



ESG Presentation FY2024

December 16, 2024

Cosmo Energy Holdings Co., Ltd.

Shigeru Yamada, Representative Director, Group CEO

Junko Takeda, Director, Senior Executive Officer

Noriko Rzonca, Senior Executive Officer, CDO

Keiichi Asai, Independent Outside Director, Chairperson, Nomination and Remuneration Committee

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Representative Director,
Group CEO

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Director,
Senior Executive Officer

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Senior Executive
Officer, CDO

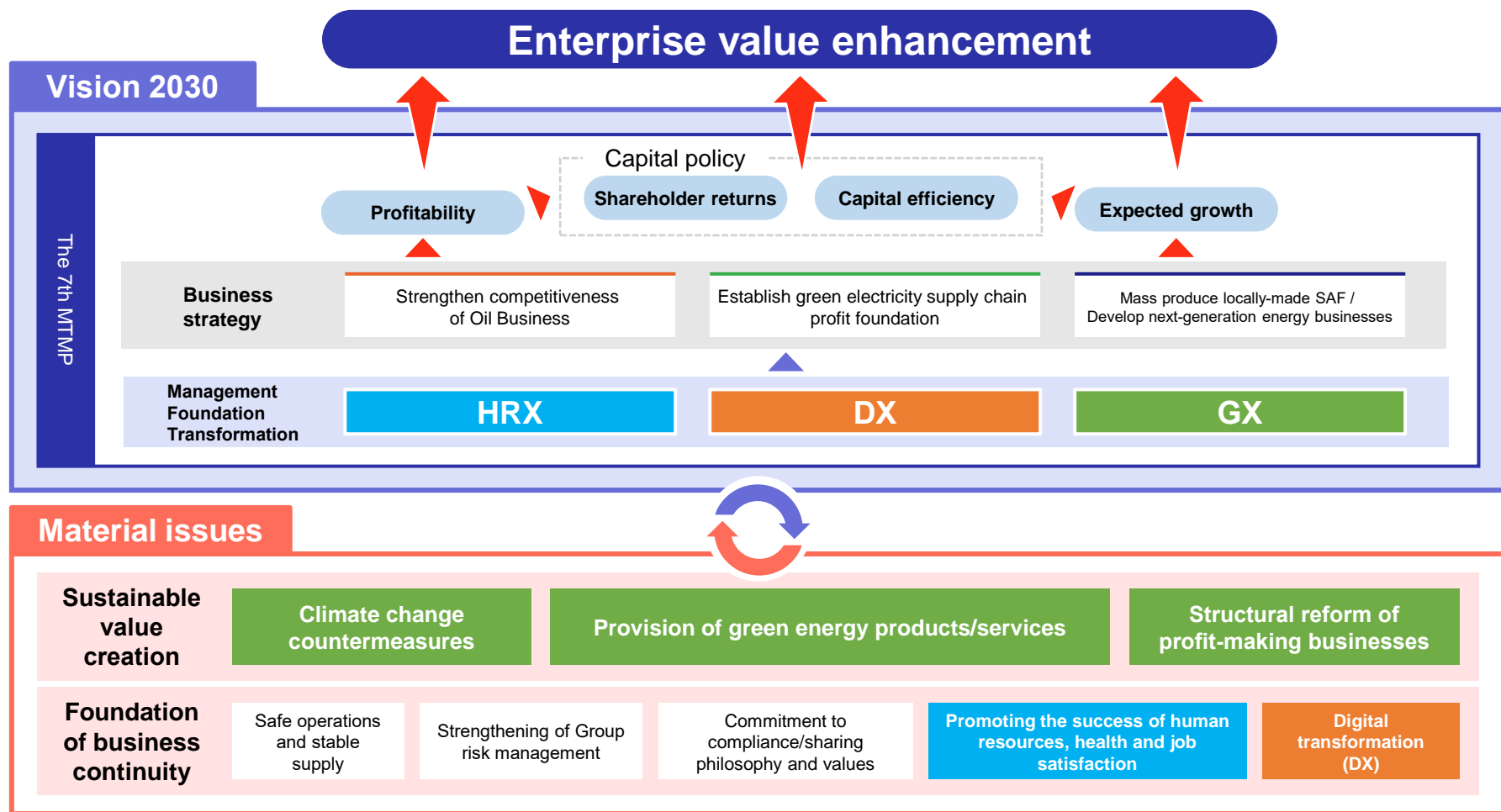
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Vision 2030 & Sustainability Management

