chemicals management

Higher CAGR

Stable and long-term business relationship based on trust in FUSO

Higher operating margin

Technical capability-based revenue structure resilient to shifts in environment

Increased sustainability

Turn risks into chances to achieve further growth

Higher ROIC

Higher ROE

CMP Slurry Market/ Semiconductor Market FUSO Sales

Application Development

Increased CMP process steps in cutting-edge semiconductors for AI use due to reasons including:

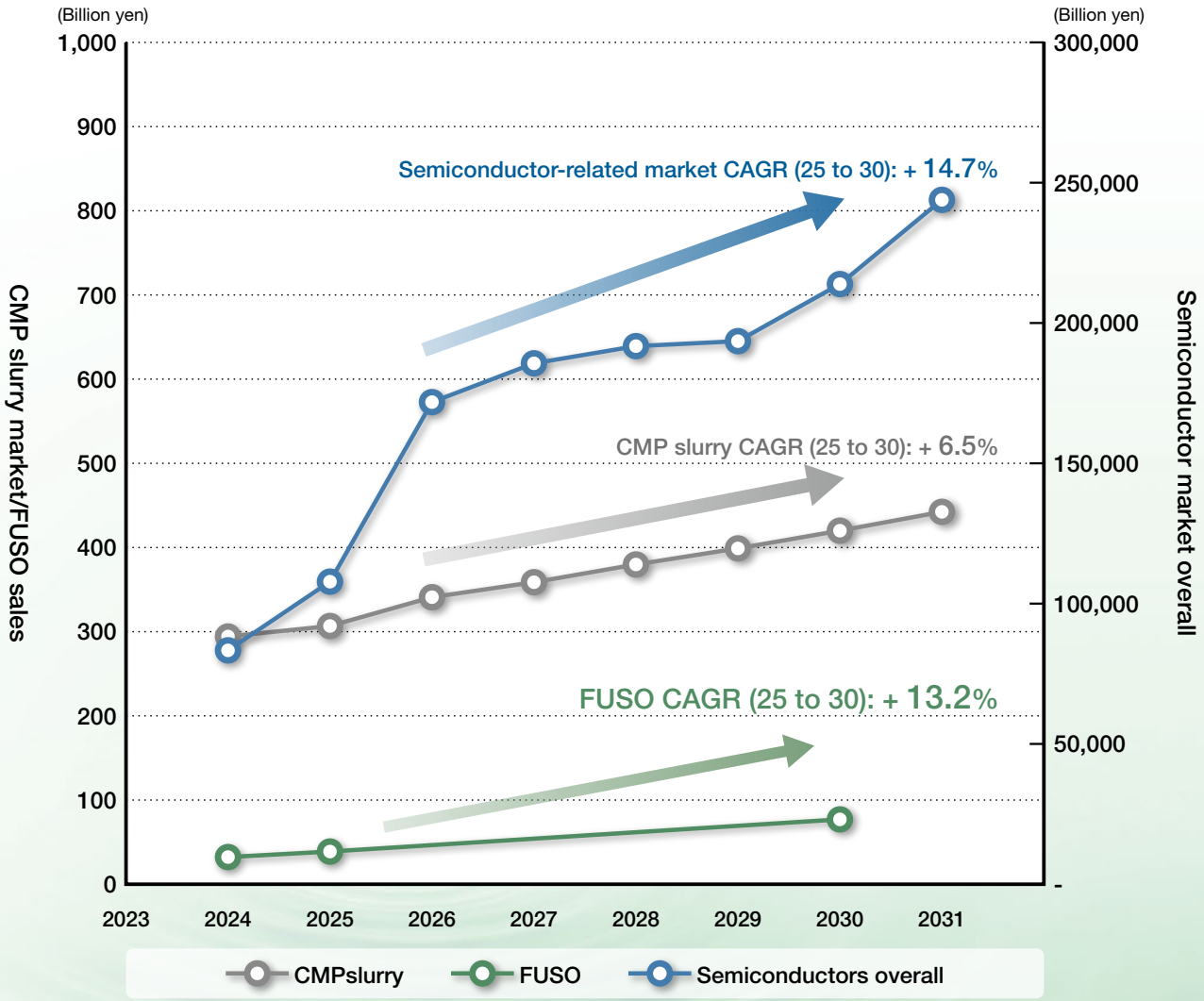
- multi-layered wiring
- adoption of BSPDN
- demand for advanced packaging use

Advanced Product Development

In the CMP process of cutting-edge semiconductors, opportunities for use have increased for colloidal silica that is:

- even higher in purity
- ultra high purity with precision-controlled particle size

Growth opportunities exceeding CMP slurry market growth



Source: Prepared by FUSO based on Fuji Chimera Research Institute material

Electronic Materials

Risks and Opportunities

Risks

Risks	Our Risk Response	Risk Assessment
Demand volatility caused by fluctuations in the semiconductor market	Utilization rates and inventory adjustments across the semiconductor industry may fluctuate due to geopolitical events, economic downturns, or natural disasters, affecting demand for our products in the short term. To mitigate this risk, we have strengthened business continuity by optimizing logistics and operating production sites in both eastern and western Japan. We also maintain a strong financial position that supports resilience during market downturns.	Medium
Changes in customer procurement policies, including multi-sourcing, standardization, in-house production, and pricing pressure	We seek to maintain adoption at leading-edge semiconductor nodes through superior quality, technical support, and continuous technological innovation.	Low
Rapidly increasing quality requirements for leading-edge semiconductor nodes	Because even minor variations can cause significant defects, we continue to strengthen our analytical and quality assurance capabilities. We are also establishing a new research facility to support increasingly advanced quality requirements.	Low
Rising costs and supply constraints for raw materials, energy, and logistics	Rising costs and supply constraints may result in higher production costs, delivery delays, and missed business opportunities. We seek to maintain pricing power through differentiated technologies and product quality that are difficult for competitors to replicate.	High
Geopolitical risks and tighter export controls	Export controls and geopolitical developments may restrict sales, technology transfers, and procurement activities. We therefore maintain strict compliance and monitoring systems.	High
Intellectual property, information security, and cybersecurity risks	As joint development projects and customer audits increase, any leakage of confidential information could damage trust and affect business relationships. We are strengthening our defenses through certifications, information security measures, and ongoing system enhancements.	Medium
Delayed response to environmental and chemical regulatory requirements	To address evolving environmental and chemical regulations, including GHG-related requirements, we work closely with customers and continue to strengthen our compliance and response capabilities.	Medium

Opportunities

Opportunities	Growth and Profitability Outlook	Earnings Impact
Growing CMP demand driven by increasing semiconductor complexity	As semiconductor manufacturing becomes more complex, demand grows for materials with low defect rates, high stability, and ultra-high purity, areas where we have strong competitive advantages. This supports long-term business growth.	High
Increasing focus on materials quality	Requirements for tighter control of trace impurities, particle size distribution, and traceability are increasing, allowing us to further demonstrate the value of our quality and technology. We are also expanding capacity through timely capital investments to meet growing demand.	High
Supply chain reconfiguration driven by geopolitical and policy developments	New production line start-ups, qualification projects, and increased multi-sourcing requirements create opportunities for product adoption by new customers.	Medium
Stable earnings through joint development and long-term customer adoption	Once our products are qualified and adopted, they become embedded in customers' production processes, creating recurring business with high barriers to entry. Deeper collaboration with customers can further expand demand and support long-term profitability.	High
Value-added solutions that support customers' environmental goals	Solutions that help customers reduce GHG emissions, lower material consumption, and reduce wastewater treatment requirements can differentiate our products and support sales growth.	Medium



3 FUSO's Foundation for Value Creation

- FUSO's Production Base → 26
- Management Foundation Supporting Corporate Value Growth → 30
- Enhancing Human Capital Value → 31
- Intellectual Property Strategy → 35
- Respect for Human Rights and Sustainable Procurement → 36
- Sustainability → 39
- Social Contribution → 47

FUSO's Production Base

Domestic Production Sites

We operate production sites in eastern and western Japan for our key products, including malic acid and ultra high purity colloidal silica. By diversifying our sites, we enhance resilience and work to secure alternative production and supply routes in the event of a disaster, helping ensure a stable supply.







Kyoto Plant

Products

Ultra High Purity Colloidal Silica

Kashima Plant

Products

Maleic Anhydride, Maleic Acid, Fumaric Acid

Products

Ultra High Purity Colloidal Silica



Shin-Osaka Office

Products

Pharmaceutical Ingredients

Osaka Factory

Products

Malic Acid, Various Food Additives



FUSO's Production Base

Overseas Production Sites



We operate production sites in Qingdao, China; Illinois, USA; and Bangkok, Thailand. Each site is managed in line with local conditions and market needs. We are also strengthening coordination with our sites in Japan to enhance our supply capabilities and responsiveness.



Qingdao Fuso Refining & Processing Co., Ltd.

Products
- Purified Citric Acid
- Various Food Additives



PMP Fermentation Products, Inc.

Products
- Sodium gluconate
- Liquid gluconate
- Gluconic acid



FUSO (THAILAND) CO., LTD.

Products
- Various Food Additives

FUSO's Production Base

Production Division Policy

Vision

"Achieve world-class manufacturing operations that maximize customer value."

Mission

"Bring management strategy to life through manufacturing and support value creation through operational excellence."

- Understand the direction of management strategy and deliver it through manufacturing operations.
- Bring together the knowledge and skills of frontline teams to strengthen the competitiveness of the entire Company.
- Earn the trust of customers and society through stable supply and reliable quality assurance.

Goals

Safety and Environment	Build sustainable production systems that protect people and the environment.
Quality	Aim for zero defects and consistently deliver stable quality.
Cost	Eliminate waste thoroughly and establish a competitive cost structure.
Delivery	Respond flexibly to changing demand and ensure fast, reliable delivery.
People and Organization	Foster people who drive improvement and innovation independently, and build an organization where challenge and learning are embedded.

Key Initiatives of the Production Division

Reinforce framework for stable production	Acquire high resilience	• Further establish production framework with major plants in east and west Japan
	Ensure safety and environmental stewardship	• Take action to prevent work-related and equipment accidents • Invest in safety measures
	Strive to fulfill responsibility for stable supply	• Conduct monitoring for stable facility operation • Enhance maintenance plan
	Further systemization of production processes	• Promote transition to smart factories • Increase production robustness
Increase productivity	Improve capital expenditure efficiency	• Continuously invest in enhancements • Acquire customer qualifications early
	Reduce manufacturing cost	• Address each expense item separately • Raise overall plant capacity utilization rate
Gain customer trust	Work toward zero customer complaints	• Establish capability to swiftly address issues • Accurately address requests from business partners
	Invest in boosting production and raising quality	• Address environmental issues • Invest in facilities to meet customer requirements
Enhance value of human capital	• Train multi-skilled talent • Raise self-improvement skills • Train the next generation of leaders	• Increase employee engagement • Become a group of professionals

Raise fixed asset turnover
Raise level of trust in cutting-edge products

Increase trust
Gain business partner engagement

Reduce cost to sales ratio
Boost revenues through increased production and through production quality

Increase productivity
Pursue production by a select group of specialists incorporating DX and AI

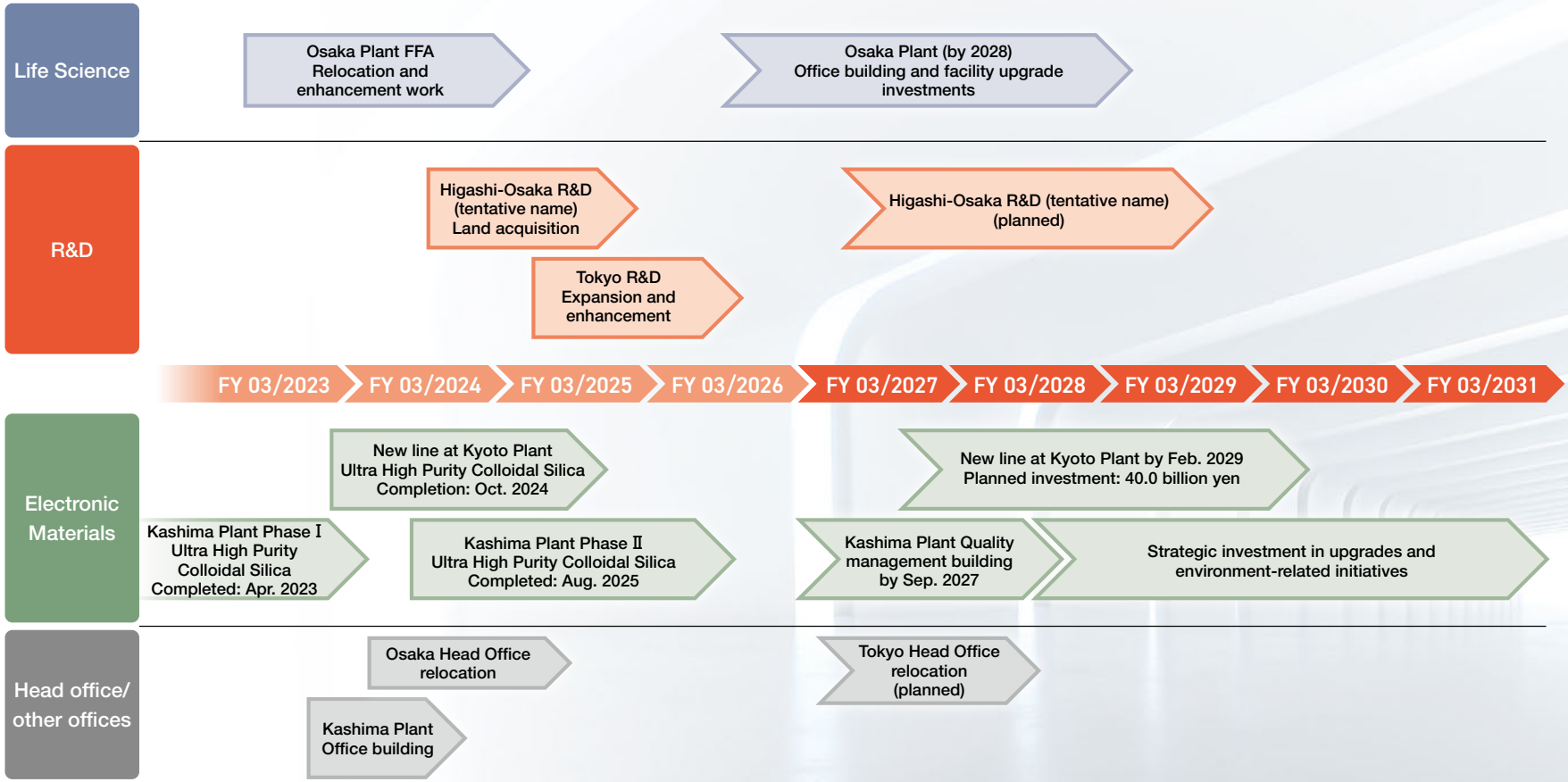
Higher ROIC
↑
Higher ROE

FUSO's Production Base

Capital Investment Performance and Plans

During the previous medium-term management plan, we expanded production capacity for ultra high purity colloidal silica at our Kashima Plant (Phase I and Phase II) and Kyoto Plant. This established a stable production system in both eastern and western Japan. In the current period, we will focus on quickly starting up the new facilities and beginning customer deliveries.

We will also invest in new production facilities planned for the Kyoto Plant. In the Life Science business, we will continue construction of an office building and make investments to upgrade operations at the Osaka Factory.



Management Foundation Supporting Corporate Value Growth

message

Hiroyuki Ito
Board Director
Division Manager of Administration Division

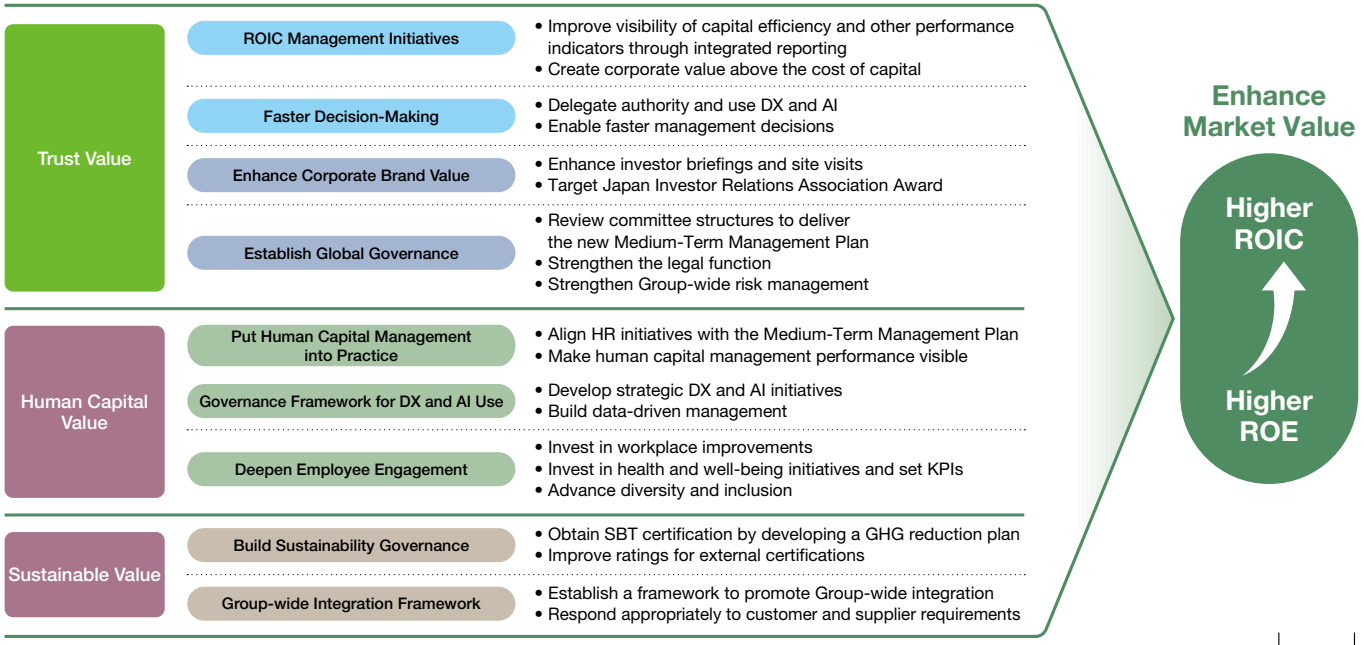
The Administration Division goes beyond traditional administrative and control functions. It uses financial and non-financial information to support management decisions and works with business divisions to help turn growth plans into results.

To deliver our Medium-Term Management Plan "Next Growth 2030", we will transform the Administration Division from a function that protects the business into one that creates value. People are at the heart of this transformation. Our employees' willingness to take on challenges and grow is what turns technology and facilities into value. We will link our business strategy and people strategy around three priorities: attracting and retaining the talent we need, supporting employee well-being, and developing people who drive sustainable growth and innovation. We will place people in growth areas, develop talent, ensure fair performance evaluation and compensation, and create workplaces where people can work safely, comfortably, and effectively. These efforts will create a positive cycle in which employee well-being and self-fulfillment increase engagement, leading to higher corporate value.

In governance, the Corporate Value Enhancement Committee will monitor and report progress on key initiatives. We will also strengthen oversight of major investments, internal controls, risk management, and Group governance. At the same time, we will integrate issues such as climate change, human rights, and supply chain management into our business decisions. Our aim is to achieve both earnings growth and sustainability. Climate action is especially important, as it affects our competitiveness and business continuity. We will not see GHG emissions reduction simply as a cost or compliance requirement. Instead, we will treat it as a growth opportunity to improve long-term earning power and competitiveness through greater energy efficiency and the effective use of resources.

We will work with business divisions to improve ROIC and generate returns above our cost of capital. While maintaining financial discipline, we will invest the cash we generate in growth areas, including capital expenditure, R&D, human capital, digital transformation, and M&A. We will also continue to increase dividends, targeting total dividends of at least ¥20 billion over the Next Growth 2030 period. In this way, we will balance growth investment with shareholder returns. We will maintain constructive dialogue with shareholders and investors, incorporate their feedback into management decisions, and clearly communicate our growth strategy and capital policy.

By strengthening four forms of value—Market Value, Human Capital Value, Trust Value, and Sustainable Value—we will help build a company that enables all stakeholders to feel satisfied with their relationship with FUSO.

