

Reference Documents for the General Meeting of Shareholders

Proposal No. 1: Appropriation of Surplus

The Company regards the distribution of profit to shareholders as an important issue. Our basic policy on dividends is provided on the following page (Reference).

In consideration of the Company's performance in this fiscal year and future business environment, the Company would like to set the term-end dividend as follows.

1. Type of dividends

Cash

2. Matter related to distribution of property dividends and the total amount

¥90 per share of common shares of the Company Total amount: ¥14,373,544,590

The Company conducted a 2-for-1 split of its common shares on October 1, 2025. Accordingly, the interim dividend of ¥150 per share, with a record date of September 30, 2025, is equivalent to ¥75 per share after the stock split. Therefore, the annual dividend for this fiscal year, including the interim dividend, will be ¥165 per share.

3. Effective date of the appropriation of surplus

June 26, 2026

(Reference)

Basic policy on dividends

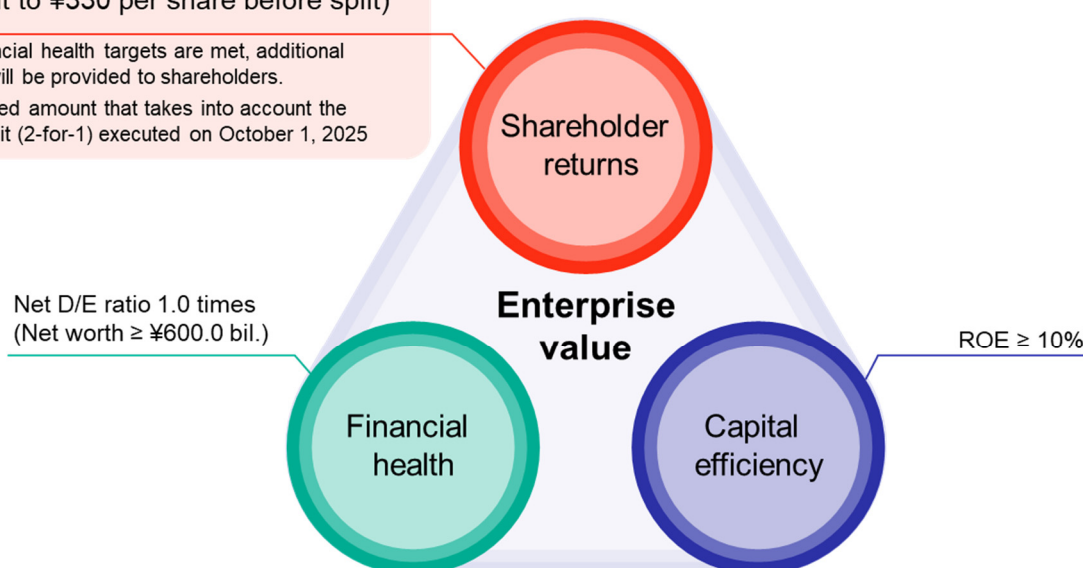
The Company regards the distribution of profits to shareholders as an important issue.

In the 7th Consolidated Medium-Term Management Plan, we aimed to maximize corporate value with a three-pronged approach that places equal emphasis on shareholder returns, financial health, and capital efficiency. In terms of our shareholder returns policy during the period of the 7th Consolidated Medium-Term Management Plan, we have maximized the expansion of shareholder returns as we realize our three-pronged capital policy. We have therefore set a total payout ratio of 60% or more of net profit (three-year cumulative; excluding the impact of inventory valuation) and have paid a stable dividend of at least ¥165 per share.

- Total payout ratio $\geq 60\%$ *¹
- Dividend (minimum) **¥165** per share*²
(equivalent to ¥330 per share before split)

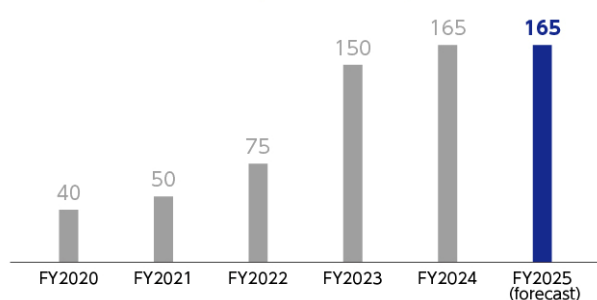
(*1) If financial health targets are met, additional returns will be provided to shareholders.

(*2) Adjusted amount that takes into account the share split (2-for-1) executed on October 1, 2025



	Management goals
Total payout ratio (excl. impact of inventory valuation)	$\geq 60\%$ (three-year cumulative)
Dividend	¥165 per share (equivalent to ¥330 per share before split)
Net D/E ratio	1.0 times (Net worth \geq ¥600.0 bil.)
ROE	$\geq 10\%$

Annual dividend per share (yen)



(Note)

The Company conducted a 2-for-1 split of its common shares, effective October 1, 2025. The dividends prior to the share split in FY2025 are stated under the assumption that the share split had been implemented at each dividend date.


Proposal No. 2:**Election of Eight (8) Directors (excluding those who are Members of the Supervisory Committee)**


The terms of office of all eight (8) Directors (excluding those who are Members of the Supervisory Committee; the same applies hereafter in this proposal) will expire at the close of this General Meeting of Shareholders. Therefore, it is proposed that eight (8) Directors be elected.


This proposal was passed through the deliberation process of the Nomination and Remuneration Committee, which includes four (4) Independent Outside Directors, and was decided on by the Board of Directors. The Company has received a report from the Supervisory Committee stating that the candidates and the procedure for the election were appropriate.


The candidates for Directors are as follows.


Candidate No.		Name	Current Status and Assignment at the Company	
1	Reelection	Hiroshi Kiriyama	Male	Chairperson, Director
2	Reelection	Shigeru Yamada	Male	President, Representative Director, Chief Executive Officer
3	Reelection	Taisuke Matsuoka	Male	Representative Director, Senior Executive Officer Responsible for Corporate Planning Dept., Finance Dept.
4	New election	Tadashi Okada	Male	Senior Executive Officer Responsible for Sustainability Initiative Dept., Human Resource Dept., Business Portfolio Management Dept.
5	Reelection (Non-executive)	Shigeki Iwane	Male	Director
6	Reelection Outside Independent	Ryuko Inoue	Female	Outside Director
7	Reelection Outside Independent	Takuya Kurita	Male	Outside Director
8	Reelection Outside Independent	Takako Suzuki	Female	Outside Director