Material issues, Vision 2030 & the 7th MTMP

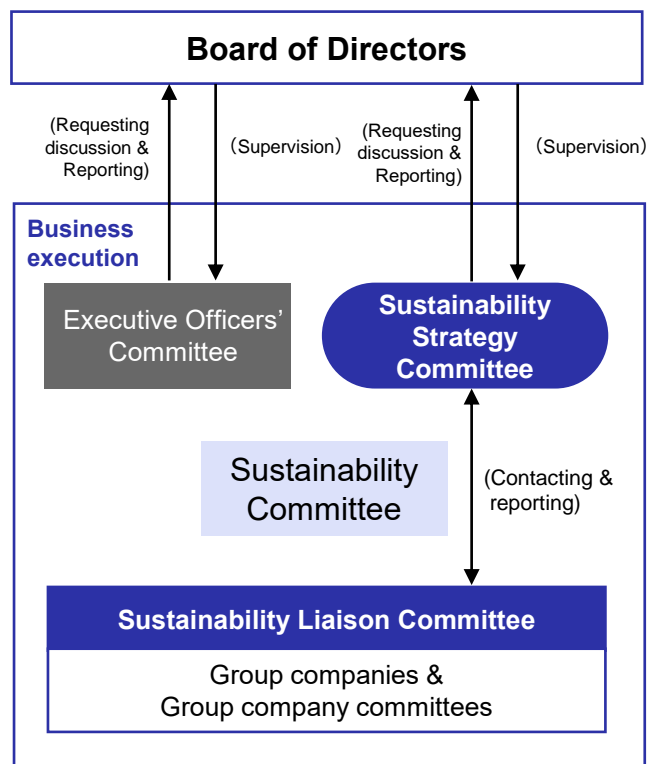
- Material issues identified from a long-term perspective and the 7th MTMP are linked, and by addressing material issues, we will transform the management foundation (HRX, DX, GX) and enhance enterprise value.



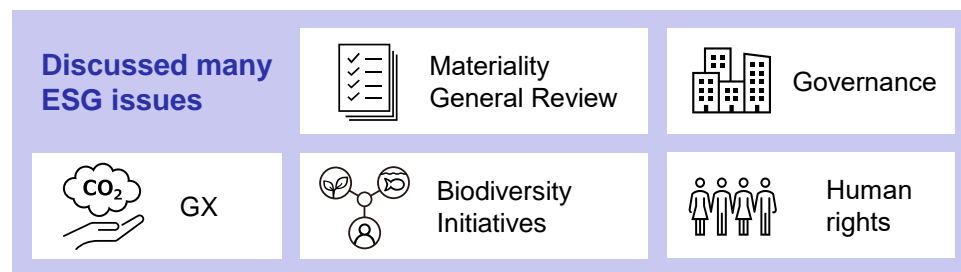
Our Sustainability Governance

- Running the Sustainability Strategy Committee and the PDCA cycle.
- Management-level discussions on a range of ESG issues are held at Sustainability Strategy Committee.
- Utilizing the system in anticipation of SSBJ compliance, ESG data collection and third-party assurance in the same scope as financials are obtained and included in the annual securities report.

Governance System Driving Sustainability



Major themes discussed by the Sustainability Strategy Committee



FY2023

Apr.	• Corporate governance code
May	• Net zero carbon emissions by 2050
Jun.	• Materiality general review • Operation of compliance and whistleblowing system • Enterprise risk management (ERM)
Sep.	• Enterprise risk management (ERM)
Nov.	• Materiality general review
Jan.	• Human rights due diligence • Sustainable procurement
Mar.	• Net zero carbon emissions by 2050