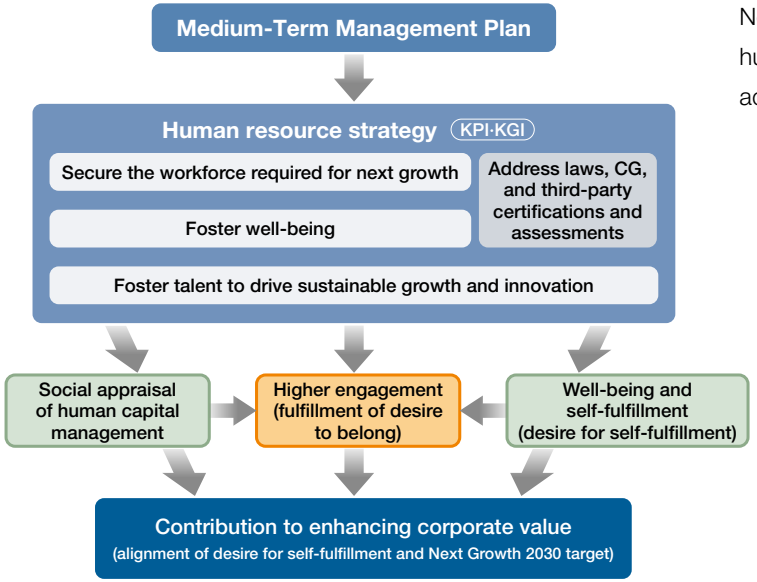


Enhancing Human Capital Value

1 Purpose and Positioning

Under our Medium-Term Management Plan "Next Growth 2030", enhancing human capital value is one of four priority themes for increasing Trust Value. It is a key initiative that supports sustainable growth and long-term corporate value.

We regard our employees as one of our most important management resources. By aligning our talent strategy with our business strategy, we aim to build a virtuous cycle that creates both business growth and corporate value. To achieve this, we will improve employee engagement by supporting employee well-being and enabling employees to achieve personal growth and fulfillment.



2 Current Situation and Key Challenges

Our business environment is changing rapidly. Demand is growing, production capacity is expanding, competition is intensifying, and the adoption of AI and digital technologies is accelerating. At the same time, employee values and work styles are becoming more diverse. These changes are creating new talent-related challenges and opportunities.

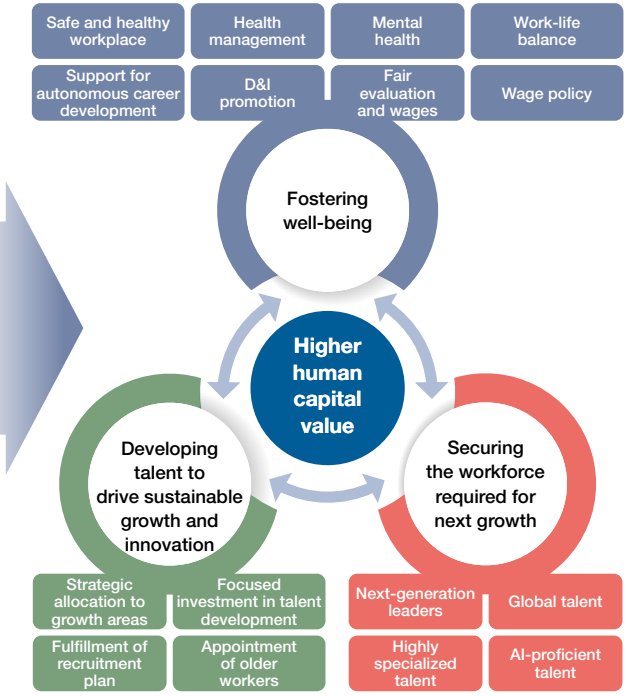
Under FUSO VISION 2025, we promoted initiatives in talent development, recruitment and retention, diversity, engagement, health, and safety. These efforts helped strengthen our manufacturing capabilities, R&D capabilities, and the ability of every employee to perform at their best. We have made progress in areas such as hiring, male employees taking parental leave, and employee engagement. However, challenges remain, including talent development investment, the representation of women in management positions, and indicators related to work styles and employee health. Under Next Growth 2030, we will further strengthen the link between human capital initiatives and business strategy while addressing these challenges.

Management Challenges	Human Capital Challenges	Strategic Responses
Business expansion and increased production	Labor shortages, skills transfer, and early workforce development	• Strengthen capabilities to support growth • Identify and develop talent that drives sustainable growth and innovation
Promoting AI adoption and DX; advancing R&D	Shortage of AI/DX talent and specialized personnel	
Intensifying competition and business transformation	Development of managers and next-generation leaders	
Turnover risk and diversification of work styles	Improved engagement, health and safety, and workplace comfort	Foster well-being

3 Governance Structure for Enhancing Human Capital Value

In June 2026, we established the Human Resources Committee. The Committee continuously monitors human capital KPIs across recruitment, development, deployment, and performance. These indicators help us assess the condition of our human capital and identify issues at an early stage. As a subcommittee of the Corporate Value Enhancement Committee, it discusses company-wide human resource issues at the management level. Key topics include annual human capital policies and priority initiatives, workforce planning, development of future leaders and highly specialized professionals, revisions to HR systems, and corrective actions when performance falls short of targets.

Implementation of Human Capital Value Enhancement Initiatives



Enhancing Human Capital Value

4 Human Capital Value Enhancement Strategy
(Strategic Framework Based on the Reverse ROIC Tree and Key KPIs)

(1) Strengthening Our Workforce for Growth and Transformation

Our workforce planning extends beyond annual hiring targets. We develop multi-year plans aligned with key milestones, such as the start-up of new facilities and the opening of R&D centers.

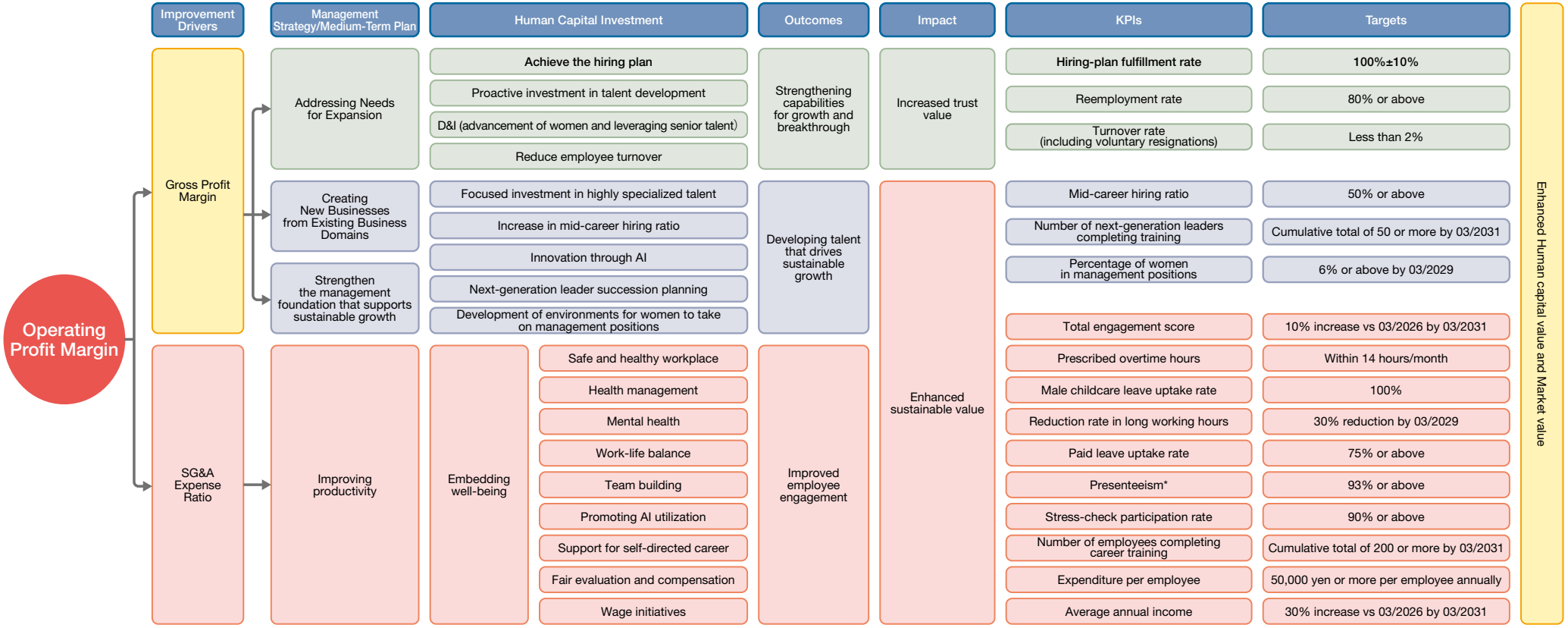
We use the following indicators to monitor progress:

Hiring plan fulfillment rate: Measures whether we are securing the talent needed to support business growth at the right time.

Reemployment rate: Measures our ability to retain and utilize the expertise and experience of senior employees amid a shrinking workforce.

Turnover rate: Indicates whether our HR initiatives, including talent development, placement, evaluation, and compensation, are functioning effectively.

By making the cycle of attracting, developing, and retaining talent visible, we seek to enhance human capital value while supporting sustainable business growth.



* Presenteeism refers to reduced productivity while at work due to health issues. The Company measures it as an indicator of productivity; a higher score indicates a better condition.

Enhancing Human Capital Value

(2) Developing and Promoting Talent for Sustainable Growth

To achieve sustainable growth and remain competitive in a changing business environment, we need employees who can both support existing businesses and create new value through innovation and transformation. We also recruit experienced professionals who can contribute immediately.

To address rising demand, expand production capacity, strengthen R&D capabilities through new research centers, and accelerate the use of AI, we are developing next-generation leaders regardless of gender. These leaders are expected to possess advanced expertise, strong problem-solving skills, and the ability to create new value.

We therefore monitor the following KPIs:

- Ratio of mid-career hires
- Number of next-generation leadership development programs
- Ratio of women in management positions

(3) Enhancing Engagement

As the foundation for maximizing the potential of all employees, we gather feedback through annual engagement surveys, town hall meetings, and other channels and use the results to improve our HR systems and practices. The FY03/2025 and FY03/2026 survey results showed generally high levels of engagement. However, employees reported lower levels of perceived growth and contribution through their work, highlighting the need to further improve our systems and practices.

In response, we will introduce a new HR system in October 2026 that rewards initiative and performance fairly while reflecting evolving expectations regarding work-life balance. Through these initiatives, we aim to enhance employee well-being and further strengthen engagement.

Health Management

Employee well-being is essential to sustaining business growth and creating long-term value. We actively promote health management initiatives that support the physical and mental health of our employees. Guided by the FUSO Health Declaration, we are committed to creating a healthy and supportive workplace where employees can perform at their best. Through these efforts, we aim to enhance employee engagement and productivity.

Our commitment to employee health has been recognized under the Certified Health & Productivity Management Outstanding Organizations Recognition Program (Large Enterprise Category). On March 9, 2026, we received this certification for the fifth consecutive year.

2026
健康経営優良法人
KENKO Investment for Health
大規模法人部門

FUSO health and productivity declarations

– Good products come from employees who are both physically and mentally health –

We as FUSO promise to all employees to support their work-life balance and promise to create and maintain a "healthy" work environment where each employee can maintain and improve their health. By creating such environment, we believe that employees can work lively and develop good products which contribute to society.

Trends in Health and Productivity Management Outstanding Organization Recognition

Recognition Year	FY03/2023	FY03/2024	FY03/2025	FY03/2026	FY03/2027
Overall Ranking	1,851–1,900	1,551–1,600	951–1,000	901–950	851–900
Overall Score	47.6	50.5	56.3	57.6	58.9
Participating Companies	2,869	3,169	3,523	3,869	4,175

Enhancing Human Capital Value



Indicators related to the status of health investment initiatives	Indicators related to employees' awareness and behavioral change
Maintain a 100% health checkup participation rate	Improve the implementation rate of specific health guidance (improve the incidence rate of metabolic syndrome)
Improve follow-up examination participation rates	Reduce smoking rates
Increase screening participation rates for the five major cancers	Increase the proportion of employees with regular exercise habits
Increase implementation rates for specific health guidance	Increase the proportion of employees getting sufficient sleep
Increase participation rates in management health training	Reduce the proportion of highly stressed employees
Increase participation in interviews with occupational physicians and public health nurses	Reduce the incidence rate of high-stress departments
Increase stress check participation rates	Improve the proportion of employees maintaining an appropriate body weight
Increase participation rates in women's health-related training	Improve absenteeism
Increase participation rates in health maintenance video/e-learning programs	

Ultimate health-related outcome indicators

- **Improve presenteeism** (a state in which employees continue working despite physical or mental health issues, resulting in reduced productivity)
- **Improve absenteeism** (a state in which employees are absent from or unable to work due to health-related reasons such as illness or mental health issues)
- **Enhance work engagement**

(4) Other Initiatives to Enhance Human Capital Value

❶ Town Hall Meetings

We hold town hall meetings at each business location, where senior management and employees can engage in direct dialogue. These meetings help employees understand our management policies, including the Medium-Term Management Plan. Feedback from these discussions is used to improve HR initiatives and the workplace environment.

❷ "Dream Achievement Notebook"

As part of the Medium-Term Management Plan, we created and distributed the "Dream Achievement Notebook" to all employees.

This notebook helps each employee identify their future vision, goals they want to achieve through their work, skills they want to develop, and roles or assignments they wish to take on. It supports employees in building their careers proactively. Through dialogue with their managers, employees share their personal development goals whenever possible. We use these goals in employee development, job assignments, and promotions, helping employees achieve their aspirations and increase engagement.

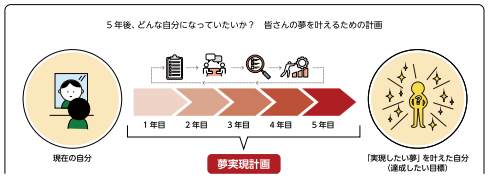






Your Growth Is Also One of the Company's Dreams

What do you want to be like in the FY03/2031—the final year of this Medium-Term Management Plan? To achieve the dreams you want to realize in five years, each of you must grow. Supporting your growth is also one of the Company's dreams.



- **STEP 1** Think about the dreams you want to achieve in five years.
- **STEP 2** Identify the key words that describe those dreams.
- **STEP 3** Discuss what you want to be like in five years.
- **STEP 4** Set specific goals for five years from now.
- **STEP 5** Create a plan to achieve your goals in five years.

▲ Structure of the Dream Achievement Notebook

Intellectual Property Strategy

As a B2B company, we create value through technologies and materials that improve product quality and support manufacturing processes. We view intellectual property (IP) as a strategic asset that supports business growth, enhances customer value, strengthens competitiveness, and contributes to long-term corporate value.

Our IP strategy has two main pillars: protecting technologies through patents and strengthening brand value through trademarks.

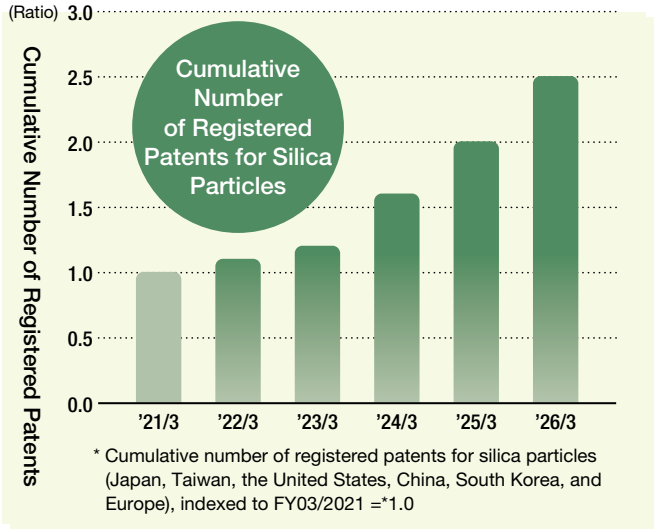
Strengthening Our IP Portfolio in Line with Business Characteristics

Life Science Business

In the Life Science Business Division, we carefully consider product life cycles. Rather than relying solely on patents, we place priority on trademark strategies that strengthen recognition of our technologies and products. We select names that clearly communicate product features and applications, conduct trademark searches and file applications in key markets, and respond to imitation products and misleading labeling. This approach allows us to allocate resources efficiently while strengthening brand value and market presence.

Electronic Materials Business

The Electronic Materials Business Division manufactures and sells materials for increasingly advanced electronic components,



* Cumulative number of registered patents for silica particles (Japan, Taiwan, the United States, China, South Korea, and Europe), indexed to FY03/2021 =*1.0

including silica particles used in CMP applications. This business is a key contributor to our revenue. However, the number of registered patents has not always been sufficient relative to the scale of the business. We therefore focus on obtaining patent rights for newly developed technologies in a timely and reliable manner. For technologies expected to be commercialized, we actively use accelerated examination systems and the Patent Prosecution Highway (PPH) to obtain patent rights promptly in Japan and overseas. These efforts help raise barriers to entry and strengthen customer confidence in our development capabilities and stable supply.

Initiatives to Enhance Brand Value

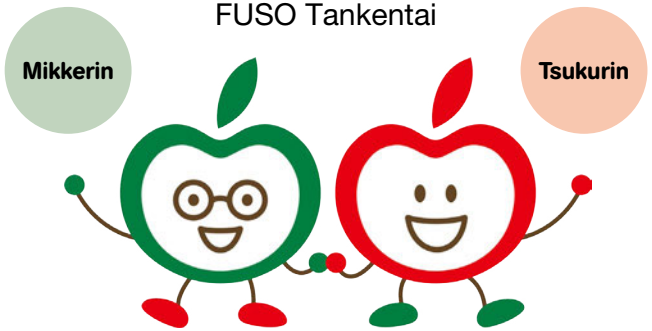
Introduction of Our Corporate Mascots

Fuso Chemical is known as a reliable and trustworthy company. At the same time, we wanted to make our brand more approachable. To support this goal, we introduced our first corporate mascots.

The mascots' names were chosen through an employee naming contest and were registered as trademarks before their public launch. Through this character, we aim to make Fuso Chemical feel more familiar and to build relationships that leave stakeholders and prospective employees glad they chose to engage with FUSO.

Building Brand Value Through Our Corporate Mascots

As part of our company-wide brand strategy, we will use the mascots consistently across a wide range of touchpoints, including trade shows, our website, product materials, recruitment activities, and public relations. Through these efforts, we will communicate our technological capabilities, approachability, and reliability. We will also protect the mascots through trademarks and other measures, helping them grow as a valuable brand asset.



Respect for Human Rights and Sustainable Procurement



Respect for Human Rights

FUSO CHEMICAL Group Human Rights Policy

The FUSO CHEMICAL Group, guided by its company motto of "Limitless Progress and Creation" puts into practice its management philosophy of "Value trust, and make it a principle to be reliable," "Contribute to the nation and society through technology," and "Achieve employee fulfillment through prosperous business," and aims to help realize a sustainable society.

We understand that, to achieve this, it is essential that the human rights of all people affected by the Group's business activities are respected.

In order to respect the human rights of all persons involved in our business activities and to fulfill our social responsibilities, the FUSO CHEMICAL Group hereby establishes this "FUSO CHEMICAL Group Human Rights Policy" (the "Policy").

1 Commitment to Respect for Human Rights

The FUSO CHEMICAL Group supports and respects the "International Bill of Human Rights," the International Labour Organization (ILO) "ILO's Declaration on the Fundamental Principles and Rights at Work," which sets out fundamental rights at work, and the United Nations "Guiding Principles on Business and Human Rights." As a signatory company to the United Nations Global Compact, we also support and respect its ten principles.

The FUSO CHEMICAL Group will comply with the laws and regulations of the countries and regions in which it conducts business. In the event of a conflict between internationally recognized human rights principles and local laws and regulations, we will pursue to the greatest extent possible the respect of internationally recognized human rights.

2 Scope of Application

This Policy applies to all officers and employees of the FUSO CHEMICAL Group. We also request that our business partners and other parties involved in the Group's business, products, and services understand and support the intent of this Policy.

3 Responsibility to Respect Human Rights

The FUSO CHEMICAL Group understands that its business activities may potentially or actually have impacts on human rights.

The FUSO CHEMICAL Group will strive not to infringe the human rights of all persons involved in its business activities. Where adverse impacts on human rights occur as a result of our business activities, we will respond appropriately toward remediation and fulfill our responsibility to respect human rights.

4 Human Rights Due Diligence

The FUSO CHEMICAL Group will establish a human rights due diligence framework to identify adverse human rights impacts and to prevent and/or mitigate them.

5 Remedy

If it becomes clear that the FUSO CHEMICAL Group's business activities have caused or contributed to adverse impacts on human rights, we will provide remediation through appropriate procedures.

6 Dialogue and Consultation

The FUSO CHEMICAL Group will engage in dialogue and consultation with relevant stakeholders regarding responses to potential or actual impacts on human rights.