1	Hiroshi Kiriya	Reelection	June 20, 1955	Male	
Career Summary and Status			Status of Significant Concurrent Position(s)		 <p>Number of Shares of the Company Held: 175,900 shares</p> <p>Record of attendance to Board of Directors Meetings: 13/13</p>
April 1979	Joined Daikyo Oil Co., Ltd.	None			
June 2013	Director, Senior Executive Officer, COSMO OIL COMPANY, LIMITED				
October 2015	Director, Senior Managing Executive Officer of the Company				
June 2016	Representative Director, Executive Vice President				
June 2017	President, Representative Director, Chief Executive Officer				
April 2023	Chairperson, Representative Director				
June 2025	Chairperson, Director (current position)				
Reasons for choosing the person as candidate	<p>Hiroshi Kiriya has been responsible for supply and demand, and corporate planning departments for a long time, and he has participated in the decision making of various alliances in Japan and overseas. Also, he possesses abundant knowledge and experience regarding overall corporate management. In addition, he managed the Group as Representative Director and CEO from June 2017 to March 2023 and was successful in addressing the future transition to environmentally friendly renewable energy whilst maintaining a stable supply of fossil fuels, among other accomplishments. Since April 2023, he has served as Chairperson of the Board of Directors, first as Representative Director and Chairperson and, since June 2025, as Director and Chairperson without representative authority, focusing on strengthening the oversight function of the Board of Directors. In light of these achievements, the Company proposes Hiroshi Kiriya maintain his position as Director.</p>				


2	Shigeru Yamada	Reelection	November 7, 1965	Male	
Career Summary and Status			Status of Significant Concurrent Position(s)		 <p>Number of Shares of the Company Held: 59,700 shares</p> <p>Record of attendance to Board of Directors Meetings: 13/13</p>
April 1988	Joined COSMO OIL COMPANY, LIMITED	None			
June 2015	General Manager, Supply Dept.				
April 2018	Executive Officer, General Manager, Corporate Planning Dept. of the Company				
April 2020	Senior Executive Officer				
June 2020	Director, Senior Executive Officer				
April 2023	President, Representative Director, Chief Executive Officer (current position)				
Reasons for choosing the person as candidate	<p>Shigeru Yamada has mainly worked in the departments of sales, supply and demand, and planning, and has a wide range of knowledge across the Group's entire business domain. In 2018, he was appointed Executive Officer, General Manager of Corporate Planning Dept. and in 2020, he was appointed Director, Senior Executive Officer. He has achieved solid results such as formulation of the 7th Consolidated Medium-Term Management Plan, promotion of group management, capital and business alliance related supervision, and proposals for new business projects. Since April 2023 he has led the Group as the President, Representative Director, and CEO, achieving significant results in enhancing corporate value for all stakeholders, including shareholders. His accomplishments include effective management of existing businesses, the launch of new businesses, assessment of collaborative projects with partner companies, initiatives for decarbonization, and the strategic management of human capital. In light of these achievements, the Company proposes Shigeru Yamada maintain his position as Director.</p>				


3	Taisuke Matsuoka	Reelection	October 8, 1969	Male	
Career Summary and Status			Assignment at the Company		
April 1993	Joined COSMO OIL COMPANY, LIMITED	Corporate Planning Dept. Finance Dept.		<p>Status of Significant Concurrent Position(s)</p> <p>None</p>	
April 2018	General Manager, Supply Dept.				
April 2021	Director, Executive Officer				
April 2023	Senior Executive Officer of the Company				
June 2024	Director, Senior Executive Officer				
June 2025	Representative Director, Senior Executive Officer (current position)				
Reasons for choosing the person as candidate	<p>Taisuke Matsuoka has long worked in the sales, supply and demand, and planning departments, and has a wide range of knowledge of the Group's entire business domain. From 2018, he contributed to the formulation of the Group's supply and demand policy and the optimal supply-demand balance as the General Manager of the Supply Dept. at COSMO OIL COMPANY, LIMITED. From 2021, he oversaw the operations of this Group company and achieved results as Director and Executive Officer. Since becoming Senior Executive Officer of the Company in 2023, he has taken charge of the Corporate Planning Dept., Finance Dept., etc. He was appointed Director and Senior Executive Officer in 2024 and Representative Director and Senior Executive Officer in 2025. Throughout this tenure, in addition to carrying out the medium-term management plan, he has successfully reviewed further initiatives for decarbonization. In light of these achievements, the Company proposes Taisuke Matsuoka maintain his position as Director.</p>				

4	Tadashi Okada	New election	July 2, 1968	Male	
Career Summary and Status			Assignment at the Company		
April 1992	Joined COSMO OIL COMPANY, LIMITED	Sustainability Initiative Dept. Human Resource Dept.		<p>Status of Significant Concurrent Position(s)</p> <p>None</p>	
April 2019	General Manager, Sales Planning Dept. of COSMO OIL MARKETING COMPANY, LIMITED	Business Portfolio Management Dept.			
April 2022	Director, Executive Officer				
April 2023	Director, Senior Executive Officer				
April 2026	Senior Executive Officer of the Company (current position)				
Reasons for choosing the person as candidate	<p>Tadashi Okada has worked in the departments of sales, CSR, and corporate planning, among others, and has extensive knowledge across the Group's entire business domain. Beginning in 2019, he served as General Manager of the Sales Planning Dept. at COSMO OIL MARKETING CO., LTD. Beginning in 2022, he served as Director and Executive Officer, and beginning in 2023, as Director and Senior Executive Officer, contributing to the management of that Group company. In these roles, he achieved solid results in business promotion and organizational management, including the formulation and execution of the medium-term management plan for the sales division, development of new businesses, expansion of the digital domain, strengthening of governance, and oversight of overall corporate functions. Based on these achievements, the Company believes that he can further promote the Group's sustainable management and human capital management, and therefore proposes Tadashi Okada as a candidate for Director.</p>				

5	Shigeki Iwane	Reelection	May 27, 1953	Male		
Career Summary and Status		Status of Significant Concurrent Position(s)				
April 1976	Joined The Kansai Electric Power Company, Incorporated	Senior Advisor, YUASA M&B, Co., Ltd.				Number of Shares of the Company Held: 0 shares
June 2007	Executive Officer, General Manager, Planning Office	Advisor, Iwatani Corporation				
June 2010	Managing Director					
April 2012	Representative Director, Vice President					Record of attendance to Board of Directors Meetings: 13/13
June 2013	Representative Director, Executive Vice President					
June 2016	Representative Director, President Outside Director, Mitsubishi Tanabe Pharma Corporation					
May 2019	Chairman, the Federation of Electric Power Companies of Japan					
June 2019	Outside Director, Television Osaka, Inc.					
April 2021	Senior Advisor, YUASA M&B, Co., Ltd. (current position)					
December 2023	Advisor, Iwatani Corporation (current position)					
June 2024	Director of the Company (current position)					
Reasons for choosing the person as candidate	<p>After joining The Kansai Electric Power Company, Incorporated in 1976, Shigeki Iwane has since held various leadership positions, including Executive Officer and General Manager of the Planning Office in 2007, Managing Director in 2010, and Representative Director and Vice President in 2012. In 2016, he was appointed Representative Director and President of the aforementioned company. With extensive experience in corporate management, he possesses significant expertise in the electricity business. He has also served as Outside Director and in other similar roles in various industries, and has properly performed his duties by leveraging his broad knowledge that extends beyond the industry in which the Company operates. In light of these achievements, the Company proposes that Shigeki Iwane maintain his position as Director who does not execute business of the Company.</p>					