FY2024

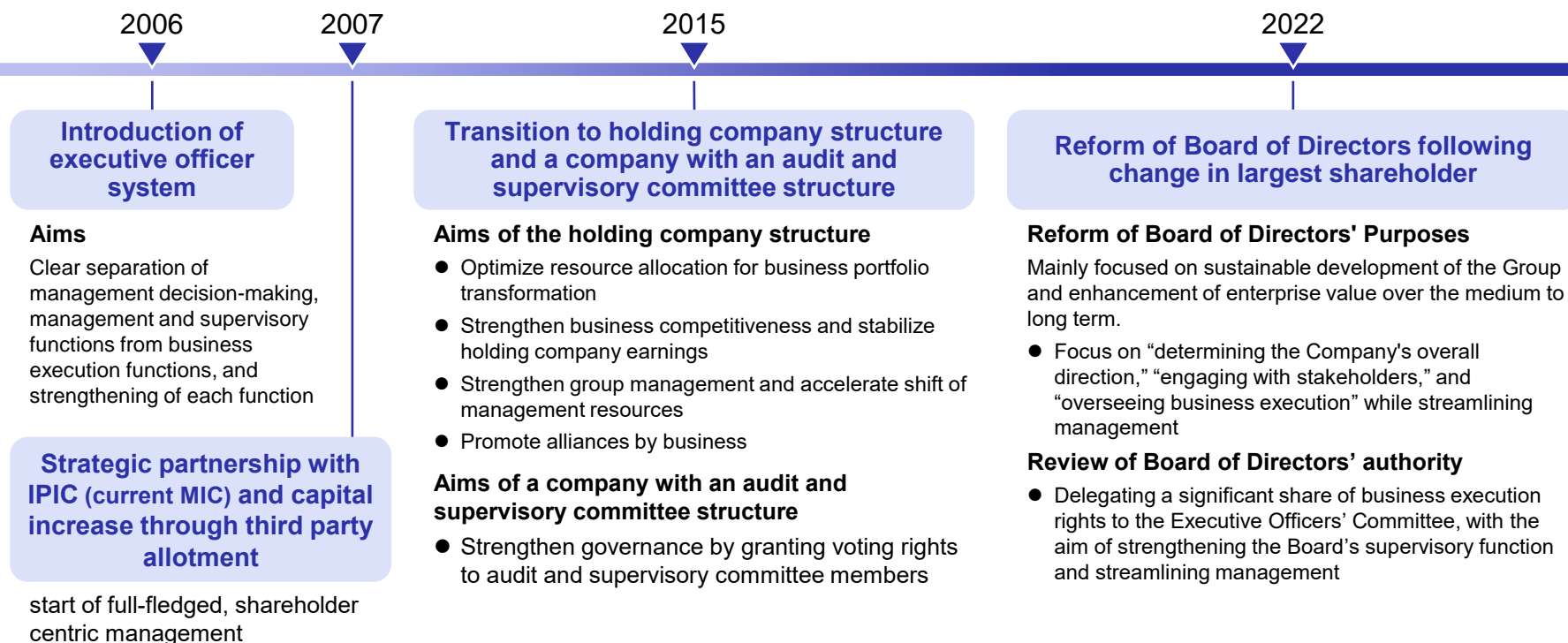
Apr.	• TCFD • Enterprise risk management (ERM)
May.	• Corporate governance code • Materiality general review • Operation of compliance and whistleblowing system / ERM
Jul.	• GX activity progress • Sustainable procurement • TNFD
Nov.	• Materiality general review • Operation of compliance and whistleblowing system / ERM • GX activity progress

Corporate Governance

Transition of corporate governance enhancement: Overview

- Our corporate governance has undergone major turning points in the past, each of which has contributed to our steady growth.
- In 2015, our corporate governance framework was completed with the executive officer system, the holding company structure, and the company with an audit and supervisory committee structure.
- Implement reform of our Board of Directors and further enhancing its monitoring function in 2022.