7 Education and Training

To ensure that this Policy is incorporated into all business activities and implemented effectively, the FUSO CHEMICAL Group will provide appropriate education and training to officers and employees. We will also endeavor to promote understanding among our business partners and other related parties.

8 Disclosure of Information

The FUSO CHEMICAL Group will disclose, through its website and other channels, the progress and results of its initiatives to respect human rights.

This Policy has been approved by the Board of Directors of FUSO CHEMICAL CO., LTD.

Respect for Human Rights and Sustainable Procurement

Human Rights Initiatives

Based on our Human Rights Policy, we work to identify and reduce human rights risks across our business activities. We take a continuous approach across both our supply chain and Group operations, including identifying risks, preventing and mitigating impacts, monitoring progress, providing remedy, and engaging in dialogue.

Communicating the Policy and Providing Education

We communicate the purpose of our Human Rights Policy to officers and employees, and we ask our business partners and other stakeholders to understand and support it. Within the Group, we regularly share information on our Code of Conduct and respect for human rights through compliance communications and other channels. These efforts help employees deepen their understanding of human rights and compliance.

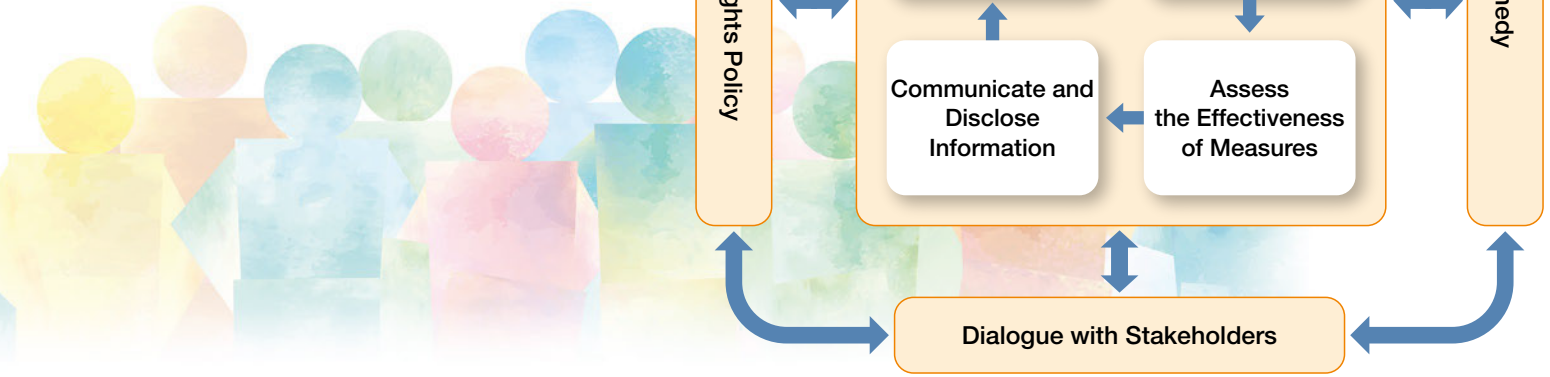
Promoting Human Rights Due Diligence

Initiatives in the Supply Chain ▶ Our sustainability questionnaire for business partners includes questions on human rights. This helps us identify potential human rights risks in our supply chain. The results are used in sustainability risk assessments conducted by the Sustainability Committee and in dialogue with business partners to help reduce risks.

Initiatives within the Group ▶ Within the Group, we address human rights risks involving employees, officers, and the workplace environment. Our efforts include internal communication, responding to reports and consultations, corrective action, and prevention of recurrence. Led by the Compliance Committee and supported by relevant departments, we continuously improve these efforts.

Remedy and Dialogue with Stakeholders

If we find that we have caused or contributed to adverse human rights impacts, we will provide remedy through appropriate procedures. We also promote dialogue with stakeholders by providing reporting and consultation channels, investigating concerns, taking corrective action, and preventing recurrence.



Reporting and Consultation Channels

Our compliance channels accept reports and inquiries regarding legal violations, human rights concerns, or misconduct involving Fuso Chemical Group companies.

Respect for Human Rights and Sustainable Procurement

Sustainable Procurement

FUSO CHEMICAL Group Basic Procurement Policy

Under this Policy, the FUSO CHEMICAL Group is committed to enhancing our corporate value by contributing to creating a sustainable society with our business partners through procurement activities based on high ethical standards.

Fair and Equitable Transactions

- We comply with the laws and regulations of the countries and regions where we operate. Through fair, equitable, and transparent transactions, we strive to build mutual trust and foster long-term partnerships with our business partners.
- To source the best and most suitable resources from our business partners, we provide fair opportunities for competition.
- In our relationships with our business partners, we ensure fair treatment by making comprehensive assessments based on quality, price, and delivery terms offered, as well as technical capability, corporate ethos, respect for human rights, occupational safety and health, environmental protection, and business continuity.

Compliance with Laws and Regulations

- We conduct all procurement activities in compliance with applicable laws, regulations, and social norms.
- We maintain strict confidentiality of information and technologies provided by our business partners. We also respect their intellectual property rights and do not acquire or use them improperly.
- We do not engage in any actions that could compromise fair relationships with our business partners, such as soliciting entertainment, gifts, or other favors or abusing dominant bargaining positions.
- If our business partners request consultations regarding transaction terms and conditions, we will ensure opportunities for such consultations and respond in good faith.

Social Responsibility

- In our procurement activities, we fully consider human rights, occupational safety and health, resource conservation, and environmental protection. Working with our business partners, we are committed to achieving a sustainable society.

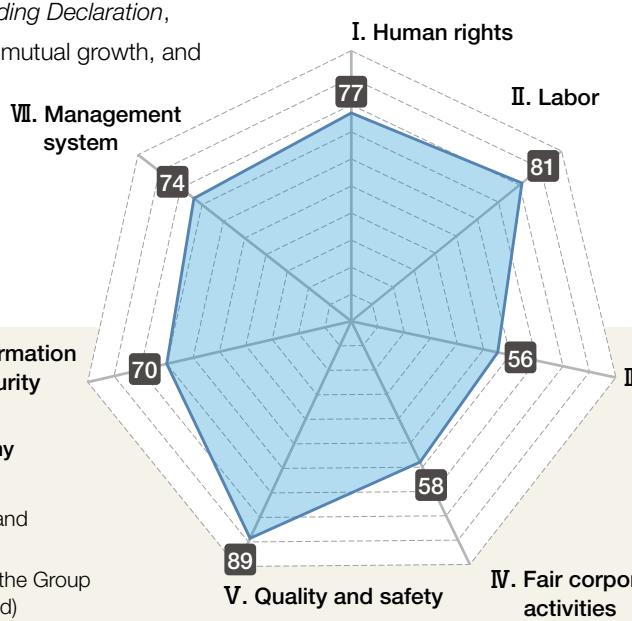
Partnership Building Declaration

We have published our *Partnership Building Declaration*, which promotes stronger collaboration, mutual growth, and long-term partnerships with suppliers throughout our supply chain and other value-creating business partners. For details, please refer to the *Partnership Building Declaration* on our website.

Supplier Sustainability Survey

We conduct supplier sustainability surveys to assess sustainability-related risks and initiatives across our supply chain and promote sustainable procurement together with our business partners.

In the FY03/2027 survey, we expanded the scope to include suppliers of Group companies. The survey was conducted from June to August 2026 and covered 150 major suppliers of the Group. We assessed supplier initiatives related to environmental, social, and governance (ESG) topics. We received responses from 121 suppliers. The results confirmed that our major suppliers have established sustainability initiatives at a generally satisfactory level. Going forward, we will work with our business partners to address environmental challenges identified through the survey. We will continue to conduct regular surveys to further strengthen sustainable procurement throughout our supply chain.



FY03/2027 Survey Results

Average score by respondent company

Survey period: June-August 2026

Survey content: Environmental, social, and governance initiatives

Scope: 150 major suppliers of the Group (121 responses received)

Sustainability

Sustainability

Basic Policy

The Group has established a Sustainability Basic Policy to guide its sustainability efforts.

Sustainability Fundamental Policy

We at FUSO as a front-runner of our global niche company continue to play an active role in various aspects of people's quality of life.

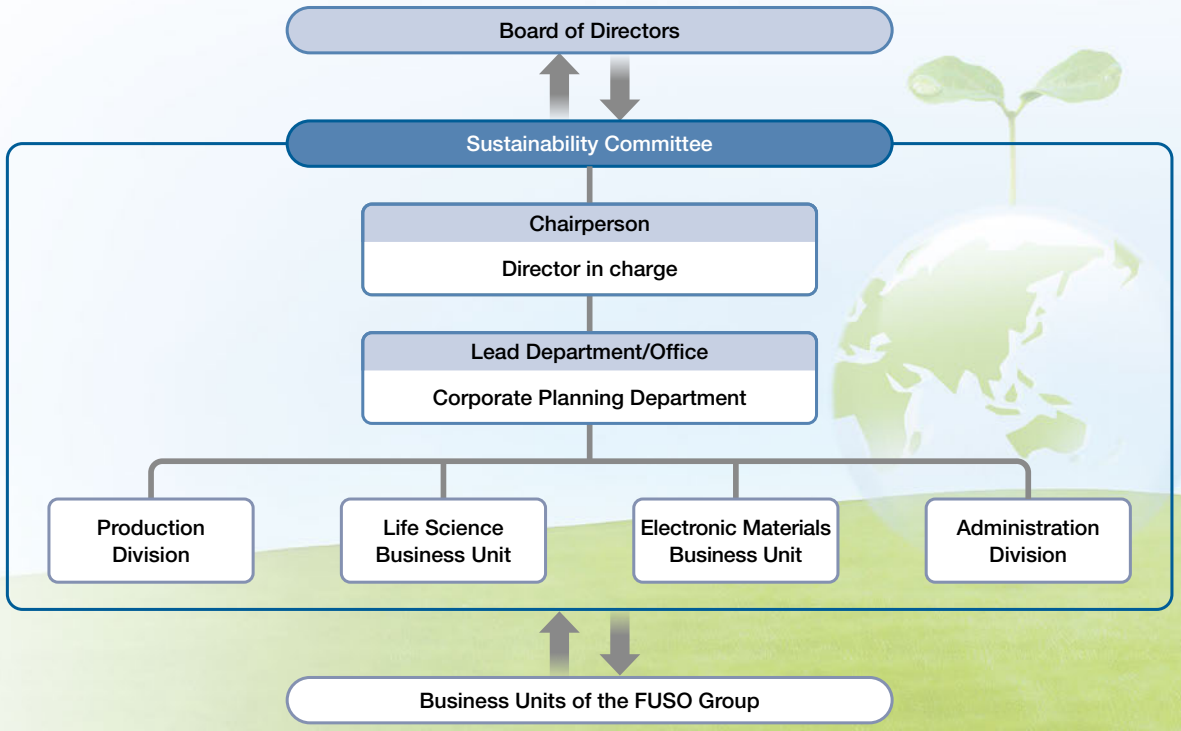
We have been proud of providing indispensable products to the society by both our Life Science (Fruit acids and their derivative) and Electronic Materials (Ultra High Purity Colloidal Silica and silica-related products) businesses.

For a sustainable future, we have strong desire to continuously contribute to the society with insatiable aspirations under our company motto "Limitless Progress and Creation". We believe that such actions to the sustainable society lead to continuous improvement of our corporate value.

Governance Structure

We established a Sustainability Committee in October 2021, comprising full-time directors. The Corporate Planning Department serves as the secretariat, and the director responsible for the department chairs the Committee. The Committee develops responses to key sustainability issues, including climate change. It coordinates initiatives across the Group, consolidates relevant data, and supports implementation.

The Committee reports sustainability-related risks, opportunities, initiatives, and progress to the Board of Directors. The Board oversees the Group's sustainability activities and monitors progress. In FY03/2026, the Committee met once, as sustainability discussions were incorporated into the development of the new Medium-Term Management Plan.



Sustainability

Participation in Initiatives

We participate in the United Nations Global Compact, a globally recognized initiative based on universal principles. We support its Ten Principles covering human rights, labor, the environment, and anti-corruption. As a global company, we are committed to putting these principles into practice throughout our business activities.

We also support the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), reflecting our commitment to addressing climate change.

Initiatives to Improve CDP Ratings

Our CDP scores have improved steadily, reflecting our ongoing environmental initiatives.

	FY03/2024	FY03/2025	FY03/2026
Climate Change	D-	D	B
Water Security	D	C	C
Supplier Engagement Rating	D-	C	B

Measures for the United Nations Global Compact

We joined the United Nations Global Compact in May 2022. We will accelerate our sustainability efforts through management aimed at sustainable growth and proactive disclosure of our corporate stance.

Environmental Management Systems

KES The Kyoto Environmental Management System Standard (KES) was developed in Kyoto, the birthplace of the Kyoto Protocol. Our Kyoto site has achieved KES Step 2 certification, while our Shin-Osaka site, Osaka Plant, and Kashima site have each achieved KES Step 1 certification. KES has been introduced at all production sites in Japan.

ISO 14001 Our overseas subsidiaries are also pursuing environmental management system certification. Qingdao Fuso Refining & Processing Co., Ltd. obtained ISO 14001 certification in 2022 and continues to operate the system. PMP is currently working toward certification. We will continue to strengthen our environmental management systems while promoting energy efficiency, resource recycling, and waste reduction.

Four Declarations	Ten Principles	Our Efforts
Human Rights	Principle 1: Support and respect the protection of human rights Principle 2: No complicity in human rights abuses	• The Code of Conduct and Corporate Governance Guidelines set out our efforts to respect human rights
Labor	Principle 3: Uphold the freedom of association and collective bargaining Principle 4: Elimination of forced labor Principle 5: Effective abolition of child labor Principle 6: Elimination of discrimination in respect of employment and occupation	• The Code of Conduct and Corporate Governance Guidelines set out our efforts to respect human rights • In FY2022, a questionnaire survey was conducted to promote and investigate suppliers' participation in general
Environment	Principle 7: Support a precautionary approach to environmental challenges Principle 8: Initiatives to promote greater environmental responsibility Principle 9: Development and diffusion of environmentally friendly technologies	• Our sustainability policy is included in the Corporate Governance Report and Corporate Governance Guidelines
Anti-Corruption	Principle 10: Work against corruption in all its forms, including extortion and bribery	• We have established a Code of Conduct and are working to prevent corruption

Sustainability

Addressing Climate Change

FUSO CHEMICAL Group supplies high-quality products domestically and internationally with our advanced technological capabilities. Recognizing our corporate social responsibility toward the environment, we have established a basic environmental policy to protect the environment and prevent pollution.

Environmental Policy

❶ We are constantly aware of environmental aspects and promote environmental protection and prevention of pollution in all of our business activities.

❷ We strive to enhance our environmental management with strict adherence to relevant laws and regulations, with consideration given to social needs.

❸ To the extent permitted by technology and economics, we minimize emissions of CO_2 and environmental pollutants, reduce industrial waste, and promote recycling as part of our activities to preserve the environment, and strive continuously to enhance their effectiveness.

❹ We work to educate our employees and heighten their awareness concerning environmental preservation.

❺ All employees are made aware of this policy and commit publically to follow it.

Climate Change Initiatives

① Progress in GHG Measurement

August 2022: Endorsed the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

August 2023: Developed a sustainability action plan to clarify our approach to measuring total CO_2 emissions across the Group.

FY03/2025: Calculated CO_2 emissions for all Group companies, covering Scope 1 to Scope 3, and obtained third-party assurance. We also established internal controls for CO_2 measurement, establishing a Group-wide emissions management system.

FY03/2026: Calculated carbon footprints (CFPs) for the main products of both businesses and obtained third-party assurance.

FY03/2027: Under our Medium-Term Management Plan, we aim to obtain SBT certification and establish a GHG reduction plan.

Fiscal Year Ending March	GHG Emissions Calculation			CFP Calculation		
	Domestic Business Sites	All Business Sites	Third-Party Assurance	Major Domestic Products	Major Global Products	Third-Party Assurance
FY03/2023	○					
FY03/2024	○		○	○		
FY03/2025	○	○	○	○	○	
FY03/2026	○	○	○	○	○	○

Sustainability

② Sustainability-related Risks and Opportunities

We assessed climate-related risks and opportunities under 1.5°C and 4°C scenarios. We categorized them as physical or transition risks and opportunities and evaluated them based on their significance, time horizon, and responsible functions.

Risks exist across each of our businesses. Each business assesses and manages its risks and opportunities through business division meetings. Matters involving significant risks are reported by the responsible director to the Risk Management Committee.

Identification

Scenario	Life Science Business		Electronic Materials Business	
	Opportunities	Risks	Opportunities	Risks
1.5°C Scenario	• Demand for countermeasures against sleep-related issues • Use in health-conscious products • Increased processed-food production	• Unstable procurement of raw materials • Rising fuel prices • Environmental action requirements from business partners (moderate)	• Increased semiconductor demand (electric vehicles, DX, AI, etc.) • Development of energy-saving related equipment • Development of energy-saving related materials	• Unstable procurement of raw materials • Rising fuel prices • Environmental action requirements from business partners (moderate)
4.0°C Scenario	• Demand for countermeasures against sleep-related issues • Functional foods for fatigue recovery • Increased processed-food production	• Unstable procurement of raw materials and rising prices • Rising non-fossil energy prices • Trade barriers due to carbon taxes, etc. • Environmental action requirements from business partners (stringent)	• Increased semiconductor demand (electric vehicles, DX, AI, etc.; further sophistication) • Development of increasingly advanced energy-saving related equipment • Development of increasingly advanced energy-saving related materials	• Unstable procurement of raw materials and rising prices • Rising non-fossil energy prices • Trade barriers due to carbon taxes, etc. • Environmental action requirements from business partners (stringent) • Increased CO_2 emissions associated with increased production

Assessment and Management of Identified Risks and Opportunities

Category			Potential Impact on Our Group	Potential Financial Impact	Time Horizon	Responsible Department: Business Division	Responsible Department: Sustainability Committee	Responsible Department: Risk Management Committee
Physical		Opportunity	Improved resilience through diversified production sites	Medium	Short	○	○	
		Risk	Facility damage and disruption to logistics due to storms, flooding, and sea-level rise	High	Medium	○		○
Transition	Policy and Legal	Opportunity	Increased semiconductor demand / support for semiconductor-related companies / attraction of overseas semiconductor manufacturers	High	Short	○		
		Risk	Introduction of carbon taxes, enhancement/revision of CO_2 policies, establishment of emissions trading markets	High	Medium		○	
	Technology	Opportunity	Demand for additional capital investment / semiconductor miniaturization and integration / food processing technology demand	High	Medium	○		
		Risk	Increasingly sophisticated customer needs and technological innovation	Medium	Long	○	○	
	Market and Reputation	Opportunity	Carbon countermeasure evaluation through profit generation	Medium	Long		○	
		Risk	Negative evaluation from growth-oriented investors / exclusion from supply chains due to delays in CO_2 initiatives	Low	Long		○	
	Economy, Security, and Politics	Opportunity	Increased semiconductor demand / growing demand for beverages and processed foods due to global population growth	High	Long	○		
		Risk	Instability in raw material procurement / geopolitical risks / intensifying multinational competition	Medium	Short	○		○

Board of Directors

Sustainability

Financial Impact of Climate-related Disasters

Working with non-life insurance companies, we regularly estimate potential losses from disasters using hazard maps published by Japan's Ministry of Land, Infrastructure, Transport and Tourism and local governments. We also assess the potential impact on earnings. To mitigate the impact on operating profit, we use insurance to cover a portion of the potential losses.

We regularly review the financial impact of climate-related disasters, quantify potential losses and earnings impacts, and take appropriate mitigation measures.

Estimated Loss Amounts

Estimated Loss Event	Estimated Loss Amount	Impact on Operating Profit
Earthquake, landslide, and snow damage	2.8 billion yen	2.4 billion yen
Flood damage	5.6 billion yen	1.3 billion yen

Calculation Formula

Estimated losses from wind and flood damage are calculated using the following procedure.

Procedure for calculating estimated wind and flood damage losses

Total value of buildings × Proportion of building components subject to wind/flood damage × Damage ratio = Estimated loss from wind/flood damage

The portion of buildings most likely to sustain wind or flood damage (value of exterior walls and exterior facilities)

Current estimates are shown below. A portion of the potential impact is covered by insurance.