6	Ryuko Inoue	Reelection Outside Independent	January 8, 1957	Female	
Career Summary and Status			Status of Significant Concurrent Position(s)		
April 1981	Joined Ministry of Agriculture, Forestry and Fisheries	Of Counsel, Atsumi & Sakai Outside Director, DIGITAL GRID Corporation			Number of Shares of the Company Held: 800 shares
January 2003	Minister, Embassy of Japan in Italy (Permanent Representative of Japan to Food and Agriculture Organization of the United Nations • United Nations World Food Programme)				
April 2016	Deputy Director-General, Agriculture, Forestry and Fisheries Research Council, Ministry of Agriculture, Forestry and Fisheries				Record of attendance to Board of Directors Meetings: 13/13
July 2017	Resigned from Ministry of Agriculture, Forestry and Fisheries				
November 2017	Registered as an attorney at law Of Counsel, Atsumi & Sakai (current position)				
June 2019	Outside Director, NIPPON STEEL TRADING CORPORATION				
June 2021	Outside Director of the Company (current position)				
June 2023	Outside Director of NS United Kaiun Kaisha, Ltd.				
January 2024	Outside Director, DIGITAL GRID Corporation (current position)				
Reasons for choosing the person as candidate and the roles expected of her	<p>After joining the Ministry of Agriculture, Forestry and Fisheries in 1981, Ryuko Inoue took the office of Permanent Representative of Japan to Food and Agriculture Organization of the United Nations • United Nations World Food Programme in 2003, contributing to the growth of the global economy. She is currently an attorney at law at Atsumi & Sakai, and has been active as Outside Director at another company. Based on her experience at the Ministry of Agriculture, Forestry and Fisheries, her extensive knowledge in her current roles as an attorney at law and as an outside director at other companies, she has provided valuable guidance based on her ability to further improve the Company's succession planning and performance-linked executive remuneration as a member of the Nomination and Remuneration Committee. She has also properly executed her duties by leveraging her wide-ranging knowledge that extends beyond the industry to which the Company belongs. In light of these achievements, the Company proposes Ryuko Inoue maintain her position as Independent Outside Director.</p>				

7	Takuya Kurita	Reelection Outside Independent	August 31, 1961	Male	
Career Summary and Status			Status of Significant Concurrent Position(s)		
April 1984	Joined Ministry of Construction (now Ministry of Land, Infrastructure, Transport and Tourism)	Corporate Advisor, Sumitomo Mitsui Trust Bank, Limited			<p>Number of Shares of the Company Held: 800 shares</p> <p>Record of attendance to Board of Directors Meetings: 13/13</p>
September 2007	Counsellor, Cabinet Secretariat				
July 2009	Director, Urban Renewal Promotion Division, Ministry of Land, Infrastructure, Transport and Tourism (MLIT)				
July 2011	Counselor, the Headquarters for the Reconstruction from the Great East Japan Earthquake				
February 2012	Counselor, Reconstruction Agency				
August 2013	Director, Personnel Division, MLIT				
July 2015	Director-General, City Bureau				
July 2018	Director-General, Policy Bureau				
July 2020	Vice-Minister, Land, Infrastructure, Transport and Tourism				
July 2021	Resigned from Vice-Minister, Land, Infrastructure, Transport and Tourism				
October 2021	Corporate Advisor, Sumitomo Mitsui Trust Bank, Limited (current position)				
June 2022	Outside Director of the Company (current position)				
Reasons for choosing the person as candidate and the roles expected of him	<p>Takuya Kurita joined the Ministry of Construction (now the Ministry of Land, Infrastructure, Transport and Tourism) in 1984, and was appointed Director of the Urban Renewal Promotion Division, City and Regional Development Bureau of the Ministry in 2009, where he contributed to the development of the Japanese economy through urban development. He was appointed as Counselor of the Headquarters for the Reconstruction from the Great East Japan Earthquake in 2011, where he directed reconstruction policies, and was appointed as Vice-Minister of the Ministry of Land, Infrastructure, Transport and Tourism in 2020. Since resigning from the post in MLIT in 2021, he has served as Corporate Advisor of Sumitomo Mitsui Trust Bank, Limited and also serves as Project Professor of The University of Tokyo. In addition to his experience working in that government ministry, as well as his wide-ranging knowledge as an advisor, he has provided valuable guidance to further improve the Company's succession planning and performance-linked executive remuneration as a member of the Nomination and Remuneration Committee. He has also properly executed his duties by leveraging his wide-ranging knowledge that extends beyond the industry to which the Company belongs. In light of these achievements, the Company proposes Takuya Kurita maintain his position as Independent Outside Director.</p>				

8	Takako Suzuki	Reelection Outside Independent	March 5, 1962	Female	 Number of Shares of the Company Held: 0 shares Record of attendance to Board of Directors Meetings: 13/13
Career Summary and Status			Status of Significant Concurrent Position(s)		
April 1984	Joined Nissan Motor Co., Ltd.		Chairman, S.T. CORPORATION		
August 2001	Joined LVJ Group Co., Ltd. (now Louis Vuitton Japan Co., Ltd.)		Outside Director, FUJIFILM Holdings Corporation		
January 2010	Joined S.T. CORPORATION		Outside Director, Calbee, Inc.		
April 2013	Director, President & CEO				
March 2020	Outside Director, TRUSCO Nakayama Corporation				
June 2021	Chairman of the Board, President & CEO, S.T. CORPORATION				
September 2022	External Director, KING JIM CO., LTD.				
June 2023	Chairman, S.T. CORPORATION (current position)				
June 2024	Outside Director of the Company (current position) Outside Director, FUJIFILM Holdings Corporation (current position)				
June 2025	Outside Director, Calbee, Inc. (current position)				
Reasons for choosing the person as candidate and the roles expected of her	<p>Takako Suzuki joined Nissan Motor Co., Ltd. in 1984. In 2001, she engaged in public relations and marketing for products targeting women at multiple companies, including the Louis Vuitton Group, and made significant contributions in this field by leveraging her insights. In 2010, she joined S.T. CORPORATION, where she produced numerous hit products as part of a design revolution, and she was appointed Director, President and CEO in 2013 and Chairperson in 2023. She has properly performed her duties by leveraging her broad knowledge that extends beyond the industry in which the Company operates, including her extensive experience as an Outside Director. In light of these achievements, the Company proposes Takako Suzuki maintain her position as Independent Outside Director.</p>				

- (Notes) 1. No special interests exist between the Company and any of the candidates.
2. Ryuko Inoue, Takuya Kurita and Takako Suzuki are the candidates for Outside Directors.
 3. Ryuko Inoue is currently the Outside Director and the term of office of her will be five (5) years at conclusion of this Meeting.
 4. Takuya Kurita is currently the Outside Director and the term of office of him will be four (4) years at conclusion of this Meeting.
 5. Takako Suzuki is currently the Outside Director and the term of office of her will be two (2) years at conclusion of this Meeting.
 6. Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company has entered into agreements with Shigeki Iwane, Ryuko Inoue, Takuya Kurita, and Takako Suzuki to limit the liability for damages under Article 423, paragraph 1 of the said act. The limitation of the liability for damages under the relevant agreements are the minimum liability amount set forth in Article 425, paragraph 1 of the Companies Act. In the event that the reelection of each candidate is approved, the Company plans to renew these agreements with them.
 7. The Company has entered into indemnity agreements with all Directors that enable the Company to compensate Directors for expenses stipulated in item 1 and losses stipulated in item 2 of paragraph 1, Article 430-2 of the Companies Act, within the scope prescribed in laws and regulations. If this proposal is approved and adopted, the Company plans to renew the indemnity agreements with each reelected candidate above and also enter into a new agreement having the same details with Tadashi Okada.
 8. The Company has concluded a directors and officers liability insurance contract with an insurance company in

accordance with Article 430-3, paragraph 1 of the Companies Act. This contract covers damages and defense costs to be borne by insured persons including Directors of the Company arising from corporate litigations or derivative lawsuits. In the event that the election of each candidate is approved, they will be insured persons in the insurance contract. In addition, when such insurance contract is next reviewed, the Company plans to renew with the same details.

9. The Company has notified Ryuko Inoue, Takuya Kurita, and Takako Suzuki as Independent Directors to the Tokyo Stock Exchange. In the event that the reelection of each candidate is approved, the Company plans to continue to notify them as Independent Directors.

Proposal No. 3:


Election of Two (2) Directors who are Members of the Supervisory Committee

The terms of office of Takayuki Uematsu and Toshihiro Kuriyama, Directors who are Members of the Supervisory Committee, will expire at the close of this General Meeting of Shareholders. Therefore, it is proposed that two (2) Directors who are Members of the Supervisory Committee be elected.

The proposal at the Meeting had already been agreed upon by the Supervisory Committee.

The candidates for Directors who are Members of the Supervisory Committee are as follows.

1	Junko Takeda	New election	May 1, 1967	Female	 Number of Shares of the Company Held: 47,300 shares Record of attendance to Board of Directors Meetings: 13/13
Career Summary and Status		Status of Significant Concurrent Position(s)			
April 1990	Joined COSMO OIL COMPANY, LIMITED	None			
October 2015	General Manager, Human Resource and General Affairs Dept.				
April 2017	General Manager, Planning & Management Dept.				
April 2019	Director, Executive Officer				
April 2020	Executive Officer, General Manager, Human Resource Dept. of the Company				
April 2022	Senior Executive Officer				
June 2022	Director, Senior Executive Officer				
April 2025	Representative Director, Senior Executive Officer				
April 2026	Director (current position)				
Reasons for choosing the person as candidate and the roles expected of her	After gaining broad experience in a wide range of operations, including key departments such as sales and planning, Junko Takeda served as Executive Officer of the Company from 2020, promoting the strengthening of the management foundation and Group-wide initiatives. She served as Director and Senior Executive Officer from 2022 and achieved solid results, including the formulation of the 7th Consolidated Medium-Term Management Plan, Human Rights Policy, and Human Resources Policy. She then served as Representative Director and Senior Executive Officer from 2025, leading the Group's overall management, including sustainable management. She has extensive knowledge and experience in the Company's overall business and business operations, as well as significant insight into risk management and compliance. The Company believes that, as Director who is a Member of the Supervisory Committee, she will properly supervise and audit the Board of Directors' decision making on important management matters, as well as business execution. In light of these qualities, the Company proposes her election as Director who is a Member of the Supervisory Committee.				

2	Toshihiro Kuriyama	Reelection Outside Independent	April 25, 1957	Male	
Career Summary and Status		Status of Significant Concurrent Position(s)			
<p>April 1980</p> <p>June 2004</p> <p>April 2007</p> <p>April 2009</p> <p>June 2011</p> <p>June 2012</p> <p>January 2019</p> <p>June 2023</p> <p>June 2024</p>	<p>Joined ALPS ELECTRIC CO., LTD. (now ALPS ALPINE CO., LTD.)</p> <p>Director, General Manager, Magnetic Devices Division</p> <p>Director, General Manager, Business Development Headquarters</p> <p>Director, General Manager, Engineering Headquarters and Quality Management Executive</p> <p>Managing Director</p> <p>Representative Director, President</p> <p>Representative Director, President, Executive Officer</p> <p>Representative Director, Chairman</p> <p>Outside Director (Member of the Supervisory Committee) of the Company (current position)</p>	None			
<p>Reasons for choosing the person as candidate and the roles expected of him</p>	<p>Toshihiro Kuriyama joined ALPS ELECTRIC CO., LTD. (now ALPS ALPINE CO., LTD.) in 1980. After working as the General Manager of the Business Development Headquarters and the General Manager of the Engineering Headquarters, he was appointed President and Chairman of the Board of Directors in 2012. Alps Electric operates businesses extensively in Japan and overseas that are indispensable to the mobility industry, including the development and sale of automotive in-vehicle information equipment. As President, he has led the company for the last 11 years. Not only has he expanded its business operations, but he established various systems required by the company, including a suitable governance framework and initiatives geared towards decarbonization. In 2024, he was appointed as a Director who is a Member of the Supervisory Committee of the Company, and since then has properly conducted audits. In light of these achievements, the Company proposes Toshihiro Kuriyama maintain his position as Independent Outside Director who is a Member of the Supervisory Committee.</p>				

- (Notes) 1. No special interests exist between the Company and any of the candidates.
2. Toshihiro Kuriyama is the candidate for Outside Director.
3. Toshihiro Kuriyama is currently the Outside Director who is a Member of the Supervisory Committee and the term of office of him will be two (2) years at conclusion of this Meeting.
4. Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company has entered into an agreement with Toshihiro Kuriyama to limit the liability for damages under Article 423, paragraph 1 of the said act. The limitation of the liability for damages under the relevant agreement is the minimum liability amount set forth in Article 425, paragraph 1 of the Companies Act. In the event that the reelection of Toshihiro Kuriyama is approved, the Company plans to renew the agreement with him.
5. The Company has entered into indemnity agreements with each Director that enable the Company to compensate Directors for expenses stipulated in item 1 and losses stipulated in item 2 of paragraph 1, Article 430-2 of the Companies Act, within the scope prescribed in laws and regulations. If the election of each candidate is approved, the Company plans to renew the indemnity agreements.
6. The Company has concluded a directors and officers liability insurance contract with an insurance company in accordance with Article 430-3, paragraph 1 of the Companies Act. This contract covers damages and defense costs to be borne by insured persons including Directors who are Members of the Supervisory Committee arising from corporate litigations or derivative lawsuits. In the event that the election of each candidate for Director who is a

Member of the Supervisory Committee is approved, they will be insured persons in the insurance contract. In addition, when such insurance contract is next reviewed, the Company plans to renew with the same details.