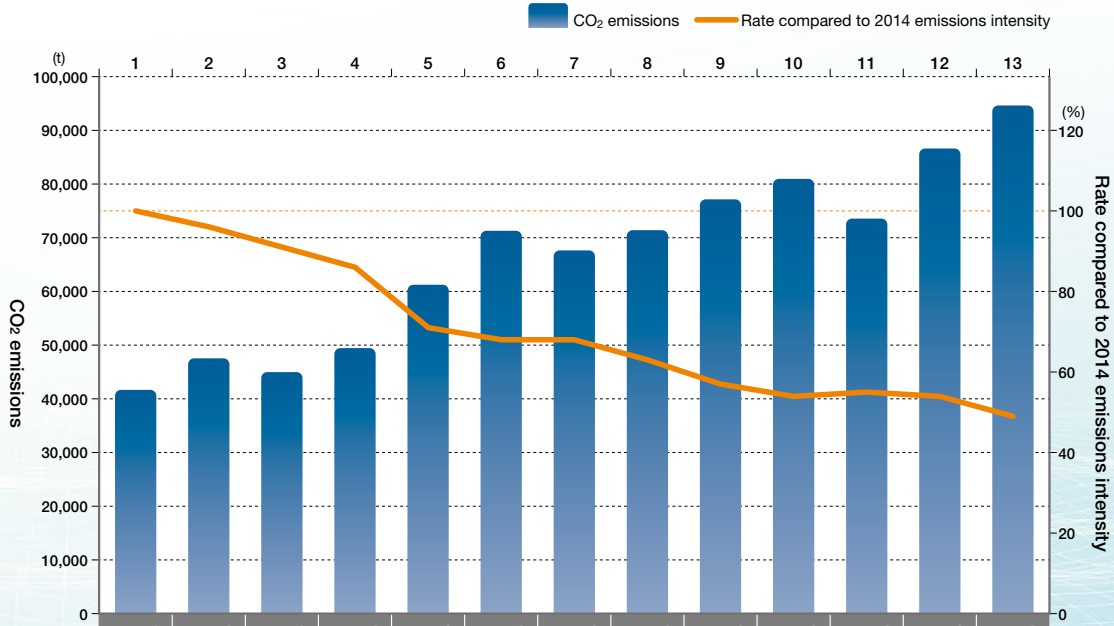
Measures to Address the Profit and Loss Impact of Climate Change

We believe our product portfolio is well positioned to respond to changes in climate-related regulations, including carbon pricing. The potential impact in Japan is estimated at approximately ¥1 billion at most. We expect this impact to be offset by earnings growth, including increased revenue from major capital investments.

Reducing Emissions Intensity (based on CO_2 emissions under the Energy Conservation Act)

We are working to reduce CO_2 emissions by improving emissions intensity. In FY03/2026, emissions intensity was approximately 51% lower than in FY03/2014. CO_2 emissions are expected to increase temporarily due to major capital investments. However, we will continue our efforts to improve emissions intensity.

Change in CO_2 Emissions and Emissions Intensity



	2014/3	2015/3	2016/3	2017/3	2018/3	2019/3	2020/3	2021/3	2022/3	2023/3	2024/3	2025/3	2026/3
CO_2 (t)	41,670	47,538	44,977	49,447	61,245	71,296	67,638	71,405	77,151	80,967	73,561	86,618	94,634
Emissions intensity at four plants	100%	96%	91%	86%	71%	68%	68%	63%	57%	54%	55%	54%	49%

Sustainability

Measurement of GHG Emissions in FY03/2026 (based on the GHG Protocol)

In addition to measuring Scope 1, Scope 2, and Scope 3 GHG emissions across the Group, we completed carbon footprint (CFP) assessments for our main products and obtained third-party assurance.

Initiatives for GHG Emissions Calculation

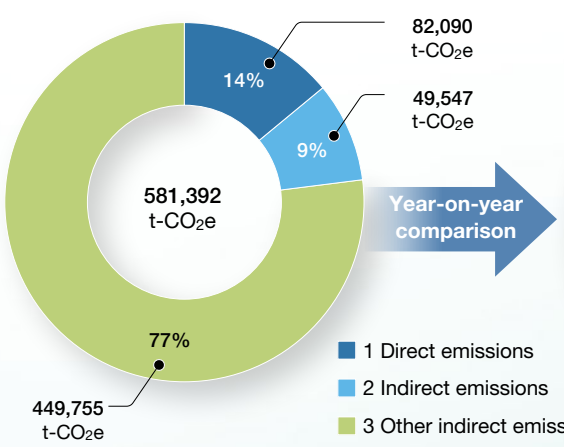
(t-CO_2e)

	Total for FY03/2025	Total for FY03/2026	Breakdown	
			Domestic	Overseas Subsidiaries
Scope 1	82,090	91,178	79,712	11,466
Scope 2	49,547	54,283	45,469	8,814
Scope 3	449,755	540,554	291,220	249,335
Total	581,392	686,015	416,401	269,614

Carbon Footprint Calculation

Site	Products Already Calculated
Kyoto Plant	Ultra high purity colloidal silica
Kashima Plant	Maleic anhydride, fumaric acid, malic acid, Ultra high purity colloidal silica
Osaka Plant	Malic acid products
Qingdao Fuso Refining & Processing Co., Ltd.	Refined citric acid products, other organic acid products, metallic silicon (powdered product)
PMP Fermentation Products, Inc.	Sodium gluconate products

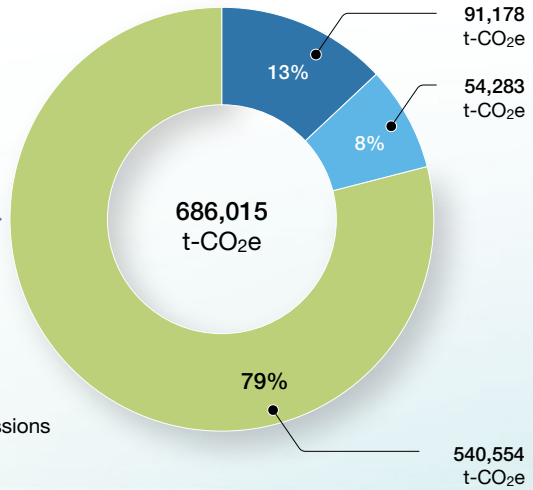
Total Emissions: April 2024 – March 2025



Year-on-year comparison

1 Direct emissions
2 Indirect emissions
3 Other indirect emissions

Total Emissions: April 2025 – March 2026



SOCOTEC GHG Verification

Assurance scope: Domestic and overseas consolidated subsidiaries for FY03/2026 (1 domestic subsidiary and 3 overseas subsidiaries)
- Scope 1 and 2 emissions
- Scope 3 (Categories 1–7, 9, and 12)

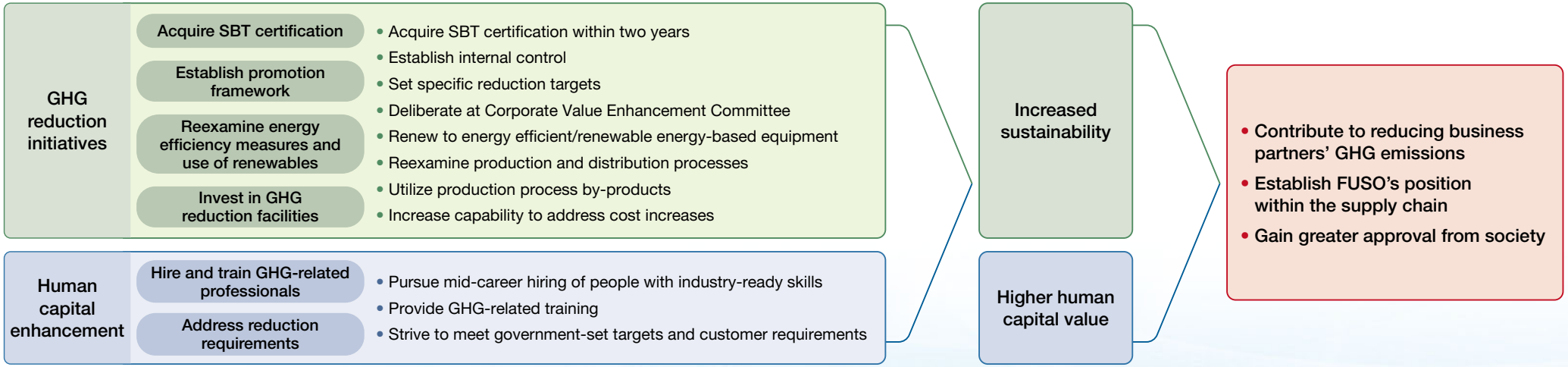
Assurance standard: Limited assurance

Sustainability

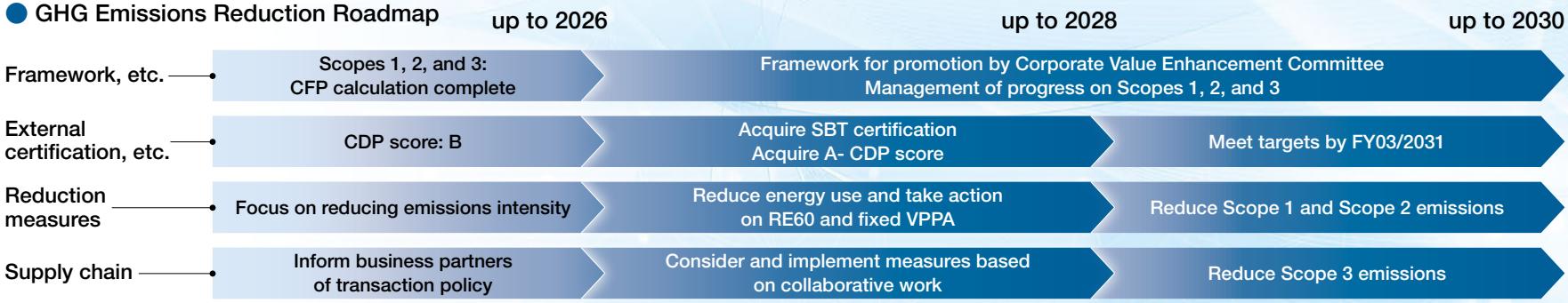
Initiatives Under the Medium-Term Management Plan "Next Growth 2030"

To enhance sustainable value, we aim to obtain SBT certification by fiscal 2028 and accelerate efforts to reduce GHG emissions.

GHG Reduction Initiatives



GHG Emissions Reduction Roadmap



Sustainability

Water Stewardship

We use WRI Aqueduct to assess water risks at each site.

We define water-stressed areas as those rated "Extremely High" or "High" for baseline water stress in Aqueduct. Less than 3% of the Group's total water withdrawals occur in such areas. Therefore, no significant water risks have been identified at this time.

In FY03/2026, water withdrawal increased in line with higher production volume in Japan. The reported figures have received third-party assurance. We will continue to assess water risks at each production site regularly and promote measures such as water conservation and reuse as necessary.

Unit: m^3

Water Intake	FY03/2025	FY03/2026	Japan Only
Tap Water	525,523	583,317	385,535
Industrial Water	3,218,913	4,399,731	4,399,731
Groundwater	280,637	288,687	288,687

Waste

We are upgrading and expanding facilities to reduce chemical emissions from our production processes.

We also comply with laws governing the handling of emitted chemicals. We track releases to the environment, including air and public water bodies, as well as transfers outside our sites, including to sewage systems and waste treatment facilities. We submit these data to the national government through prefectural governments.

In FY03/2026, we promoted the conversion of waste plastics into fuel through recycling. This reduced landfill waste and GHG emissions. The reported figures have received third-party assurance.

Unit: t

Waste Disposal	FY03/2025	FY03/2026	Japan Only
Landfill	2,400.7	142.2	60.3
Incineration	1,491.6	1,564.2	1,563.6
Recycling	183.3	3,402.7	3,402.7
Disposal Method Unknown	4,359.9	3,043.9	631.2

As a large-volume waste generator under the Act on Promotion of Resource Circulation for Plastics, we have set targets to reduce waste plastics and increase the recycling rate. We are promoting the circular use of resources.

Target	FY03/2031 Target	FY03/2026 Actual
Reduce Waste Plastic Emissions	320 t or less	265 t
Waste Plastic Recycling Rate	80% or higher	77.4%

Biodiversity

As a manufacturing company, we recognize the importance of conserving biodiversity through our business activities and taking a long-term approach to environmental stewardship. None of our production sites are located in areas facing significant biodiversity risks. In addition to reducing CO_2 emissions, conserving water resources, and managing chemicals and waste, we will pursue further practical biodiversity initiatives.

Activity Category	Details
Procurement	CSR surveys, including the supply chain
Manufacturing	Reduction of material consumption, resource reuse, etc.
Waste Management	Waste reduction and legal compliance
Water Use	Reduction of water consumption and compliance with applicable laws, with consideration for water sources
Other	Awareness-raising throughout the supply chain, employee education, donations, etc.

Other Initiatives

Voluntary Declaration on White Logistics

Together with logistics providers, we are working to build a sustainable logistics system that reduces environmental impact and supports the well-being of workers while addressing the shortage of drivers. Together with our business partners, we will further improve logistics efficiency. We will continue improving working conditions across the logistics value chain and work with our partners to achieve sustainable logistics.

Social Contribution

We value our ties with local communities and have supported them through sponsorships and donations for many years. We believe that thriving local communities contribute to the long-term success of our business. For this reason, we continue to support communities around our sites through sponsorships and donations.

Local Community Initiatives

Donations Under Japan's Corporate Regional Revitalization Tax Program

- **Fukuchiyama City (20 million yen in 2025)**



▲ Ceremony for the Presentation of a Certificate of Appreciation from Fukuchiyama City (November 2025)

Our 2025 donation is being used to support ICT education at municipal elementary and junior high schools in Fukuchiyama City. This marked our sixth donation to the city, bringing our cumulative contributions to ¥110 million.

- **Kamisu City (5 million yen in 2025)**

Our donation helped fund community bus services that display the FUSO logo.

In 2026, we plan to make donations for a fire engine in Fukuchiyama City and for the community bus service in Kamisu City, among other initiatives. We will continue contributing to local communities and creating value that makes a positive difference to people's lives.

Naming Rights for Fukuchiyama City Sandanike Park Gymnasium: "Sandanike Fuso Chemical Arena"

We acquired naming rights for the Fukuchiyama City Sandanike Park Gymnasium.

The agreement is valued at 16.5 million yen over five years, and the facility will be known as "Sandanike Fuso Chemical Arena." A sign bearing the new name will be displayed at the gymnasium entrance for five years from April 2026.



▲ Unveiling Ceremony for the Kamisu City Community Bus (September 2025)



Contract Signing Ceremony for the "Sandanike Fuso Chemical Arena" (February 2026)
◀▼

More Than 20 Years of Scholarships for Local Students in Qingdao

Qingdao Fuso Refining & Processing Co., Ltd., our Group company in China, serves as a key base for our overseas strategy. Since its establishment in 1994, the company has built a solid business foundation. Since 2000, it has donated to a scholarship program for university students from Qingdao. Through long-term contributions to the local community, the company has built strong relationships with local stakeholders while supporting the development of future talent. It continued making donations in the fiscal year ended March 2026.

Scholarships for Students in Illinois

Through donations to the Boys & Girls Club of Pekin and Illinois Central College in Illinois, we support educational programs for elementary, middle, and high school students, as well as scholarships for students pursuing higher education.

Volunteer Activities

Kyoto Production Department: We support recycling drives for cardboard, newspapers, and other recyclable materials organized by local elementary schools in Fukuchiyama City. We also donate magazines to the Fukuchiyama City Library.

Kashima Production Department: We actively take part in traffic safety patrols near local elementary schools.

Community Engagement

Kyoto Production Department: We participate in relay races and other community sporting events held in the Osadano Industrial Park. We also support a local community event that resumed in 2024.

Kashima Production Department: We participate in the Kamisu Tanabata Festival held each August.

Social Contribution

■ Community Cleanups

Kyoto Production Department: After a temporary suspension during the COVID-19 pandemic, we resumed cleanups around our site in FY03/2023. Weekly cleanups are held every Thursday. We also participate in cleanup patrols within the industrial park.

Kashima Production Department: As a member of the Kashima Eastern Industrial Complex, we regularly take part in community cleanups. Six cleanups were held in FY03/2026.

■ FUSO Festa

The Kyoto site holds the annual FUSO Festa, opening part of its grounds to the community. The event was suspended from FY03/2021 to help prevent the spread of COVID-19 but resumed in FY03/2024.

■ Other Sponsorships and Donations

Kyoto Production Department: We donated books to the Fukuchiyama City Library and supported recyclable material collection drives organized by local elementary and junior high schools.

Kashima Production Department: We make donations to the Kamisu City Council of Social Welfare. In FY03/2026, we donated three boxes of unused calendars and planners, 393 used postage stamps, cash, and other items.

Educational Support

■ Work Experience Opportunities

The Kyoto site offers vocational training and internship opportunities for students from local schools.

■ Summer Science Class

On Saturday, August 2, 2025, we held a hands-on science class for children and their parents for the second consecutive year. Through quizzes and experiments, participants learned about the functions and benefits of our food-related products, deepening their understanding of both FUSO and our products. We received more applications than in the previous year. In a participant survey, more than 80% of respondents said they learned that acidulants and pH control can improve food safety and help reduce food loss. We will continue these activities to support the future growth of our business and company.



Sports Support Activities

■ Club Partnership Agreement with Kashima Antlers FC

Since February 2023, we have been an official club partner of Kashima Antlers FC. This partnership aims to increase awareness of the FUSO brand and strengthen connections with local communities through collaboration with the club. Specific initiatives include tours of Mercari Stadium and visits to our Kashima site. Through these activities, we aim to contribute to the community as a locally rooted business.

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■ Installation and Registration of AEDs

We have installed automated external defibrillators (AEDs) at all of our sites and registered their locations on publicly accessible AED maps.

● Status of AED Installation at Our Offices and Plants

Name of Office/Plant	Installation status
Osaka Head Office	○
Tokyo Head Office	○
Shin-Osaka Office	○
Kyoto Plant (First and Second Factories)	○
Kashima Plant	○
Osaka Factory	○

* AED (Automated External Defibrillator)
Reference: AED map by Japan Foundation for Emergency Medicine https://www.qqzaidanmap.jp/



4 FUSO's Governance

- Corporate Governance → 50
- Compliance → 56
- Risk Management → 58
- Information Security → 60
- Board of Directors and Executive Officers → 63

Corporate Governance

We strive to fulfill our social responsibility to all stakeholders, while at the same time achieving sustainable growth and higher corporate value, setting forth basic matters concerning corporate governance as follows.

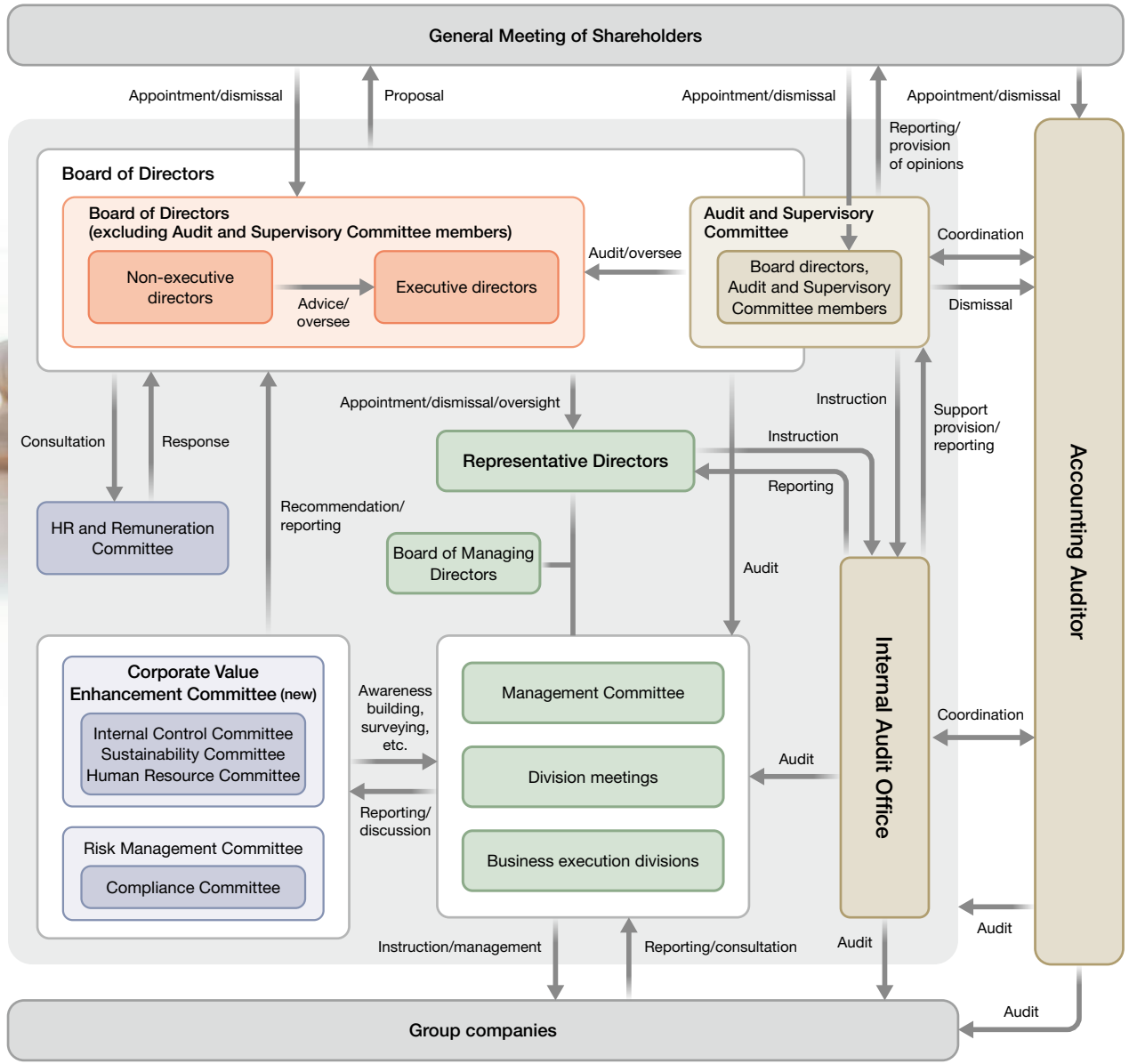


Governance Structure

The status of duty execution is supervised with information shared at the Board of Directors and the Management Committee consisting of directors, executive officers, and heads of consolidated subsidiaries.