7. The Company has notified Toshihiro Kuriyama as Independent Director to the Tokyo Stock Exchange. In the event that the reelection of Toshihiro Kuriyama is approved, the Company plans to continue to notify him as Independent Director.

(Reference)

■ Definition of skill

Based on the Company's medium- to long-term management direction, the Company defines the skills required of Directors and Executive Officers as follows.

By defining a skill matrix not only for Directors but also for Executive Officers, we have created a structure to encourage officers, including Executive Officers, to work together to promote the sustainable enhancement of corporate value.

Skill	Definition of skill
Corporate Management	Has experience and insights to lead an organization in accordance with management strategy by leveraging experience in business execution as CEO or in some other role at an operating company
Petroleum Supply Chain	Has experience and insight needed to enhance corporate value by leveraging specialized knowledge of petroleum business
Business Development / Innovation	Has experience and insight in building new business models and assessing business feasibility through projects for business development and transformation
Sustainability (ESG) / Risk Management	Has experience and insight in sustainable management and risk management based on ESG perspectives
AI / DX / Technology	Has experience and insight in solving business issues and creating business value by leveraging advanced and scientific technologies, including AI
Marketing / PR	Has experience and insight in strategic marketing and public relations, with familiarity with customers and market trends
Legal Affairs / Compliance	Has experience and insight in enhancing the transparency and soundness of corporate management, with familiarity with corporate legal affairs and compliance
Human Resources / Human Resource Development / Diversity	Has experience and insight in human capital management, including human resource development and the promotion of diversity, from a strategic human resources perspective
Finance / IR / Accounting / Taxation	Has experience and insight in financing, financial closing, and disclosure for a corporate group, based on perspectives in finance, IR, accounting, and tax
Internationality	Has experience and insight in management in a global business environment based on an understanding of diverse cultures and practices

■ Skill matrix (scheduled)

Shown below are the experience, knowledge and expertise of the Directors and Executive Officers if Proposal No. 2 and Proposal No. 3 are approved as proposed.

Name	Directors								
	Hiroshi Kiriya	Shigeru Yamada	Taisuke Matsuoka	Tadashi Okada	Shigeki Iwane	Ryuko Inoue	Takuya Kurita	Takako Suzuki	
Role	Chairperson, Director Member of the Nomination and Remuneration Committee	President, Representative Director, Chief Executive Officer	Representative Director, Senior Executive Officer	Director, Senior Executive Officer	Director	Outside Director Member of the Nomination and Remuneration Committee	Outside Director Member of the Nomination and Remuneration Committee	Outside Director	
Experience, knowledge, and expertise etc. (areas in which the individual has a higher level of expertise are marked with ◎)									
Corporate Management	◎	◎			◎			◎	
Petroleum Supply Chain	◎	◎	◎	◎					
Business Development / Innovation	○	○	◎		◎		◎	○	
Sustainability (ESG) / Risk Management	○			◎		○		○	
AI / DX / Technology				◎			◎		
Marketing / PR	○							◎	
Legal Affairs / Compliance						◎			
Human Resources / Human Resource Development / Diversity		○		○		○	○		
Finance / IR / Accounting / Taxation		○	◎		○			○	
Internationality						○			

*The table lists up to five of the key skills and does not show all of the skills they possess.

(Diversity of the Board of Directors)

1. All Directors

Outside Director	Internal Director
6 persons	6 persons
50%	50%

Female	Male
4 persons	8 persons
33%	67%

Directors				Executive Officers					
Junko Takeda	Yasuko Takayama	Keiichi Asai	Toshihiro Kuriyama	Noriko Rzonca	Hiroaki Ohtsuka	Tomoki Iwai	Hideyuki Wakao	Takahiro Kudo	Kazuo Nakaya
Director, Member of the Supervisory Committee	Outside Director, Chairperson of the Supervisory Committee, Member of the Nomination and Remuneration Committee	Outside Director, Member of the Supervisory Committee, Chairperson of the Nomination and Remuneration Committee	Outside Director, Member of the Supervisory Committee	Senior Executive Officer	Senior Executive Officer	Senior Executive Officer	Executive Officer	Executive Officer	Executive Officer

Supervisory Committee										
	Junko Takeda	Yasuko Takayama	Keiichi Asai	Toshihiro Kuriyama	Noriko Rzonca	Hiroaki Ohtsuka	Tomoki Iwai	Hideyuki Wakao	Takahiro Kudo	Kazuo Nakaya
			◎	◎					○	
	◎		◎			◎	○	○	◎	
			○	○		◎			○	
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			○		◎					

2. Supervisory Committee

Outside Director	Internal Director
3 persons	1 person
75%	25%

* The Chairperson of this Committee is an Outside Director.

3. Nomination and Remuneration Committee

Outside Director	Internal Director
4 persons	1 person
80%	20%

* The Chairperson of this Committee is an Outside Director.

1. Reasons for proposing and considering the compensation as reasonable

For the purpose of achieving the financial and non-financial targets in the Company's Group-wide strategies and to have the Directors committed to steadily deepening the sharing of lasting interests with shareholders and improving corporate value over the medium to long term, at the 3rd Ordinary General Meeting of Shareholders held on June 21, 2018, the Company obtained approval to introduce a share-based compensation plan (hereafter the "Plan") for Directors (excluding Outside Directors, Directors who are not involved in business execution, Directors who are Members of the Supervisory Committee, and non-residents of Japan; hereafter "Directors") and Executive Officers (excluding non-residents of Japan; hereafter "Executive Officers") (collectively referred to as "Directors, etc."), whereby the Company's shares are delivered in proportion to the level of achievement of performance targets. Subsequently, at the 9th Ordinary General Meeting of Shareholders held on June 20, 2024, the Company obtained shareholders' approval to change the upper limit on the amount of contributions in response to inflation and rising wages in Japan and overseas, the possibility of appointing external personnel in the future, and potential further increases in performance-linked remuneration. Since then, the Company has continued the Plan.