Audit and Supervisory Committee members attend relevant meetings to ensure the effectiveness of audits on business execution.

Following this governance structure, we have established the Corporate Value Enhancement Committee to strengthen the execution and effectiveness of our "Next Growth 2030" plan. To enhance Human Capital Value, Trust Value, Sustainable Value, and Market Value, the Committee oversees the Sustainability Committee, Internal Control Committee, and Human Resource Committee, and conducts cross-functional reviews of the progress of key initiatives as well as related issues and risks. The Committee reports its findings to the Board of Directors, thereby supporting the steady implementation of "Next Growth 2030" and the sustainable enhancement of corporate value.



Corporate Governance

Board of Directors

● **In FY03/2026, and each Director's attendance record is provided below.**

Position	Name	Number of times held	Number of attendances
Representative Director & Chairman	**Misako Fujioka**	13	13
Representative Director & President	**Shinichi Sugita**	13	13
Senior Managing Director	**Haruo Masauji**	13	13
Senior Managing Director	**Takashi Tanimura**	3	3
Managing Director	**Atsushi Fujioka**	13	13
Board Director	**Motoki Sugimoto**	13	13
Board Director	**Hakaru Hyakushima**	13	13
Board Director	**Hiroyuki Ito**	10	10
Board Director	**Norikazu Miyamoto**	10	10
Board Director (Audit and Supervisory Committee Member)	**Fumiaki Hirata**	13	13
Board Director (Audit and Supervisory Committee Member)	**Sayaka Eguro**	13	13
Board Director (Audit and Supervisory Committee Member)	**Kei Takeuchi**	13	13

(Notes) 1. Takashi Tanimura retired at the Board of Directors meeting held on June 20, 2025.
2. Hiroyuki Ito and Norikazu Miyamoto were appointed at the Annual General Meeting of Shareholders held on June 20, 2025.

Appointment of Directors

Our Board of Directors consists of eleven directors, including two women (as of March 2026). Preconditions for appointing directors are that they have high moral standards beyond mere legal compliance and that they understand, and are conscious of, fulfilling their duties as directors. Given that we operate the Life Science Business and the Electronic Materials & Functional Chemicals Business and expand business overseas, the basic policy for the Board of Directors is to be composed of internal directors who have expertise in these business operations and external directors who have professional knowledge and the like on corporate management, finance, legal affairs, etc.

Director candidates are appointed by approval of the Board of Directors based on a report by the HR and Remuneration Committee, which the committee responds to the Board after deliberating the matter upon consultation by the Board.

● **Skill Matrix (as of July 1st, 2026)**

Name	Position	Gender	External	Independent	Committee		Major skills, experience, etc. of Directors								
					Audit and Supervisory	HR and Remuneration	Corporate management	Sustainability, ESG	Technology, research, manufacturing	Sales, marketing	Global business	Finance, accounting	HR, labor	Legal, risk management	IT
Misako Fujioka	Representative Director & Chairman	Female				○	○	○					○	○	
Shinichi Sugita	Representative Director & President	Male				○	○		○	○		○	○		
Haruo Masauji	Senior Managing Director	Male					○		○	○	○				
Atsushi Fujioka	Managing Director	Male					○	○			○				○
Motoki Sugimoto	Board Director	Male							○	○	○				
Hiroyuki Ito	Board Director	Male					○	○				○	○	○	○
Norikazu Miyamoto	Board Director	Male						○	○	○					
Hakaru Hyakushima	Board Director	Male	○	○			○					○		○	
Fumiaki Hirata	Board Director, Audit and Supervisory Committee Member	Male	○	○	◎	◎	○		○	○					
Sayaka Eguro	Board Director, Audit and Supervisory Committee Member	Female	○	○	○	○		○			○		○	○	
Kei Takeuchi	Board Director, Audit and Supervisory Committee Member	Male	○	○	○	○	○		○	○	○				
Toshihide Tominaga	Board Director, Audit and Supervisory Committee Member	Male	○	○	○		○		○		○	○			

Note: The person marked ◎ on the Committee columns indicate the committee chairperson.

● **Percentage of Female Directors**

	FY03/2023	FY03/2024	FY03/2025	FY03/2026	FY03/2027
Total	10	10	10	11	12
Number of women	2	2	2	2	2
Percentage of women	20.0%	20.0%	20.0%	18.2%	16.7%

Corporate Governance

Board of Directors' Effectiveness Evaluation

We have been conducting the evaluation since FY2016 by surveying directors and interviewing them individually about five items concerning the overall effectiveness of the Board of Directors. This aims to increase the effectiveness of the Board of Directors and further strengthen its management function. In addition, in June 2018, we changed our organizational structure to a company with an audit and supervisory committee. Since then, we have also been evaluating the effectiveness of our Audit and Supervisory Committee.

We enhance our corporate governance structure by utilizing the effectiveness evaluation to increase medium- to long-term corporate value.

Evaluation method

A questionnaire on the effectiveness of the Board of Directors was distributed to all directors (including Audit and Supervisory Committee Members), and each of them responded anonymously. Based on the responses, the Board then analyzed and evaluated its effectiveness.

Subjects: All 11 directors

Respondents: All 11 directors (including 4 external directors)

Evaluation term: April–May 2026

Questionnaire items: Main questionnaire items are as follows.

(1) Composition of the Board of Directors
(2) Operation of the Board of Directors
(3) Agenda of the Board of Directors
(4) System for supporting the Board of Directors
(5) Response to shareholders and stakeholders

Other:

We reviewed the implementation status of the measures to address the issues based on the opinions of each Officer in the effectiveness evaluation conducted last year.
In June 2018, the Company changed its organizational structure to a company with an audit and supervisory committee. Accordingly, the effectiveness of the Audit and Supervisory Committee was also evaluated.

Results of the analysis and evaluation of the effectiveness of the Board of Directors

For the FY03/2026, we evaluated the effectiveness from the perspective of whether our Board of Directors is well organized as a company listed on the Tokyo Stock Exchange Prime Market. The result was on par with the previous fiscal year. No significant improvement was observed in the evaluation of "Agenda of the Board of Directors", which had been identified as an area for improvement in the previous year. In addition, evaluations of other items showed no significant differences from the previous year. Based on the analysis of these self-evaluation results and subsequent discussions, we concluded that the effectiveness of the Board of Directors is appropriate.

Future actions based on the evaluation results concerning the effectiveness of the Board of Directors

The Board of Directors identifies issues for enhancing its effectiveness and discusses future initiatives. Based on the areas for improvement identified, we will formulate and implement the following improvement measures. We will further enhance the effectiveness of the Board of Directors and continue to strengthen our corporate governance framework.

Item	FY03/2026 Initiatives	Results for FY03/2026	FY03/2027 Initiatives
Operation of the Board of Directors	• Enhance the discussions through the review of approval authorities and the appropriate delegation of authority in line with the company's growth	• In discussions, opinions are expressed freely and are actively considered	• Further enhance substantive discussions
Agenda of the Board of Directors	• Set "Priority themes" at the beginning of the fiscal year and deliberate upon them	• While various risks were considered during the discussions, further discussion is needed to effectively respond to rapidly evolving trends	• Set "Priority themes" at the beginning of the fiscal year and deliberated upon them to promote effective discussions
System for supporting the Board of Directors	–	–	• Continue to hold study sessions for directors

Corporate Governance

Executive Remuneration

Basic Policy

The Company has designed its executive remuneration system to promote both improved short-term performance and the enhancement of midium- to long-term corporate value. To achieve the targets set forth in our Medium-Term Management Plan "Next Growth 2030," we incorporate not only financial indicators but also non-financial indicators related to human capital and sustainability as evaluation factors. In addition, through restricted stock-based compensation, we aim to share value with shareholders and further align the interests of management and shareholders.

Types and Composition of Executive Remuneration

Remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members and External Directors) consists of base remuneration paid monthly, Director bonuses, and restricted stock-based compensation. The basic ratio of these three components is 50% (base remuneration) : 40% (bonuses) : 10% (restricted stock-based compensation).

Base remuneration is determined in comprehensive consideration of each Director's role, responsibilities, expected performance, and other relevant factors.

Director bonuses consist of: (i) performance-linked bonuses linked to short-term performance; (ii) Medium-Term Management Plan-linked bonuses linked to the level of achievement of "Next Growth 2030"; and (iii) other bonuses determined based on each Director's responsibilities, contribution, and other factors.

Performance-linked bonuses are set at 17% of total remuneration as a benchmark, and the payment amount is determined based on indicators that reflect the short-term performance of the Group.

Medium-Term Management Plan-linked bonuses are set at 8% of total remuneration as a benchmark, and are paid within a range of plus or minus 30% of the standard amount based on the degree of achievement of targets related to Market Value, Human Capital Value, Trust Value, and Sustainable Value.

Restricted stock-based compensation has been introduced to provide incentives for the sustainable enhancement of corporate value and to promote value sharing with shareholders.

Remuneration for Directors who are Audit and Supervisory Committee Members and for External Directors consists only of base remuneration paid monthly, and in principle no bonuses or restricted stock-based compensation are paid.

Remuneration for Directors who are Audit and Member of FY03/2027 is determined by the Audit and Supervisory Committee, considering the results of deliberations by the HR and Remuneration Committee held in June 2026.

The Company has established the HR and Remuneration Committee, which is chaired by an Independent External Director. By having the Committee deliberate and provide recommendations on the remuneration structure and levels, as well as proposed remuneration for individual Directors, the Company ensures the transparency and objectivity of the remuneration determination process.

Executive Remuneration (FY03/2026)

Remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members) is deliberated and resolved by the Board of Directors based on the report from the HR and Remuneration Committee. The total amounts of remuneration by director attribute and by type of remuneration for FY03/2026 are presented below.

Officer category	Total compensation (Thousand yen)	Compensation by type (Thousand yen)			Number of officers covered
		Base compensation	Bonuses	Restricted stock compensation	
Directors (excluding Audit & Supervisory Committee Members and Outside Directors)	389,051	191,719	164,032	33,300	8
Audit & Supervisory Committee Members (excluding Outside Directors)	—	—	—	—	—
Outside Directors	41,476	40,476	1,000	—	4

(Note) 1: Compensation paid to Directors does not include employee salaries paid to Directors who concurrently serve as employees.
2: The figures above include one Director who retired upon the conclusion of the 68th Annual General Meeting of Shareholders held on June 20, 2025.

Corporate Governance

Response to Internal Control

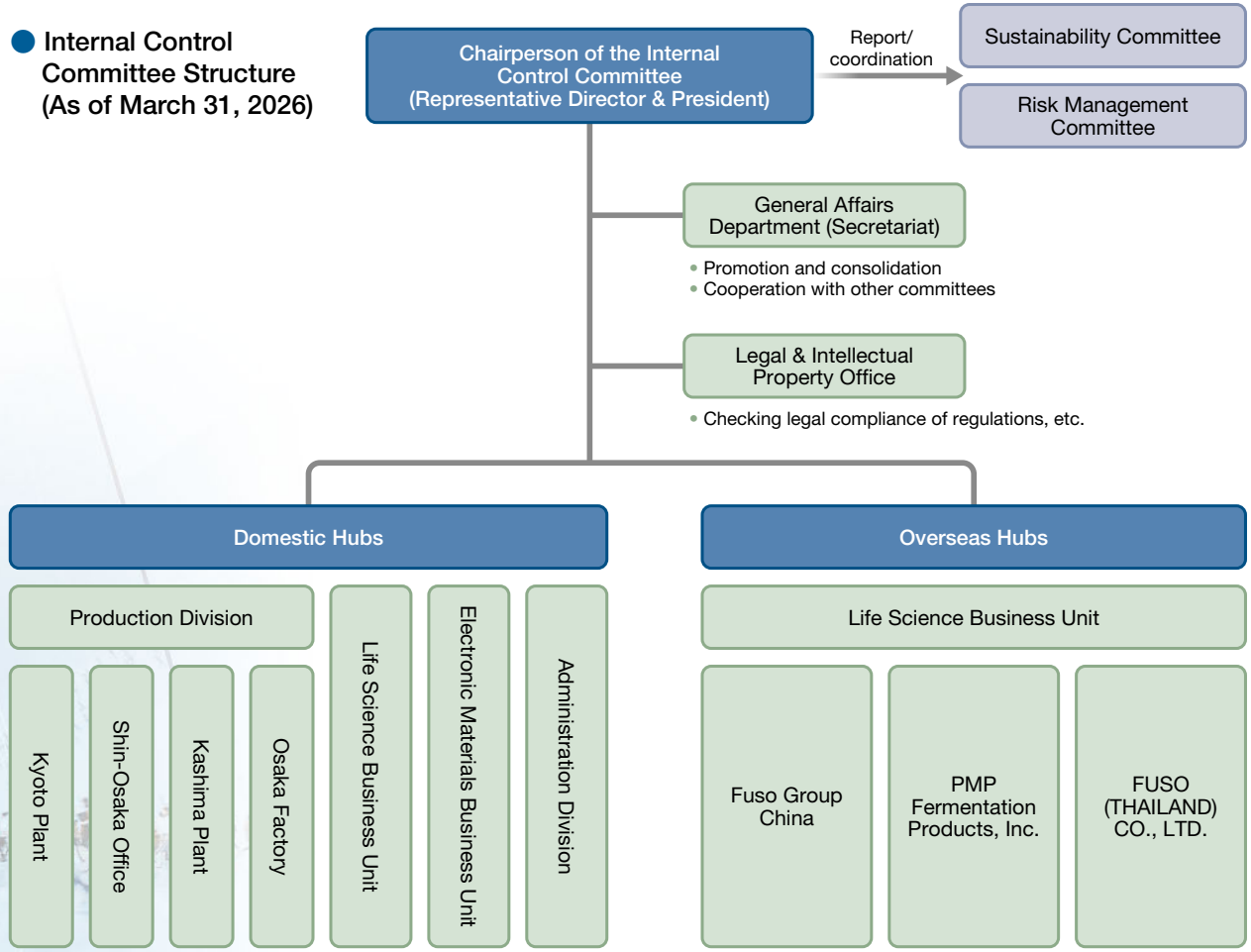
Internal Control Committee (held three times in FY03/2026)

The Internal Control Committee chaired by the Representative Director & President has been established to develop and operate the internal control system based upon basic policies determined by the Board of Directors.

The Board of Directors supervises the development and operation as well as the effectiveness of internal control over financial reporting. In FY03/2024, we reviewed the internal control system where the Internal Audit Office is responsible for promotion and audits, revising the system to increase its effectiveness by assigning the General Affairs Department, Administration Division to handle promotion, while the Internal Audit Office focuses solely on audits. In response to revisions to the internal control reporting system, which started in FY03/2025, we are working to enhance the development and operation of the Group's internal control system by reviewing and revising the evaluation scope and identifying issues.



● Internal Control Committee Structure (As of March 31, 2026)



Development of the regulations system in association with organizational changes, etc.

Development of the Group's internal control system (development of regulations)

Corporate Governance

Audit System and Audit Status

The Audit and Supervisory Committee, Internal Audit Office, and the external accounting auditor conduct audits appropriately by actively cooperating with each other.

Audits by the Audit and Supervisory Committee and its structure

The Audit and Supervisory Committee is composed of three external directors including full-time Audit and Supervisory Committee Members. It manages and supervises the business execution status by attending the meetings of the Board of Directors, the Board of Managing Directors (limited to full-time Audit and Supervisory Committee Members), and the Management Committee, as well as by receiving reports on important agenda items from the responsible Directors. The committee met 13 times in FY03/2026, and the attendance record of each Audit and Supervisory Committee Member is provided below. In addition, the Audit and Supervisory Committee conducts audits on the development and operation of the internal control system, the risk management system, and the like based on the audit policy, audit plans, etc. it has established.

Position	Name	Number of times held	Number of attendances
Board Director (Audit and Supervisory Committee Member)	Fumiaki Hirata	13	13
Board Director (Audit and Supervisory Committee Member)	Sayaka Eguro	13	13
Board Director (Audit and Supervisory Committee Member)	Kei Takeuchi	13	13

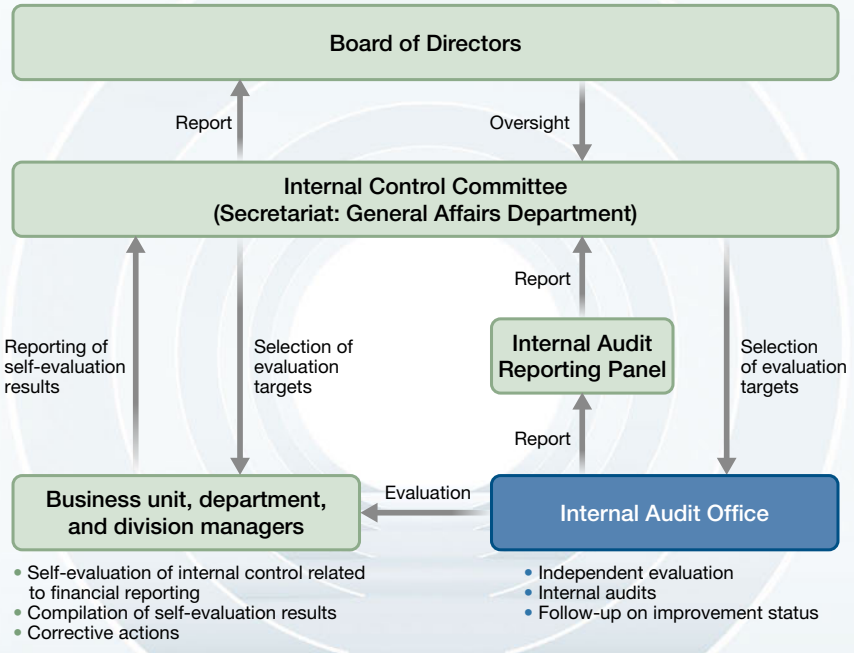
Status of Internal Audits

The Internal Audit Office, which conducts internal audits, is established as a dedicated unit independent from the business execution functions. The office has three members as of FY03/2026. The Internal Audit Office conducts operational audits and accounting audits covering the Group, and also carries out investigations commissioned by the Representative Director. In addition, it serves as the secretariat to the Audit and Supervisory Committee.

Status of External Audits

The Audit and Supervisory Committee members (Directors) and the Audit and Supervisory Committee evaluate the audit firm based on criteria set by the Committee. As a result, the Company has concluded that there are no issues with the audit firm's performance in any of the evaluated areas, including quality control, communication with the Audit and Supervisory Committee and management, group audits, and fraud risk.