From the perspective of further enhancing the motivation of the Directors, etc. to improve corporate value, this proposal requests approval for amendments to the Plan covering the three-business-year evaluation period from FY2026 to FY2028, as described in "(1) Outline of the Plan" under "2. The amount and other details of compensation, etc. under the Plan after the amendment" below. The amendments consist of changing the performance indicator from the conventional "TSR relative to the TOPIX growth rate" to "TSR relative to the TOPIX Total Return Index growth rate" and changing the ratio of the "performance-linked portion" to the "non-performance-linked portion" from 50:50 to 65:35. In the Plan after the amendment, as approved at the 9th Ordinary General Meeting of Shareholders, the upper limits on the money to be contributed by the Company and the number of the Company's shares, etc. to be delivered or otherwise provided to the Directors, etc. will be as follows: for each Trust, the applicable period will be three business years, and, for each such applicable period, the upper limit on the money to be contributed by the Company will be a total of ¥1.0 billion, and the upper limit on the number of points to be granted to the Directors, etc. will be a total of 1,400,000 points, equivalent to 1,400,000 shares. This upper limit on the number of points has been adjusted according to the split ratio of the stock split conducted with September 30, 2025 as the record date, from the initially approved total of 700,000 points, equivalent to 700,000 shares.

This proposal is submitted to resolve the specific calculation method for compensation, etc., the amount of which has not been determined. The specific timing of payment and allocation to the Directors, etc. and other matters will be determined within that framework by the Board of Directors after deliberation and recommendation by the Nomination and Remuneration Committee. In addition, the Plan is subject to malus and clawback provisions. Under these provisions, if grounds are found for the retroactive correction of financial statements due to a material accounting error or misconduct by a Director, etc., the Company may, whether before or after payment or delivery, require such Director, etc. to forfeit the right to receive all or part of the compensation or to return all or part of the compensation, by resolution of the Board of Directors after deliberation by the Nomination and Remuneration Committee and with maximum respect for the opinion of that Committee.

If Proposal No. 2 "Election of Eight (8) Directors (excluding those who are Members of the Supervisory Committee)" is approved and adopted as proposed, the number of eligible Directors for the Plan will be four (4).

As described above, the partial amendment to the Plan is intended to further enhance the motivation of the Directors, etc. to improve corporate value, and the Company believes that it is reasonable in light of such purpose and the details of the amendment.

In addition, the Company has received a report from the Supervisory Committee stating that this proposal is appropriate, having been decided on by the Board of Directors after passing through the deliberation process of the Nomination and Remuneration Committee, which includes four Independent Outside Directors.

2. The amount and other details of compensation, etc. under the Plan after the amendment

(1) Outline of the Plan

The Plan is a share-based compensation plan, under which the Company's shares are acquired through trusts set every year with the amount of compensation for Directors, etc., to be contributed by the Company as the underlying asset and the Company's shares and the money in the amount equivalent to the exchange value of the Company's shares (the "Company's shares, etc.") are delivered and provided to Directors, etc. ("Delivery, etc."). The amendments proposed in this proposal are as shown in the table below.

	Before amendment	After amendment (amended parts are underlined)	
1	Persons eligible for the Delivery, etc. of the Company's shares etc. under this proposal	<ul style="list-style-type: none"> • The Company's Directors (excluding Outside Directors, Directors who are not involved in business execution, Directors who are Members of the Supervisory Committee, and non-residents of Japan) • The Company's Executive Officers (excluding non-residents of Japan) 	• (No change)
2	Maximum amount of money contributed by the Company (as described in (2) below)	• Each trust covers a period of three fiscal years, up to a total of ¥1.0 billion for each period	• (No change)
3	Maximum number of the Company's shares etc. to be delivered and provided to the Directors, etc. (as described in (3) below)	<ul style="list-style-type: none"> • For each of the Trusts, a maximum of 1,400,000 points (equivalent to 1,400,000 shares) are granted to the Directors, etc., during a period of three fiscal years * The initial upper limit of 700,000 points (equivalent to 700,000 shares) has been adjusted according to the split ratio of the stock split conducted with September 30, 2025 as the record date. 	• (No change)
4	Methods for acquiring the Company's shares (as described in (2) below)	<ul style="list-style-type: none"> • The maximum number of points to be granted to the Directors, etc., for each trust and for each period is equivalent to approximately 0.9% of the total number of the Company's shares issued (as of March 31, 2026, excluding treasury shares). • The Company's shares will not be diluted, as they are planned to be obtained from the stock market. 	• (No change)
5	Details of the terms of achieving performance targets for the performance-linked portion (as described in (3) below)	• Fluctuate within a range of 0 – 200% according to <u>TSR relative to the TOPIX growth rate, consolidated net D/E ratio, etc.</u> of each period.	• Fluctuate within a range of 0 – 200% according to <u>TSR relative to the TOPIX Total Return Index growth rate, consolidated net D/E ratio, etc.</u> of each period.
6	Timing of Delivery, etc. of the Company's shares etc. (as described in (4) below)	• After a period of three fiscal years, in principle	• (No change)
7	Ratio of base points granted to Directors, etc. for each Trust for each period	• Performance-linked portion: <u>50%</u> ; non-performance-linked portion: <u>50%</u>	• Performance-linked portion: <u>65%</u> ; non-performance-linked portion: <u>35%</u>

(2) Maximum amount of moneys contributed by the Company

Under the Plan, every year, the Company contributes up to ¥1.0 billion to an incentive plan for a period of three consecutive fiscal years (the “Applicable Period”) (the initial period is from the fiscal year ending March 31, 2027 through the year ending March 31, 2029) and creates a trust (the “Trust”) lasting approximately three years with Directors, etc., who meet the requirements as beneficiaries (including the renewal of the Trust by making changes or additions to the existing trust, where necessary, instead of creating a new trust; the same applies hereafter). More specifically, a maximum of three trusts can exist concurrently as long as the Trust is renewed.

Under the Trust, the Company’s shares are acquired from the stock market in accordance with a trust administrator’s directions with trusted money as the underlying asset. The Company grants points to Directors, etc., during the trust period (as described in (3) below) and the Company’s shares, etc., are delivered and provided. In addition, the Trust may be renewed when its trust period expires, by making changes and additional trusts, where necessary, to the existing trust. In this case, the period of the Trust is extended for three more years and additional contributions are made up to a total of ¥1.0 billion for each Applicable Period corresponding to the extended period of the Trust and points continue to be granted to Directors, etc., during this period.

However, where these additional contributions are made, if there are any of the Company’s shares and money remaining in the trust assets on the last day of the trust period before the extension (the “Remaining Shares, etc.”), the sum of (the acquisition value of) the Remaining Shares, etc., and the additional contributions to the trust money shall be up to ¥1.0 billion per Applicable Period. The extension of the trust period is not limited to once, and the Trust may be renewed likewise hereafter.