● **Evaluation Structure (As of April 2025)**



Compliance

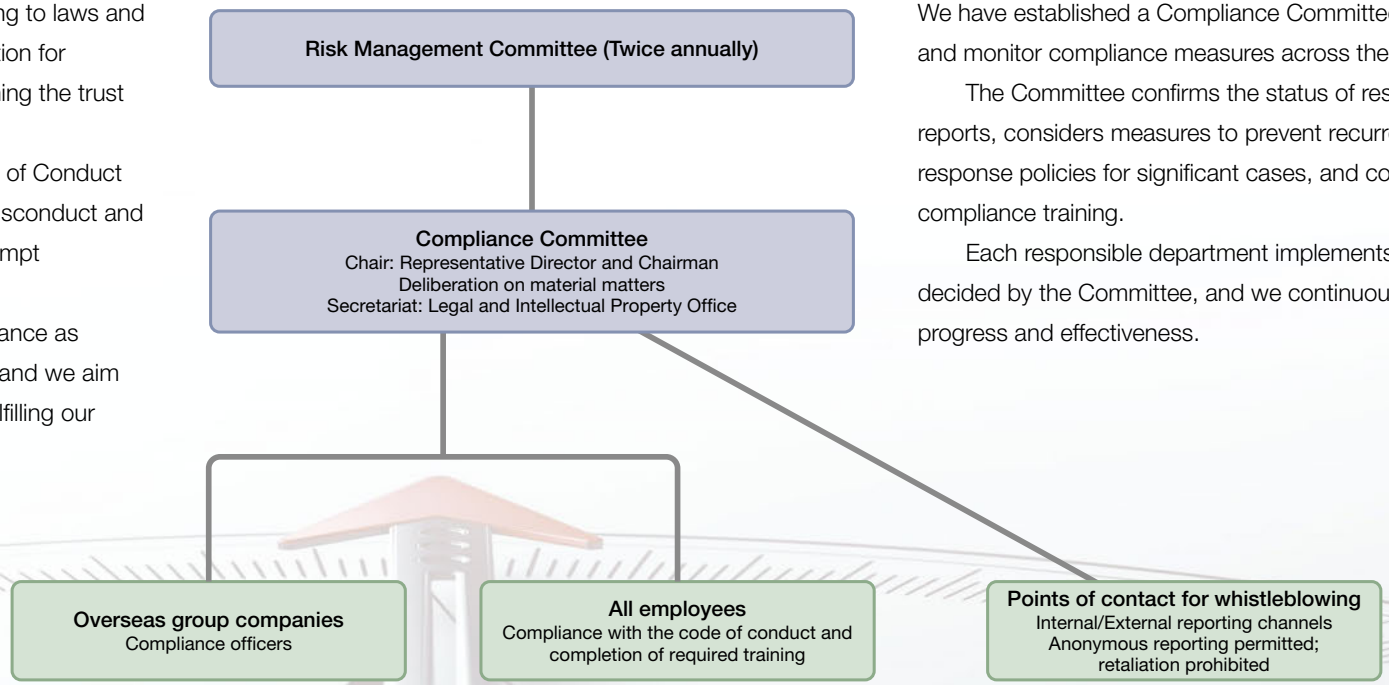
Basic Approach

The Group views compliance not only as adhering to laws and internal rules, but as a key management foundation for practicing fair and honest business and maintaining the trust of stakeholders in Japan and overseas.

Each director and employee uses our Code of Conduct as a guide in daily work and works to prevent misconduct and legal violations, detect issues early, and take prompt corrective action.

We also position quality, safety, and compliance as essential foundations of our business activities, and we aim to enhance sustainable corporate value while fulfilling our social responsibilities.

Compliance Promotion Framework



Compliance Committee

We have established a Compliance Committee to promote and monitor compliance measures across the Company.

The Committee confirms the status of responses to reports, considers measures to prevent recurrence, discusses response policies for significant cases, and conducts compliance training.

Each responsible department implements matters decided by the Committee, and we continuously confirm progress and effectiveness.

Compliance

Embedding a Culture of Compliance

<Communicating the Code of Conduct>

We have established a hotline for reporting or seeking advice on compliance concerns, including legal and regulatory violations, misconduct, and harassment. To help ensure integrity throughout our supply chain, the hotline is also available to our business partners.

We investigate all reports and inquiries appropriately and take corrective action and measures to prevent recurrence as needed. We protect the confidentiality of whistleblowers and prohibit any retaliation against those who raise a concern or seek advice.

<Training and Awareness-Raising>

To strengthen employees' compliance awareness, we provide regular communications and training.

We continuously issue compliance newsletters covering legal updates and case studies, and we conduct training by job level on key topics such as harassment prevention and information management.

Group Compliance, Including Overseas Sites

The Group is strengthening compliance frameworks at overseas sites—including in China, Thailand, and the United States—based on a common Code of Conduct and internal control policy.

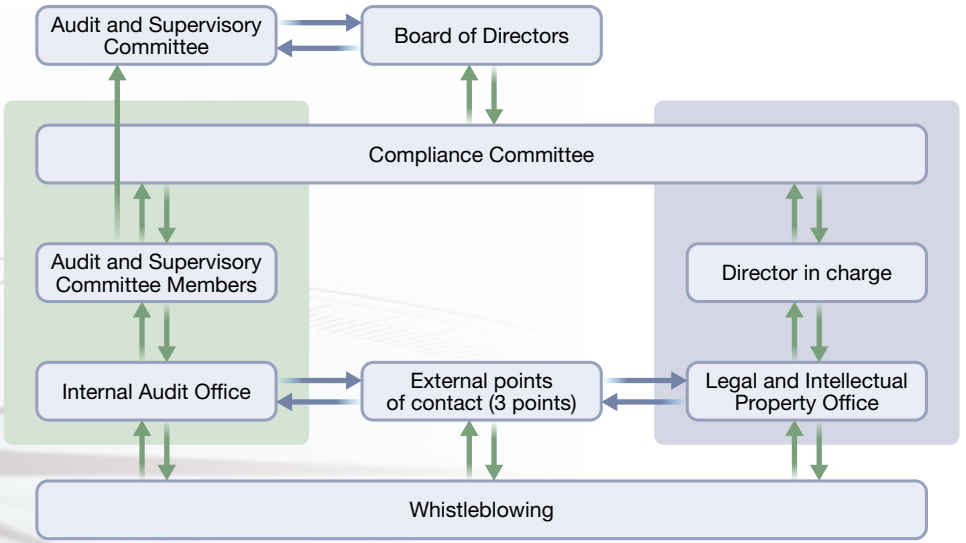
While reflecting local laws and regulations in each country and region, the relevant headquarters departments work with overseas sites to confirm the status of compliance training, internal audits, and operation of the reporting system, and to maintain and improve the Group-wide level of compliance.

Whistleblowing Hotline

We have established a hotline for reporting or seeking advice on compliance concerns, including legal and regulatory violations, misconduct, and harassment. To help ensure integrity throughout our supply chain, the hotline is also available to our business partners.

We investigate all reports and inquiries appropriately and take corrective action and measures to prevent recurrence as needed. We protect the confidentiality of whistleblowers and prohibit any retaliation against those who raise a concern or seek advice.

Whistleblowing system



Risk Management

Policy for Promoting Risk Management

The Fuso Chemical Group identifies Group-wide risks that could lead to physical, financial, or credit-related losses or disadvantages. Based on the six basic principles for risk response, we take appropriate measures.

[Basic Principles]

(1) Put the safety of human life and health first.
(2) Prioritise compliance.
(3) Minimise adverse impacts on customers and society.
(4) Minimise adverse impacts on the Group's business and ensure smooth business continuity.
(5) Respond with integrity.
(6) Disclose information appropriately and fulfill our accountability.

Risk Management Framework

1 Risk management structure

Under the Fuso Chemical Group Risk Management Regulations, the Group has established a Risk Management Committee chaired by the Representative Director. The Committee meets twice a year to identify, assess, and manage business risks.

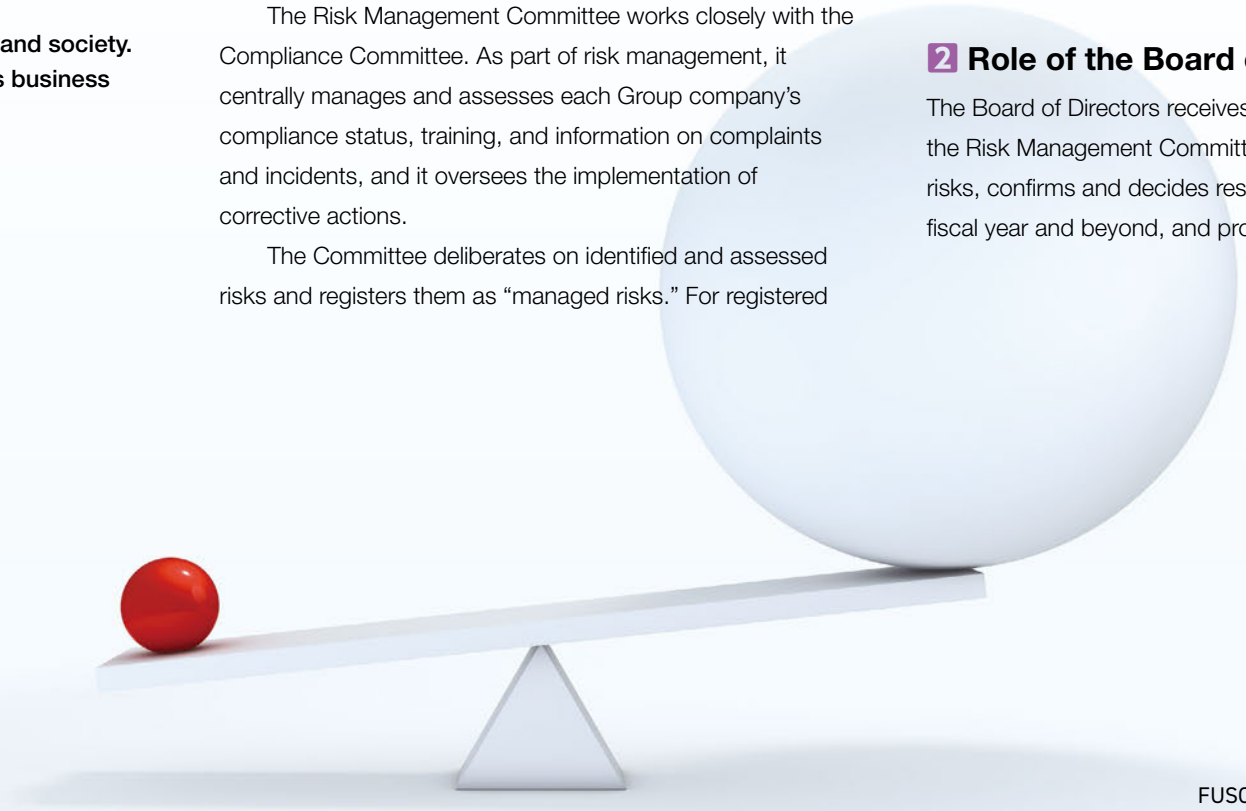
The Risk Management Committee works closely with the Compliance Committee. As part of risk management, it centrally manages and assesses each Group company's compliance status, training, and information on complaints and incidents, and it oversees the implementation of corrective actions.

The Committee deliberates on identified and assessed risks and registers them as "managed risks." For registered risks, progress and results are reported at the next Committee meeting. For items still in progress, the Committee confirms issues and target completion dates.

When an "emergency situation" of high urgency or importance arises, we establish a response headquarters to manage the situation.

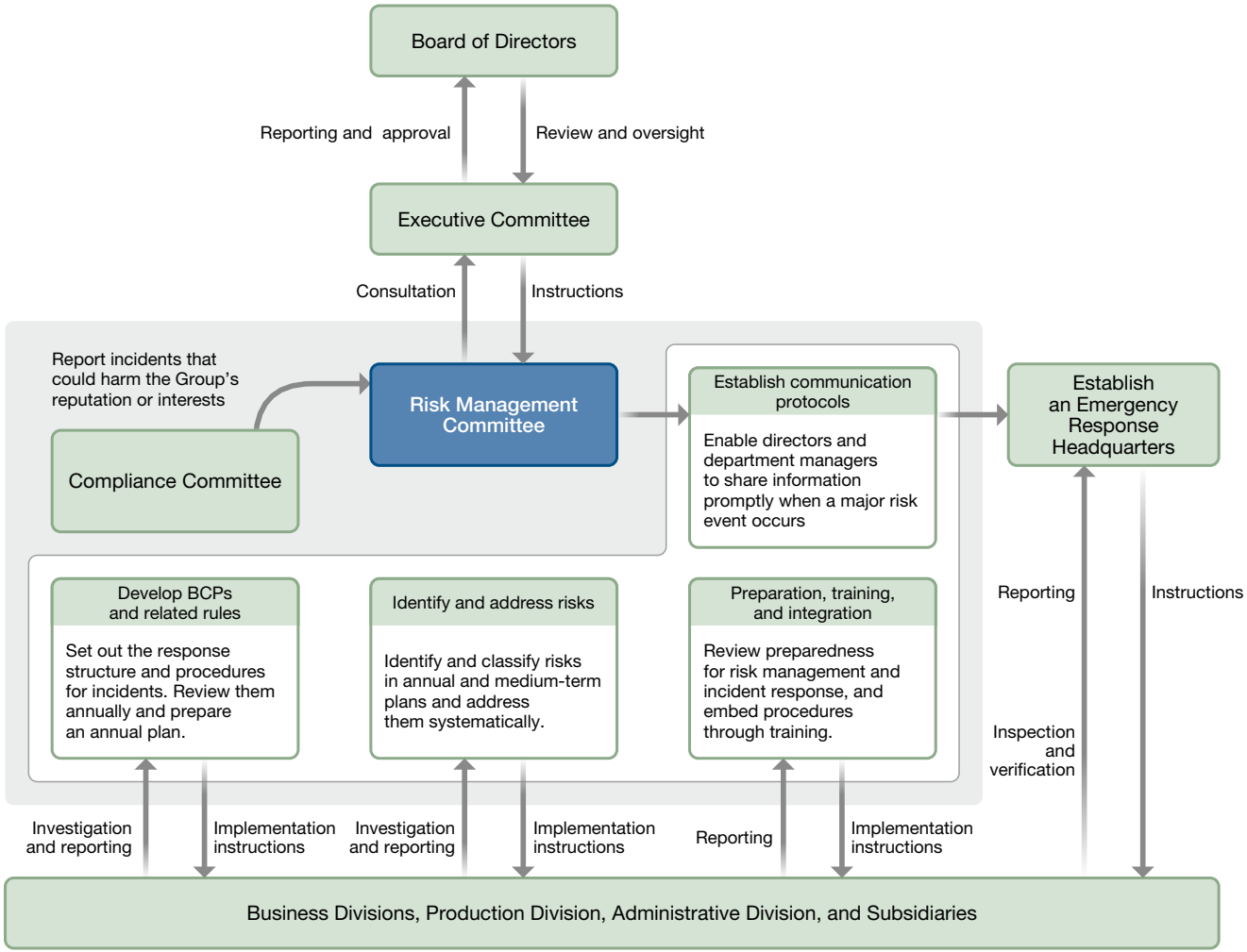
2 Role of the Board of Directors

The Board of Directors receives risk management reports from the Risk Management Committee, monitors and assesses risks, confirms and decides response plans for the following fiscal year and beyond, and provides oversight.



Risk Management

3 Risk management structure chart



4 Certifications

For business continuity planning (BCP), we renewed in November 2025 the Resilience Certification (Certification for Organizations Contributing to National Resilience), originally obtained in November 2023 from the Resilience Japan Promotion Council (a general incorporated association).

In addition, to prepare for threats such as targeted attacks and ransomware and to ensure comprehensive information security, we obtained ISMS certification (ISO/IEC 27001:2022) in October 2024 for the Administration Division area, which governs and controls company-wide systems and operations.

Information Security Initiatives

Under our Medium-Term Management Plan, we regard information security as an essential management issue for strengthening the management foundation that supports sustainable business growth.

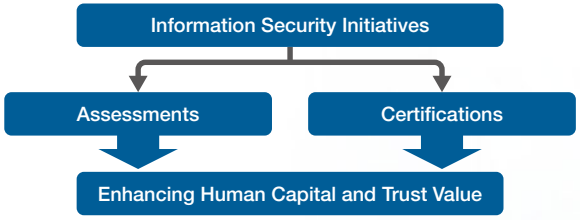
The information security landscape is changing rapidly due to increasingly sophisticated cyberattacks, growing supply chain risks, and the wider use of digital technologies. To protect our information assets and the systems that support production, and to ensure stable business operations, we promote risk-based information security management.

We conducted an information security risk assessment covering our office operations. This assessment identified and evaluated potential risks involving information systems, networks, cloud services, and user devices. Based on the findings, we are continuously improving access controls, information asset management, monitoring systems, and employee training. Recognizing that information security depends not only on technology but also on the awareness and actions of every employee, we provide ongoing training and awareness programs each year.

We also conducted a specialized factory security risk assessment of our production equipment and control systems, which are important management assets for a manufacturing company. We assessed threats and vulnerabilities in the production environment and developed and implemented the necessary improvement plans from a business continuity perspective. Through these efforts, we are creating an environment that supports safe and stable production activities.

These activities are regularly reported to and evaluated by the Risk Management Committee, which consists of full-time directors. The Committee continuously monitors progress, drives improvements, and reports to the Board of Directors. By focusing on stronger responses to changing business risks, early risk identification, and timely action, we aim to enhance corporate resilience.

Our Administration Division has also obtained ISO/IEC 27001 certification, the international standard for information security management systems. We have established an operating framework based on international standards. Through a management cycle of risk assessment, internal audits, training, and continuous improvement, we are working to raise our information security standards and maintain stakeholder trust. The certification process has also helped us develop internal security auditors, advance security training for employees, and strengthen our people's ability to respond to security risks.



We will continue to strengthen information security governance and our ongoing risk response capabilities while responding appropriately to changes in the business environment and advances in technology, thereby enhancing Trust Value throughout the supply chain.

Promoting Risk-Based Information Security Management

Governance

- Reporting and assessment twice each fiscal period by the Risk Management Committee, with the participation of senior management
- Continuous monitoring of company-wide risks and implementation of improvement initiatives
- Established an operational framework aligned with international standards based on ISO 27001 certification
- Established a continuous improvement cycle encompassing risk assessments, internal audits, and training

Preventive measures against cyber intrusions | **Post-intrusion response measures**

Identify	Protect	Detect	Respond	Recover
• Conducting security assessments of corporate IT and plant systems • Identifying security issues • Identifying and cataloging information assets	• Building redundancy into servers, equipment, and backups • Upgrading security software to protect against unknown malware	• Introducing continuous monitoring services for networks, servers, and PCs • Implementing a log management system	• Establishing an incident response manual • Incident management	• Conducting recovery tests • Strengthening backup systems

Digital Transformation Initiatives

Under our Medium-Term Management Plan, we have positioned business transformation through digital technologies as a key growth strategy. Our goal for digital transformation, or DX, goes beyond simply introducing IT. We aim to increase corporate value and strengthen competitiveness by optimizing business processes and improving decision-making through better use of data.

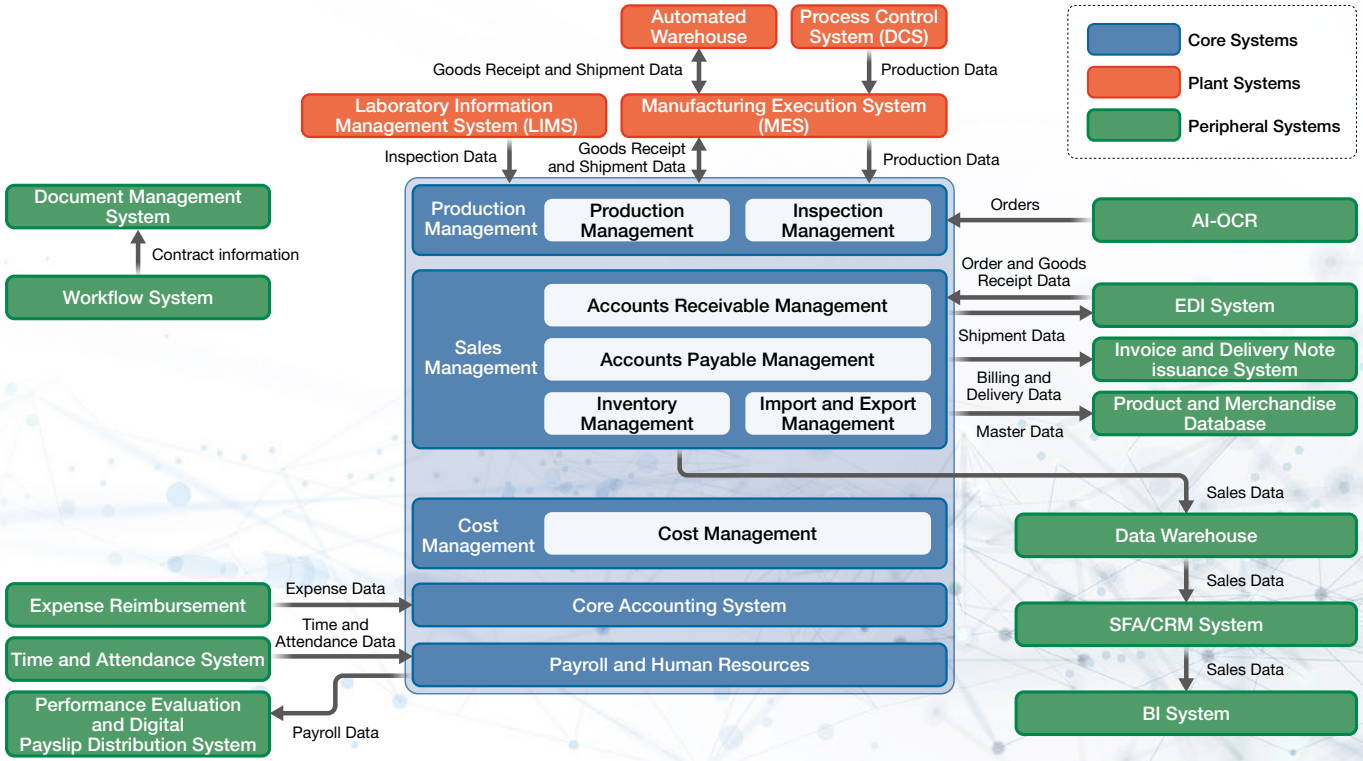
In 2024, we upgraded core business functions, including sales, cost management, accounting, and human resources, and completed the development of a system that enables company-wide use of data across functions. We have continued to expand and improve this system. By seamlessly integrating information that was previously dispersed across individual operations, we have improved data consistency and operational efficiency. We have also created a framework that supports faster and more accurate management decisions.