(3) Maximum number of the Company’s shares etc. to be delivered and provided to Directors, etc.

The compensation under the Plan consists of a “performance-linked portion” that the Company’s shares, etc., are delivered and provided according to the level of achievement of performance targets over the Applicable Period with its main objective of giving an incentive for the Company’s sustainable growth and medium to long-term improvements in corporate value and a “non-performance-linked portion” that a certain number of the Company’s shares, etc., are delivered and provided with its main objective of encouraging shareholdings during the term of office so that interests are shared with our shareholders.

For each of the Trusts, Directors, etc. will be granted base points determined for each position on the first July 1 during the Applicable Period. The ratio of the “performance-linked portion” to the “non-performance-linked portion” within the base points shall be determined by the Board of Directors after deliberation by, and recommendation from, the Nomination and Remuneration Committee.

To those who meet beneficiary requirements during a certain period of time after the Applicable Period, the respective base points of the “performance-linked portion” and the “non-performance-linked portion” are converted to stock delivery points using the following calculation method, and the Company’s shares, etc., in the number corresponding to a total of these stock delivery points are delivered and provided.

The “performance-linked portion” is converted to stock delivery points after the Applicable Period by being multiplied by a coefficient corresponding to the term of office during the Applicable Period and a performance-linked coefficient corresponding to the level of achievement of performance targets over the Applicable Period. In addition, the performance-linked coefficient shall fluctuate within a range of 0 – 200% according to factors such as the level of achievement of the performance evaluation indicators and performance targets determined by the Board of Directors after deliberation and recommendation by the Nomination and Remuneration Committee.

The “non-performance-linked portion” is converted to stock delivery points after the Applicable Period by being multiplied by a coefficient corresponding to the term of office during the Applicable Period.

However, if a Director, etc. dies or becomes a non-resident of Japan during the trust period, the number of base points will be calculated reasonably in accordance with the calculation method prescribed in advance by the Board of Directors after deliberation by the Nomination and Remuneration Committee, and the points will be converted to stock delivery points promptly. If a Director, etc. retires during the trust period due to reasons not deemed legitimate by the Board of Directors, such as transfer to a competing company, disciplinary action, or personal reasons, all base points already granted to the Director, etc. will be forfeited.

If, during the trust period, matters concerning a merger agreement under which the Company becomes the disappearing company, a share exchange agreement under which the Company becomes a wholly owned subsidiary, a share transfer plan, or other organizational restructuring, etc. are approved at the Company's General Meeting of Shareholders, or by the Company's Board of Directors if approval by the Company's General Meeting of Shareholders is not required for such organizational restructuring, etc., the number of base points will be calculated reasonably in accordance with the calculation method prescribed in advance by the Board of Directors after deliberation by the Nomination and Remuneration Committee, and the points will be converted to stock delivery points promptly prior to the effective date of such organizational restructuring, etc.

One (1) point shall be one (1) Company share. But in the event of a split, reverse split, etc., of the Company's shares during the trust period, the number of the Company's shares per one (1) point (including the number of shares subject to the exchanges) shall be adjusted according to the ratio of split, reverse split, etc., of the Company's shares. The total number of stock delivery points to be granted to Directors, etc., for each Trust shall be capped at 1,400,000 points for each Applicable Period comprising three fiscal years.

(4) Timing of Delivery etc. of the Company's shares etc. to the Directors, etc.

Directors, etc., who meet beneficiary requirements shall receive the Delivery, etc., of the Company's shares, etc., from the Trust in the number corresponding to the number of the stock delivery points as calculated in (3) above, by taking the predefined procedure to determine beneficiaries after the Applicable Period. In this case, Directors, etc., receive the Company's shares worth 50% of the stock delivery points (the number of fractional shares is rounded down) and the Company's shares corresponding to the number of remaining stock delivery points in the money from the Trust, after the exchange within the Trust, in the amount equivalent to such exchange.

In addition, when Directors, etc., who meet beneficiary requirements are to become a non-resident of Japan during the trust period, such Directors, etc., shall receive the money, which is worth the number of the stock delivery points that is calculated after the decision of becoming a non-resident of Japan, from the Trust after the exchange of the Company's shares within the Trust, in the amount equivalent to such exchange, by taking the predefined procedure to determine beneficiaries.

When Directors, etc., who meet beneficiary requirements pass away during the trust period, the heirs of such Directors, etc., shall receive the money, which is worth the number of the stock delivery points that is calculated after the death, from the Trust after the exchange of the Company's shares within the Trust, in the amount equivalent to such exchange, by taking the predefined procedure to determine beneficiaries.

If, during the trust period, matters concerning a merger agreement under which the Company becomes the disappearing company, a share exchange agreement under which the Company becomes a wholly owned subsidiary, a share transfer plan, or other organizational restructuring, etc. are approved at the Company's General Meeting of Shareholders, or by the Company's Board of Directors if approval by the Company's General Meeting of Shareholders is not required for such organizational restructuring, etc., the relevant Directors, etc. shall receive the money, which is worth the number of the stock delivery points that is calculated after the approval of the matters concerning such organizational restructuring, etc., from the Trust after the exchange of the Company's shares within the Trust, in the amount equivalent to such exchange, by taking the predefined procedure to determine beneficiaries.

(5) Exercising voting rights related to the Company's shares

Voting rights related to the Company's shares under the Trust may not be exercised during the trust period to ensure neutrality of the Company's management.

(6) Handling of dividends of surplus of the Company's shares

Dividends of surplus of the Company's shares held in the Trust will be received by the Trust and assigned to the Trust's fees, expenses, etc.

(7) Other details of the Plan

Other details of the Plan shall be determined by the Board of Directors each time the Trust is established, the trust agreement is modified, or additional contributions are made to the Trust.

(Reference)

The same trust will continue to be used for the Plan for Directors (excluding Outside Directors and non-residents of Japan) of the Group's core business companies (Cosmo Oil Co., Ltd., Cosmo Oil Marketing Company, Limited, and Cosmo Energy Exploration & Production Co., Ltd.).