We have also focused on establishing systems that enable us to continue operations in the event of a disaster or system failure. We completed these business continuity arrangements in August 2026 and continue to strengthen our business continuity capabilities.

In the area of human capital, we are improving the efficiency of employee evaluation processes and increasing the transparency of evaluations. We have also digitized statutory HR filings and related information, making processes more convenient and reducing workloads for both employees and the departments responsible. Going forward, we will continue to digitize application and approval processes and document management that have not yet been addressed. In this way, we aim to improve operational speed while strengthening internal controls.

In our sales activities, we centrally manage customer information and sales activity data to better understand customer needs and develop more effective customer proposals. We are also digitizing transaction documents to enhance customer convenience and improve operational efficiency.

DX is not a one-time project. It is an ongoing effort to transform our corporate culture and business processes. We will continue to use digital technologies not only to improve efficiency but also to achieve data-driven management and increase corporate value.



AI Initiatives

Under our Medium-Term Management Plan, we have identified AI as an important technology for strengthening our future competitiveness and increasing the value of our human capital. We are therefore promoting the effective use of AI throughout the Company.

AI can do more than improve operational efficiency. It can also create new value. We are developing the systems and environment needed to apply AI across a wide range of business activities.

At the same time, the use of AI involves risks and challenges, including information leaks, copyright issues, and the reliability of AI-generated content. To ensure safe and appropriate use, we have established AI guidelines and provide employee training.

To embed the use of AI throughout the organization, we have held an employee-participation AI utilization contest since FY03/2026. Through this initiative, departments share practical examples and expertise, and outstanding ideas are developed into company-wide business improvements.

We will continue to use AI to help employees realize their full potential and increase the value of our human capital.

AI Utilization Initiatives

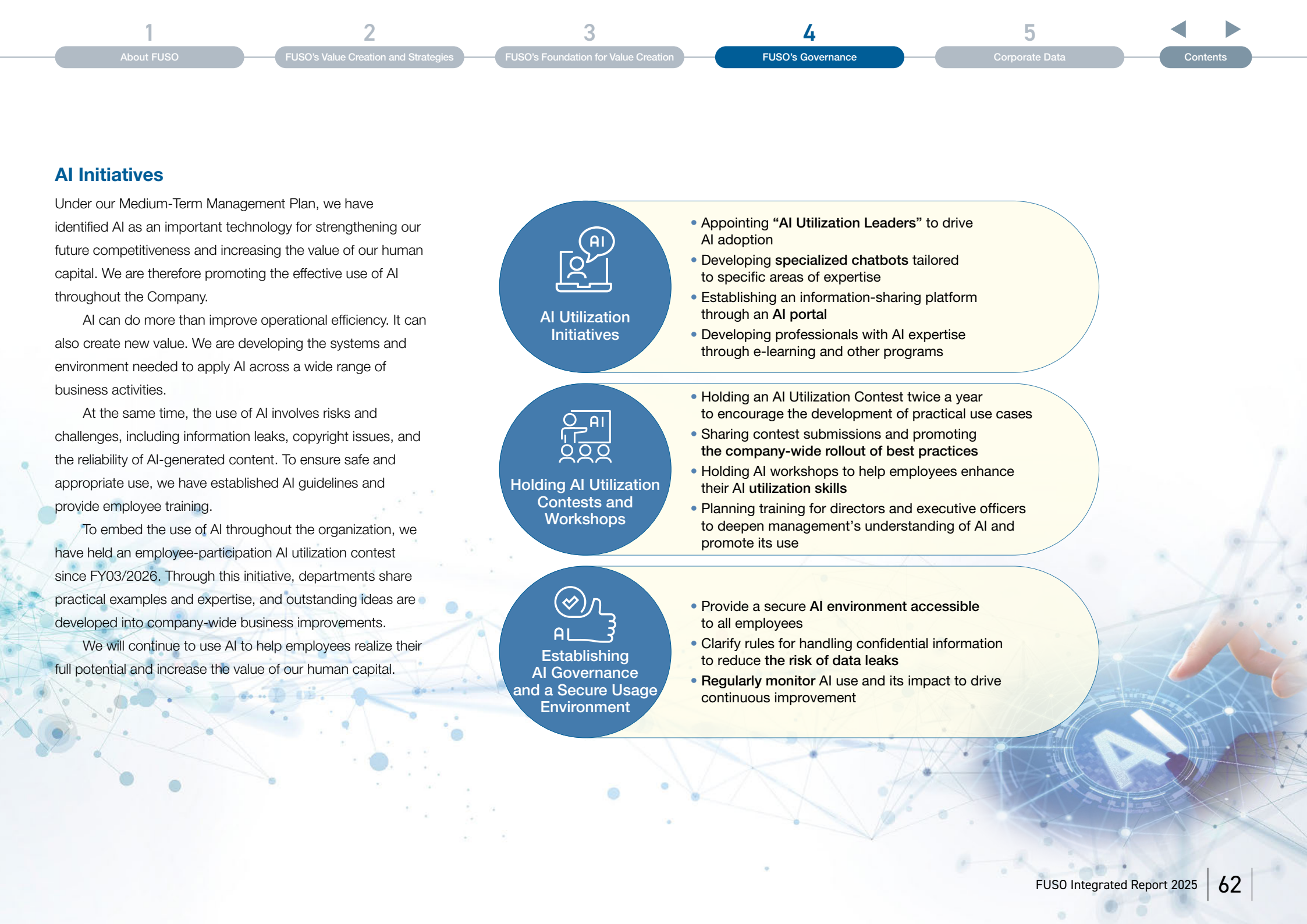
- Appointing **"AI Utilization Leaders"** to drive AI adoption
- Developing **specialized chatbots** tailored to specific areas of expertise
- Establishing an information-sharing platform through an **AI portal**
- Developing professionals with AI expertise through e-learning and other programs

Holding AI Utilization Contests and Workshops

- Holding an AI Utilization Contest twice a year to encourage the development of practical use cases
- Sharing contest submissions and promoting **the company-wide rollout of best practices**
- Holding AI workshops to help employees enhance their AI **utilization skills**
- Planning training for directors and executive officers to deepen management's understanding of AI and promote its use

Establishing AI Governance and a Secure Usage Environment

- Provide a secure **AI environment accessible** to all employees
- Clarify rules for handling confidential information to reduce **the risk of data leaks**
- **Regularly monitor** AI use and its impact to drive continuous improvement



Board of Directors and Executive Officers (As of June 23rd, 2026)

Misako Fujioka

◯ Representative Director & Chairman

- Jun. 1988 External Board Director of the Company
- Mar. 1999 Executive Officer of Teikoku Seiyaku Co., Ltd.
- Mar. 2011 President & CEO of Teikoku Seiyaku Co., Ltd. (current position)
- Jun. 2017 Representative Director & Chairman of the Company (current position)
- Jun. 2020 Outside Director (Audit and Supervisory Committee Member) of Asahi Broadcasting Group Holdings Corporation (current position)

Shinichi Sugita

◯ Representative Director & President

- Apr. 1980 Joined Fujisawa Pharmaceutical Co., Ltd. (currently Astellas Pharma Inc.)
- Apr. 2005 Joined the Company
- Apr. 2006 Department Manager of Planning and Development Department of Sales Development Division of Life Science Business Unit
- Jul. 2012 Executive Officer, Division Manager of Electronic Materials Division, and Site Manager of Kyoto Plant
- Feb. 2019 Deputy Division Manager of Administration Division
- Jun. 2019 Board Director, Division Manager of Administration Division, and in charge of Innovation Promotion Office
- Jun. 2020 Representative Director & President (current position)

Haruo Masauji

◯ Senior Managing Director
◯ General Manager of Life Science Business Unit

- Apr. 1990 Joined the Company
- Jul. 2005 Department Manager of Electronic Materials Sales Development Department of Electronic Materials Business Division
- Feb. 2008 Division Manager of Electronic Materials Division of Electronic Materials Business Unit
- Jul. 2008 Executive Officer
- Jul. 2010 Senior Executive Officer and General Manager of Electronic Materials Business Unit
- Jun. 2011 Board Director
- Apr. 2019 Managing Director
- Jun. 2020 Senior Managing Director (current position) and in charge of Innovation Promotion Office
- Apr. 2024 General Manager of Life Science Business Unit (current position)

Atsushi Fujioka

◯ Managing Director
◯ Department Manager of Corporate Planning Department

- Nov. 2019 Joined the Company
- Mar. 2020 Executive Director of Teikoku Seiyaku Co., Ltd. (current position)
- Jul. 2020 Executive Officer of the Company Department Manager of Planning and Development Office
- Jun. 2021 Board Director
- Apr. 2024 Managing Director (current position)
- Apr. 2025 Department Manager of Corporate Planning Department (current position)
  Department Manager of Business Development Department

Motoki Sugimoto

◯ Board Director
◯ General Manager of Electronic Materials Business Unit

- Apr. 1992 Joined the Company
- Apr. 2010 Department Manager of Sales Development Department of Electronic Materials Business Unit
- Jul. 2015 Executive Officer and Department Manager of Sales Development Department of Life Science Business Unit
- Apr. 2019 General Manager of Life Science Business Unit
- Jun. 2019 Board Director (current position)
- Apr. 2024 General Manager of Electronic Materials Business Unit (current position)
- Apr. 2026 Division Manager of Electronic Materials Division (current position)

Hiroyuki Ito

◯ Board Director
◯ Division Manager of Administration Division

- Apr. 1987 Joined The Daiwa Bank, Ltd. (currently Resona Bank, Limited)
- May 1994 Seconded to IBJ International Plc
- Apr. 1996 Seconded to Daiwa Bank Capital Management Plc
- Feb. 2007 General Manager of Financial Products Compliance Office of Resona Bank, Limited
- Jul. 2010 General Manager of Wangan Area No.1 Sales Department
- Apr. 2014 General Manager of Internal Audit Department
- Apr. 2017 Joined the Company, Department Manager of General Affairs Department of Administration Division
- Jul. 2020 Executive Officer, Division Manager of Administration Division (current position)
- Jul. 2023 Senior Executive Officer
- Jun. 2025 Board Director (current position)

Board of Directors and Executive Officers (As of June 23rd, 2026)

Norikazu Miyamoto

○ Board Director
○ Division Manager of Production Division

- Apr. 1994 Joined the Company
- Apr. 2015 Department Manager of Kyoto Production Department of Electronic Materials Business Unit
- Jun. 2017 General Manager of Qingdao Fuso Refining & Processing Co., Ltd.
- Jan. 2020 Division Manager of Production Division of Life Science Business Unit of the Company
- Jul. 2020 Executive Officer
- Sep. 2023 General Manager of Kashima Plant
- Apr. 2024 Senior Executive Officer Division Manager of Production Division (current position)
- Jul. 2024 General Manager of Kyoto Plant
- Jun. 2025 Board Director (current position)

Hakaru Hyakushima

○ Board Director [External] [Independent]

- Apr. 1981 Joined Ministry of Finance
- Jul. 1999 Assistant Regional Commissioner of Criminal Investigation Department of Tokyo Regional Taxation Bureau
- Jul. 2011 Deputy Commissioner of Commissioner's Secretariat of National Tax Agency
- Jul. 2012 Regional Commissioner of Nagoya Regional Taxation Bureau
- Apr. 2015 President of Japan Mint
- Apr. 2018 Deputy Director-General of Minister's Secretariat of Ministry of Finance
- Apr. 2019 Professor of Department of Management, Faculty of Management of Otemon Gakuin University Senior Visiting Research Fellow of Policy Research Institute, Ministry of Finance (current position)
- Jun. 2019 Outside Director of Osaka Soda Co., Ltd. (current position)
- Oct. 2019 Part-time lecturer of School of Government, Kyoto University
- Jun. 2020 Outside Audit & Supervisory Board Member of Sumitomo Riko Company Limited
- Mar. 2021 Trustee, Kyoto International Conference Center (current position)
- Jun. 2022 External Board Director of the Company (current position)
- Apr. 2025 Specially Appointed Professor, School of Government, Kyoto University (current position) Visiting Professor of Otemon Gakuin University (current position)

Fumiaki Hirata

○ Board Director
○ Audit and Supervisory Committee Member [External] [Independent]

- Apr. 1981 Joined Takeda Pharmaceutical Company Limited
- Jun. 2006 Member of the Board and Head of R&D Center of Mitsui Chemicals Polyurethanes, Inc. (now Mitsui Chemicals, Inc.)
- Apr. 2009 Senior Director of Mitsui Chemicals, Inc.
- May 2012 Senior Director and General Manager of Kashima Works
- Apr. 2016 Representative Director and President of MC Industries, Ltd. (now Mitsui Chemicals MC, Ltd.)
- Jun. 2021 External Board Director who is an Audit and Supervisory Committee Member of the Company (current position)

Sayaka Eguro

○ Board Director
○ Audit and Supervisory Committee Member [External] [Independent]

- Dec. 2008 Registered as an attorney-at-law Joined Soga, Uryu & Itoga
- Dec. 2009 Dispatched to the National Policy Unit, Cabinet Secretariat
- May 2012 Joined City-Yuwa Partners (current position)
- Jun. 2015 External Board Director of the Company
- Jun. 2018 External Board Director who is an Audit and Supervisory Committee Member
- Jun. 2020 Retired as External Board Director who is an Audit and Supervisory Committee Member
- Jun. 2022 External Board Director who is an Audit and Supervisory Committee Member (current position)

Kei Takeuchi

○ Board Director
○ Audit and Supervisory Committee Member [External] [Independent]

- Apr. 1987 Joined Osaka Gas Co., Ltd.
- Apr. 2016 Executive Officer President and CEO of Osaka Gas Chemicals Co., Ltd.
- Apr. 2018 Senior Executive Officer of Osaka Gas Co., Ltd.
- Jun. 2019 Director, Senior Executive Officer
- Apr. 2023 Advisor (current position) Director and Chair of Osaka Gas Liquid Co., Ltd. (current position)
- Jun. 2023 Vice President of Japan Boiler Association (current position)
- Jul. 2023 Board Chair of International Science Club of Osaka (ISCO) (current position)
- Feb. 2024 Director of The Japan Institute of Energy (current position)
- Jun. 2024 External Board Director who is an Audit and Supervisory Committee Member of the Company (current position)
- Jun. 2025 Vice President of Japan Society of Energy and Resources (current position)

Toshihide Tominaga

○ Board Director
○ Audit and Supervisory Committee Member [External] [Independent]

- Apr. 1980 Joined Matsushita Electric Industrial Co., Ltd. (currently Panasonic Holdings Corporation)
- Jun. 2007 Representative Director (CFO) of Panasonic Communications Co., Ltd. (currently Panasonic Connect, Co., Ltd.)
- Jan. 2014 President of Panasonic Precision Devices, Co., Ltd. (currently Panasonic Holdings Corporation)
- Aug. 2015 Vice President of Panasonic Automotive & Industrial Systems Europe GmbH (currently Panasonic Industry Europe GmbH)
- Jun. 2016 President of Panasonic Industrial Devices SUNX Co., Ltd. (currently Panasonic Industry Co., Ltd.)
- Jun. 2019 Senior Audit and Supervisory Board Member of Panasonic Corporation (currently Panasonic Holdings Corporation)
- Mar. 2024 Outside Director (Audit and Supervisory Committee Member) of Taiko Pharmaceutical Co., Ltd. (current position)
- Jun. 2026 External Board Director who is an Audit and Supervisory Committee Member (current position)



5 Corporate Data

- Eleven-Year Financial Summary ——— 66
- Performance Highlights ——— 67
- Key Metrics, Targets, and Performance on Human Capital ——— 68
- Corporate Profile and Stock Information ——— 71

Eleven-Year Financial Summary

(Millions of Yen)

Item	2016/3	2017/3	2018/3	2019/3	2020/3	2021/3	2022/3	2023/3	2024/3	2025/3	2026/3
Operating Results (Income Statement)											
Net Sales	35,298	36,224	40,221	42,074	41,310	42,209	55,760	68,459	58,970	69,501	76,926
EBITDA	9,077	11,209	12,150	12,327	13,362	14,659	19,488	23,268	18,244	24,539	29,787
Operating Profit	7,279	9,867	10,537	9,283	8,830	9,632	15,034	18,930	11,083	16,230	18,850
Ordinary Profit	7,299	10,038	10,367	9,854	8,954	9,746	15,509	19,740	11,883	16,561	19,573
Net Income Attributable to Owners of Parent	4,716	6,895	6,592	6,881	7,014	6,808	10,890	14,129	8,343	11,622	14,311
Capital Expenditures	632	2,556	10,136	12,664	4,603	1,890	12,492	20,838	14,299	17,495	10,787
Depreciation and Amortization	1,798	1,341	1,613	3,044	4,532	5,027	4,453	4,337	7,160	8,309	10,936
Research and Development Expenses	513	563	572	614	633	685	688	845	850	923	1,091
Financial Position (Balance Sheet)											
Total Assets	47,861	56,271	64,231	64,457	69,222	76,032	92,009	113,528	133,740	141,502	152,256
Net Assets	39,970	45,160	50,146	55,342	60,289	66,169	75,303	87,502	95,025	104,048	117,216
Interest-bearing Debt	23	17	13	22	27	21	19	24	20,014	20,062	16,980
Cash Flows (Cash Flow Statement)											
Net Cash Provided by operating Activities	8,086	9,413	4,845	8,148	11,936	12,820	10,199	13,925	7,061	22,701	24,793
Net Cash Provided by Investing Activities	(6,943)	4,983	(8,024)	(15,356)	(4,320)	(2,620)	(9,375)	(13,417)	(18,576)	(20,538)	(11,069)
Net Cash Provided by Financing Activities	4,845	(1,533)	(1,675)	(1,639)	(1,641)	(1,639)	(2,882)	(2,124)	17,663	(2,409)	(5,905)
Per Share Information											
Earnings per Share (EPS)*1 (JPY)	47.92	64.74	61.89	64.60	65.85	63.91	102.69	133.63	78.90	109.89	135.28
Dividend per Share (DPS)*1 (JPY)	11.67	14.33	15.00	15.33	15.33	16.00	18.33	21.00	22.00	24.33	27.33
Net Assets per Share*1 (JPY)	375.21	423.93	470.73	519.59	566.03	621.24	712.21	827.60	898.59	983.72	1,107.94
Management Indicators											
Operating Profit Margin (%)	20.6	27.2	26.2	22.1	21.4	22.8	27.0	27.7	18.8	23.4	24.5
ROA (Ordinary Profit Basis) (%)	15.3	17.8	16.1	15.3	13.4	13.4	18.5	19.2	9.6	12.0	13.3
ROE (%)	13.4	16.2	13.8	13.0	12.1	10.8	15.4	17.4	9.1	11.7	12.9
Equity Ratio (%)	83.5	80.2	78.1	85.9	87.1	87.0	81.8	77.1	71.1	73.5	77.0
Number of Employees	705	700	755	761	781	794	805	859	892	915	956
Number of Shares Issued*2 (thousand shares)	35,511	35,511	35,511	35,511	35,511	35,511	35,511	35,511	35,511	35,511	35,511

The Company has applied the "Partial Amendments to Accounting Standard for Tax Effect Accounting" (ASBJ Statement No. 28, February 16, 2018) and related standards from the beginning of the fiscal year ended March 31, 2019. Accordingly, key management indicators for the fiscal year ended March 31, 2016 and subsequent fiscal years are presented after retrospective application of these accounting standards.