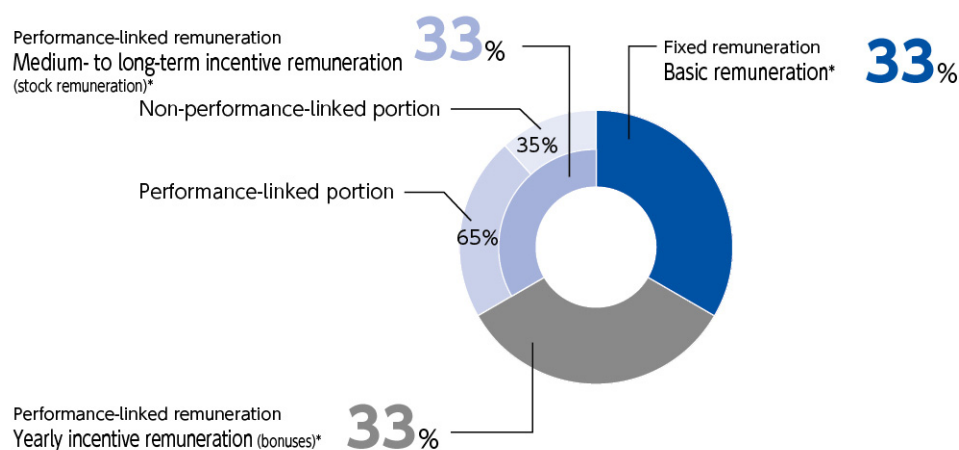
Reference: Executive officer remuneration plan for the FY2026 (Outline)

The Company's Nomination and Remuneration Committee has continuously discussed the ideal form of the executive officer remuneration plan for the Company and its stakeholders. In this context, the Committee has deliberated and considered revising the executive officer remuneration plan from FY2026 based on the medium- to long-term management direction so that the Group's management teams can work together as one towards sustainable enhancement of corporate value. Subject to the approval of Proposal No. 4 at this General Meeting of Shareholders as originally proposed, the Company plans to adopt the executive remuneration plan for FY2026, an overview of which is provided below.

(1) Executive Officer remuneration plan

The remuneration system for Executive Officers of the Group is comprised of fixed salaries as basic remuneration; yearly incentive remuneration that is linked to the Company's single-year performance (profit attributable to owners of parent (excluding the impact of inventory valuation)), initiatives for achieving sustainability targets, and the performance of individuals based on the perspective of their management nomination; and medium- to long-term incentive remuneration that varies according to the degree of the Company's achievement of performance targets etc. for three fiscal years.

As for the level of remuneration and the composition ratio of basic remuneration, yearly incentive remuneration, and medium- to long-term incentive remuneration, an "executive compensation database" operated by an outside consulting firm is used as data for analysis, and validity is verified based on an objective benchmark analysis of the latest conditions for the level and composition of Director remuneration at major domestic corporations. Specifically, we established the competitive enough level of basic remuneration comparable with major domestic corporations, while setting greater proportion of incentive remuneration for Directors with higher positions, thereby reflecting the weight of management responsibilities on the composition ratio of Director remuneration by position. The remuneration composition ratio for the President and Representative Director of the Company, when each incentive remuneration is based on the yearly standard amount, is as shown in the figure below.



* The composition ratio of basic remuneration, yearly incentive remuneration, and medium- to long-term incentive remuneration varies depending on the position level.

The remuneration for the Company's Outside Directors, Directors who are not involved in business execution, and Directors who are Members of the Supervisory Committee consists only of a set amount of basic remuneration so that they can fulfill their supervisory roles appropriately from the standpoint of individuals who are not involved in business execution.

Basic remuneration is paid each month. As for yearly incentive remuneration and medium- to long-term incentive remuneration, remuneration is paid or standard points are granted at a certain time every year.

(2) Performance evaluation indicators for incentive remuneration and reasons for their selection, etc.

The performance evaluation indicators for the Company's incentive remuneration, the reasons for their selection, etc. are as shown in the table below.

Type of remuneration	Performance evaluation indicator	Reason for selecting the performance evaluation indicator	Evaluation weight in the yearly standard amount	Range of fluctuation in payment ratio relative to the yearly standard amount
Yearly incentive remuneration	Profit attributable to owners of parent (excluding the impact of inventory valuation)	Consistency with shareholder return policy Continuity with the employee bonus system	80%	0 – 200%
	Initiatives for achieving sustainability targets	Promotion of sustainable management	10%	
	Individual performance	Improvement of governance through alignment with nomination	10%	
Medium- to long-term incentive remuneration (performance-linked portion)	TSR relative to the TOPIX Total Return Index growth rate	Evaluation of the skill involved in creating corporate value	100%	0 – 200%
	Consolidated net D/E ratio	Ensuring financial health		

For yearly incentive remuneration, as a general rule, performance is evaluated, and the amount of payment is determined based on a formula prescribed in advance by the Board of Directors after deliberation and verification of its appropriateness by the Nomination and Remuneration Committee. However, if business conditions arise under which the payment of yearly incentive remuneration is deemed inappropriate, such as a significant deterioration in performance, no payment may be made by resolution of the Board of Directors of the Company and the Boards of Directors of the Company's core business companies, subject to deliberation by the Nomination and Remuneration Committee.

Medium- to long-term incentive remuneration is a non-monetary, performance-linked share-based compensation plan (the "Plan"). Each year, the Company establishes an incentive plan as compensation for the execution of duties during the applicable business execution period, for which three consecutive business years are set as the period subject to evaluation (the "Applicable Evaluation Period"). The incentive plan to be established in FY2026 has an Applicable Evaluation Period covering the three consecutive business years from FY2026 to FY2028. For each Executive Officer engaged in business execution who is eligible under the Plan, 65% of the basic points defined for each position will be granted as the "performance-linked portion," and the remaining 35% will be granted as the "non-performance-linked portion." As a general rule, in August after the Applicable Evaluation Period has elapsed, for those who satisfy certain requirements, the number of basic points for each of the "performance-linked portion" and the "non-performance-linked portion" will be converted into stock delivery points based on a formula prescribed in advance by the Board of Directors after deliberation and verification of its appropriateness by the

Nomination and Remuneration Committee. The Company's common shares (the "Company's Shares") will be delivered according to the total number of such stock delivery points. To secure funds for tax payments, approximately 50% of the Company's Shares will be sold on the stock market, and the proceeds from such sale will be paid.

(3) Malus and clawback provisions

To ensure the soundness of the remuneration program, the Company has established malus and clawback provisions under which, if grounds are found for the retroactive correction of financial statements due to a material accounting error or misconduct by a Director, etc., the Company may, within three years from the occurrence of the relevant event, require such Director, etc. to forfeit the right to receive all or part of the incentive remuneration or return all or part of the incentive remuneration, by resolution of the Board of Directors after deliberation by the Nomination and Remuneration Committee and with maximum respect for the opinion of that Committee. These provisions apply to incentive remuneration paid after the 10th Ordinary General Meeting of Shareholders held in June 2025 and will apply to all periods thereafter.

(4) Stock ownership guidelines

To ensure sustainable value sharing with all stakeholders, shareholding guidelines have been established for Executive Officers of the Group. Specifically, Chairperson and President of the Company shall aim to attain standard holding value including the potential shareholding (the value of non-performance-linked portion of standard points granted through medium- to long-term incentive remuneration) equivalent to 1.5 times annual basic remuneration within five years from their appointment, while Executive Officers of the Group shall aim to attain the same level as annual basic remuneration also within five years from their appointment.