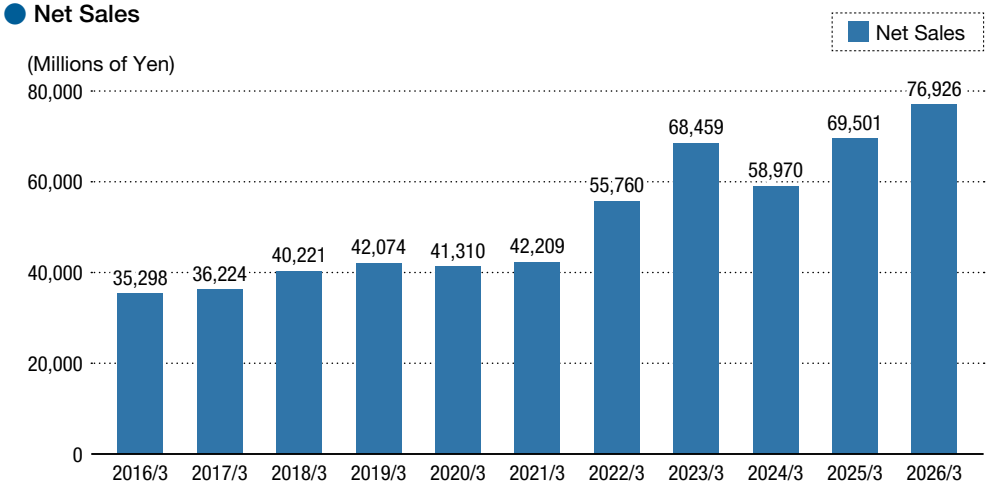
*1 We carried out a 3-for-1 stock split of our common stock effective April 1, 2026. Per-share amounts have been retrospectively adjusted to reflect the stock split, assuming the stock split had taken place at the beginning of the fiscal year ended March 31, 2016.

*2 We carried out a 3-for-1 stock split of our common stock effective April 1, 2026; however "number of shares issued" is presented on a pre-split basis.

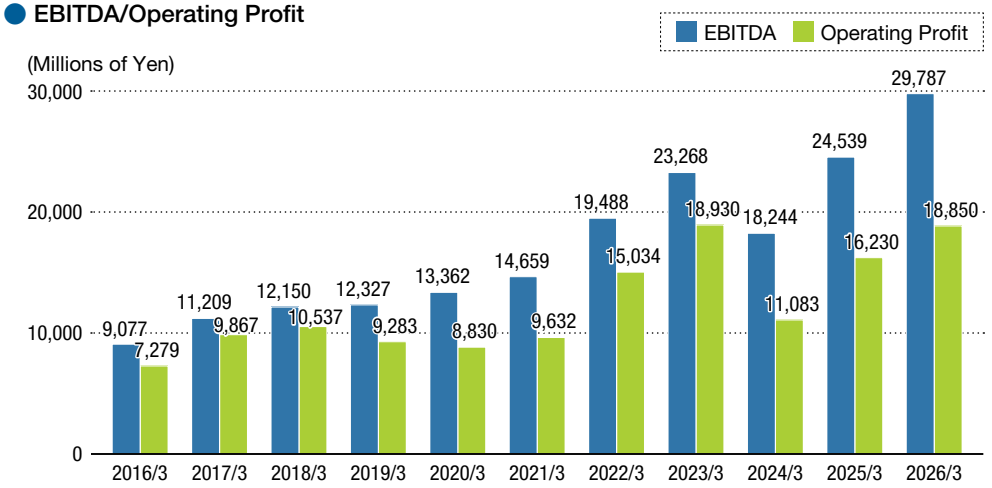
Performance Highlights

Financial Highlights

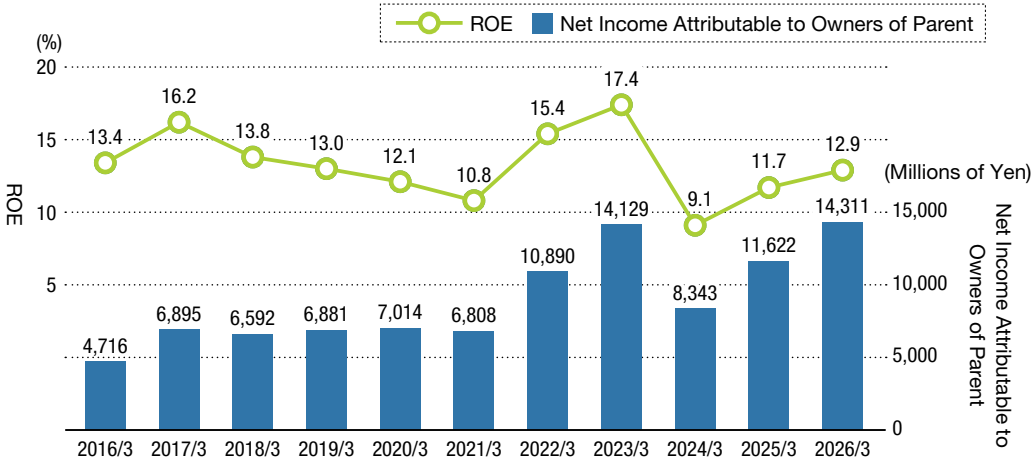
Net Sales



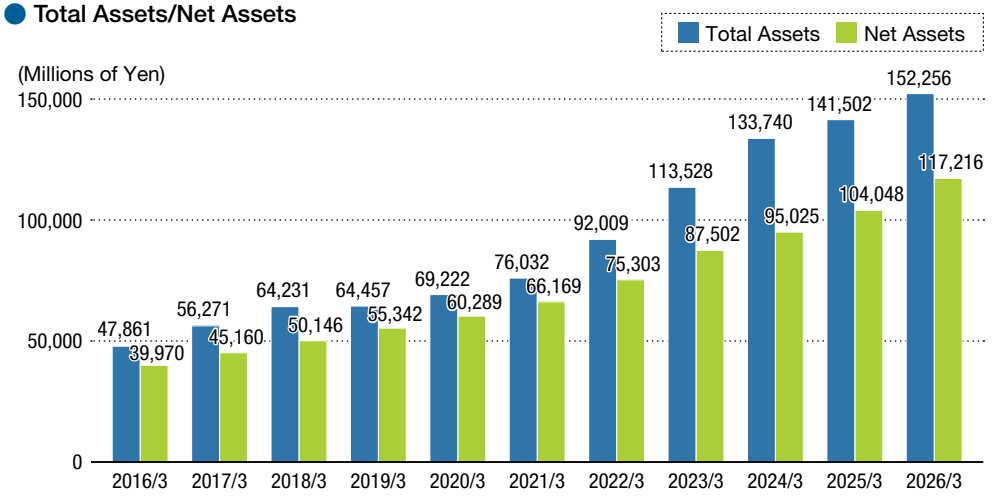
EBITDA/Operating Profit



ROE/Net Income Attributable to Owners of Parent



Total Assets/Net Assets



Key Metrics, Targets, and Performance on Human Capital

❶ Talent Development

Metric	Scope	Unit	FY03/2024 Results	FY03/2025 Results	FY03/2026 Target	FY03/2026 Results
Training expenditure per employee (Note 1)	Non-consolidated	JPY	43,540	37,920	At least 50,000	39,359
Number of newly acquired certifications (Note 2)	Non-consolidated	—	264	221	Same as or higher than the previous year	179
Number of participants in elective training programs (Note 3)	Non-consolidated	persons	—	—	At least 80 per year	63

❷ Talent Mobility (Hiring and Retention)

Metric	Scope	Unit	FY03/2024 Results	FY03/2025 Results	FY03/2026 Target	FY03/2026 Results
Number of new graduate hires (Note 4)	Non-consolidated	persons	15	11	19	20
Number of mid-career hires (Note 4)	Non-consolidated	persons	39	38	44	44
Hiring plan fulfillment rate (Note 5)	Non-consolidated	%	—	—	100±10	101.6
Turnover rate (Note 6)	Non-consolidated	%	4.5	4.9	Same as or lower than the previous year	4.4
Retention rate of new graduate hires over the past three years (Note 7)	Non-consolidated	%	100.0	92.9	100	93.3

❸ Talent Diversity

Metric	Scope	Unit	FY03/2024 Results	FY03/2025 Results	FY03/2026 Target	FY03/2026 Results
Percentage of female employees among regular employees (Note 8)	Non-consolidated	%	18.4	19.8	At least 18	20.0
Percentage of female managers (Note 9)	Non-consolidated	%	3.4	3.3	Same as or higher than the previous year	1.7
Paternity leave take-up rate (male employees) (Note 10)	Non-consolidated	%	25.0	70.0	At least 10.0	71.4

We received Kurumin Certification in recognition of achieving the targets set forth in our General Employer Action Plan (FY03/2024—FY03/2026), formulated in accordance with Japan's Act on Advancement of Measures to Support Raising Next-Generation Children.

Key Metrics, Targets, and Performance on Human Capital

❹ Employee Engagement

Metric	Scope	Unit	FY03/2024 Results	FY03/2025 Results	FY03/2026 Target	FY03/2026 Results
Total engagement (score) (Note 11)	Non-consolidated	Points	3.55	3.58	Same as or higher than the previous year	3.68

❺ Health and Safety

Metric	Scope	Unit	FY03/2024 Results	FY03/2025 Results	FY03/2026 Target	FY03/2026 Results
Average overtime hours (Note 12)	Non-consolidated	hours	13.4	14.5	14.0	15.9
Average annual paid leave utilization rate (Note 13)	Non-consolidated	%	74.6	73.3	At least 71	74.5
Presenteeism (Note 14)	Non-consolidated	%	91.6	91.4	93.0	91.6
Stress check participation rate (Note 15)	Non-consolidated	%	89.6	84.1	90.0	86.7

(Note 1) Training expenditure per employee
Calculated by dividing total training-related expenses for the fiscal year (including external training expenses, course fees, materials costs, e-learning fees, etc.; treatment of travel and transportation expenses follows internal rules) by the average number of employees during the period.
The average number of employees during the period is defined consistently with the number of employees stated in Section 4 "Non-consolidated Information," 5(2) (employees engaged in work, including regular part-time employees; treatment of secondees follows the same section).

(Note 2) Number of newly acquired certifications
The number of certifications acquired that are designated by the Company as eligible for encouragement. This is a cumulative count; if the same employee acquires multiple certifications, each certification is counted separately.

(Note 3) Number of participants in elective training programs
Of the total number of training participants in the fiscal year, the number who attended based on applications from the employee's department or from the employee personally. This is a cumulative count; if the same employee attends multiple programs, each program is counted separately.

(Note 4) Number of hires
The number of employees who joined the Company during the fiscal year (based on start date), including new graduate hires and mid-career hires. Transfers between the Company and consolidated subsidiaries (including transfers from secondment) are considered internal group mobility and are therefore excluded from hires.

(Note 5) Hiring plan fulfillment rate
The ratio of the number of hires in Note 4 (based on start date) to the planned number of openings as of the beginning of the fiscal year. Changes in the number of openings resulting from plan revisions during the year are not included in the denominator.

(Note 6) Turnover rate
Calculated by dividing the number of employees who left during the fiscal year (excluding transfers within the group) by the number of employees at the beginning of the fiscal year.

(Note 7) Retention rate of new graduate hires over the past three years
The percentage of new graduate hires who remain employed as of the fiscal year-end three years after their start date.

(Note 8) Percentage of female employees among regular employees
The percentage of women among regular employees at fiscal year-end, calculated in accordance with the definitions under the Act on Promotion of Women's Participation and Advancement in the Workplace.

(Note 9) Percentage of female managers
Calculated in accordance with the provisions of the Act on Promotion of Women's Participation and Advancement in the Workplace (Act No. 64 of 2015).

(Note 10) Paternity leave take-up rate (male employees)
Calculated in accordance with the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members (Act No. 76 of 1991) and the Ordinance for Enforcement of the same Act (Ministry of Labour Ordinance No. 25 of 1991), Article 71-6, Item (1), as the percentage of employees taking childcare leave, etc.

(Note 11) Total engagement (score)
Calculated by converting to a 100-point scale the average of the three domain scores—"Job," "Workplace," and "Company"—from an annual anonymous survey of all employees (5-point scale). Questions and scales are generally kept consistent to ensure year-on-year comparability. Aggregation is based on average values.

(Note 12) Average overtime hours
Calculated by dividing the total overtime hours and holiday work hours during the fiscal year by the cumulative annual number of employees (average monthly hours per employee). Managers/supervisors are excluded from the calculation.

(Note 13) Average annual paid leave utilization rate
Calculated as the ratio of annual paid leave days taken (numerator) to annual paid leave days granted (denominator) for all employees during the fiscal year. Scope covers those eligible for annual paid leave on a non-consolidated basis.

(Note 14) Presenteeism
Refers to the state of working while experiencing some physical or mental health issue; a lower overall evaluation (%) of organizational work functioning indicates a higher degree of work functioning impairment.

(Note 15) Stress check participation rate
Calculated as the number of participants divided by the number of eligible employees (conducted once per year). Determined based on results implemented in accordance with laws and regulations in coordination with occupational physicians, etc.

Key Metrics, Targets, and Performance on Human Capital

Key Health Indicators and KPIs

Key Health Indicators	Scope	Unit	FY03/2024 Results	FY03/2025 Results	FY03/2026 Result	FY03/2027 KPI
Health Checkup Participation Rate	Non-consolidated	%	100	100	100	100
Specific Health Checkup Participation Rate	Non-consolidated	%	98.5	98.0	96.6	98.0
Healthy Weight Maintenance Rate	Non-consolidated	%	65.8	63.6	62.9	69.0
Smoking Rate	Non-consolidated	%	27.0	28.1	26.0	22.0
Regular Exercise Rate	Non-consolidated	%	26.1	27.8	29.2	30.0
Presenteeism*1	Non-consolidated	%	91.6	91.4	91.6	93.0
Company-Wide Average Overtime Hours	Non-consolidated	hours	13.4	14.5	15.9	13.5
Absenteeism*2	Non-consolidated	%	—	—	21.4	19.0
Work Engagement*3	Non-consolidated	Points	—	—	2.4	2.6
Specific Health Guidance Participation Rate	Non-consolidated	%	0.0	1.4	25.4	28.0

*1 Presenteeism is measured using WFun (Work Functioning Impairment Scale).
*2 Percentage of employees who took no more than five days of leave (excluding late arrivals and early departures) due to physical or mental illness during the previous fiscal year.
*3 Measured using the Brief Job Stress Questionnaire.

Corporate Profile and Stock Information

Corporate Profile (as of March 31, 2026)

Trade Name	FUSO CHEMICAL CO., LTD.
Date of Establishment	June 24, 1957
Location of Head Office	5-29, Kitahama 3-chome, Chuo-ku, Osaka
Representative	Shinichi Sugita
Capital	4,334,047,500 yen
Number of Employees	623 (non-consolidated) 956 (consolidated)
Website	https://fusokk.co.jp/eng/



Affiliates [Domestic]

Head Office	16F, Nippon Life Yodoyabashi Bldg. 3-5-29, Kitahama, Chuo-ku, Osaka 541-0041 Phone +81-6-6203-4771 Fax +81-6-6203-1455
Tokyo Head Office	Ogura Bldg. 6-6, Nihonbashi-kobuna-cho, Chuo-ku, Tokyo 103-0024 Phone +81-3-3639-6311 Fax +81-3-3639-6321
Shin-Osaka Office	6-6, Niitaka 2-chome, Yodogawa-ku, Osaka 532-0033
Kyoto Plant **[Kyoto First Factory]** **[Kyoto Second Factory]**	5, Osadano-cho 1-chome, Fukuchiyama, Kyoto 620-0853 8, Osadano-cho 2-chome, Fukuchiyama, Kyoto 620-0853
Kashima Plant	20 Towada, Kamisu, Ibaraki 314-0102
Kobe R&D	MEDDEC 207, 7-1-16, Minatojima Minamimachi, Chuo-ku, Kobe, Hyogo 650-0047
Tokyo R&D	KSP R&D 2-1, Sakado 3-chome, Takatsu-ku, Kawasaki, Kanagawa 213-0012
Osaka Factory	27-10, Chikko-shinmachi 3-cho, Nishi-ku, Sakai, Osaka 592-8331

Affiliates [Overseas]

Qingdao Fuso Refining & Processing Co., Ltd.
No.200, Zhuzhou Road, Laoshan District, Qingdao, Shandong, 266101, China
[West coast Branch]
No.33 Huaihe Dong Road, Qingdao Economic & Technological Development Zone, Qingdao, Shandong, 266500, China
[Shanghai Branch]
ROOM 510-512 LONGEMONT YES TOWER, No.369 Kaixuan Road, Changning, Shanghai 200051
PMP Fermentation Products, Inc.
900 N.E. Adams Street, Peoria, IL. 61603 USA
FUSO (THAILAND) Co., Ltd.
1/1 Soi Sukhapiban 2, Soi 11 Yak 2, Prawet, Prawet, Bangkok 10250 Thailand

Corporate Profile and Stock Information

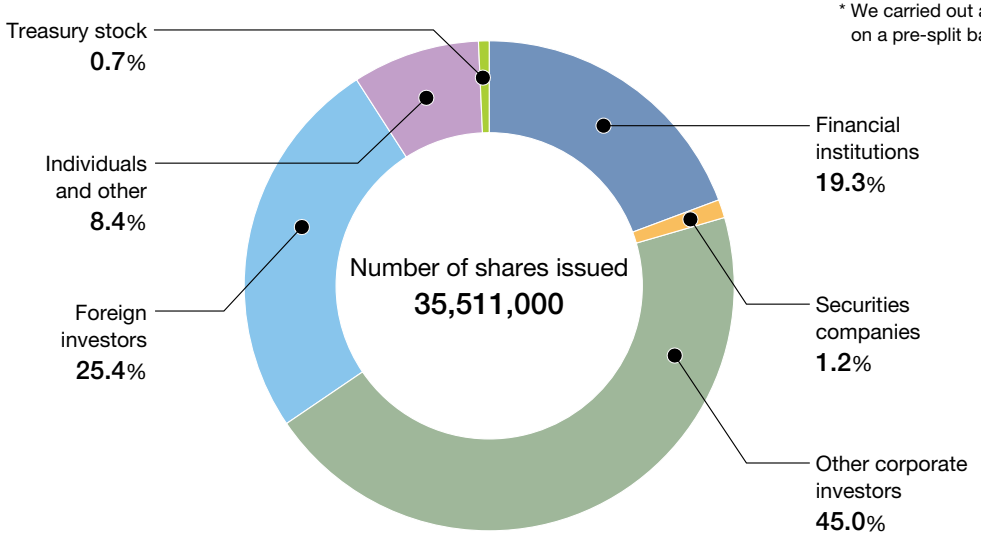
Stock Information

(As of March 31, 2026)

Code Number	4368
Stock exchange listing	Prime market, Tokyo Stock Exchange
Shareholder registry administrator	Sumitomo Mitsui Trust Bank, Limited
Number of shares authorized for issue	95,000,000
Number of shares issued	35,511,000 (Of which, number of treasury shares: 245,542 shares)
Number of shareholders	5,767

* We carried out a 3-for-1 stock split of our common stock effective April 1, 2026; however, "Number of shares authorized for issue" and "Number of shares issued" are presented on a pre-split basis.

Shareholders by Category



Major Shareholders (Top 10)

Name/company name	Number of shares owned	Percentage (%)
Juseido Co., Ltd	5,596,265	15.87
Teikoku Seiyaku Co., Ltd.	3,328,000	9.44
The Master Trust Bank of Japan, Ltd. (Trust account)	3,242,400	9.19
Kunpusha KK	2,621,665	7.43
Custody Bank of Japan, Ltd. (Trust account)	2,299,500	6.52
Osaka Small and Medium Business Investment & Consultation Co., Ltd.	1,490,625	4.23
Teisan Co., Ltd.	1,375,000	3.90
THE BANK OF NEW YORK MELLON 140042	1,008,992	2.86
Akazawa Memorial Foundation	1,000,000	2.84
US BANK NATIONAL ASSOCIATION JP ACCTS TS	708,800	2.01

* The percentage is calculated based on the number of shares outstanding, excluding treasury shares.
* We carried out a 3-for-1 stock split of our common stock effective April 1, 2026; however, "Number of shares owned" is presented on a pre-split basis.

FUSO CHEMICAL CO., LTD.

https://fusokk.co.jp/eng/