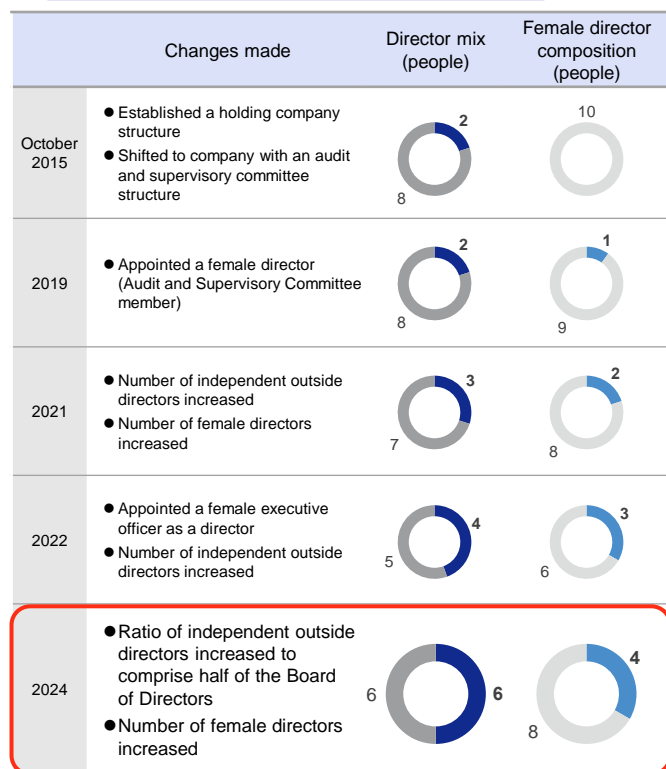
Transition of corporate governance enhancement



Transition of corporate governance enhancement: Nomination

- To further improve the transparency and diversity of the Board of Directors, half of the Board was composed of independent outside directors. In the future, we aim to have a majority of independent outside directors.
- More directors with experience in corporate management have been appointed to strengthen the monitoring function.

Changes in the composition of the Board of Directors



*Audit and Supervisory Committee members are included in "Directors"

■ Independent outside directors
■ Female
■ Male

Skills matrix

Name		Experience, knowledge, and expertise, etc.*1,2									
		Corporate management	Petroleum Business (Oil)	Other businesses (New) (Renewable Energy Business/ new businesses)	Sustainability (ESG)/risk management	Personnel affairs/human resource development/ diversity	DX/ technology	PR/IR/brand marketing	Finance/ accounting/ taxation	Legal affairs/ compliance	Global-mindedness
Directors	Hiroshi Kiriya	◎	◎	○	○	—	—	○	—	—	—
	Shigeru Yamada	◎	◎	○	—	—	—	○	—	—	—
	Junko Takeda	—	◎	—	—	◎	—	—	—	○	—
	Taisuke Matsuoka	—	◎	◎	—	—	—	○	—	—	—
	Shigeki Iwane	◎	—	◎	—	—	—	—	—	—	—
	Ryuko Inoue	—	—	—	○	○	—	—	—	◎	○
	Takuya Kurita	—	—	◎	—	○	◎	—	—	—	—
	Takako Suzuki	◎	—	○	○	—	—	◎	—	—	—
	Takayuki Uematsu	◎	—	—	○	—	—	○	◎	—	—
	Yasuko Takayama	—	—	—	◎	○	—	○	—	○	—
Executive Officers	Keiichi Asai	◎	◎	○	—	—	—	—	—	—	○
	Toshihiro Kuriyama	◎	—	○	○	—	◎	—	—	—	—
	Noriko Rzonca	—	—	—	—	○	◎	○	—	—	◎
	Tomoki Iwai	—	○	—	—	—	—	—	◎	—	—
	Yoshihiko Sato	—	◎	—	—	—	—	—	—	—	○
	Hideyuki Wakao	—	○	—	—	—	—	—	◎	○	—
		7	8	8	6	5	3	7	3	4	4

*1 The expertise and attributes of each director disclosed here includes the areas in which they have outstanding knowledge and experience. It does not represent an exhaustive list of the capabilities of each director.

*2 ◎ indicates the areas in which the individual has a higher level of expertise.

Transition of corporate governance enhancement: Remuneration

- Steady progress in the assessment system, with the introduction of the TSR standard in 2018 and ESG evaluation in 2022.
- The remuneration framework was reviewed at the AGM of shareholders in June 2024 and a review of the remuneration system is under consideration.
- Continue discussions to ensure transparency and fairness, as well as a remuneration system (level, composition ratio and evaluation system) that contributes to increasing enterprise value.

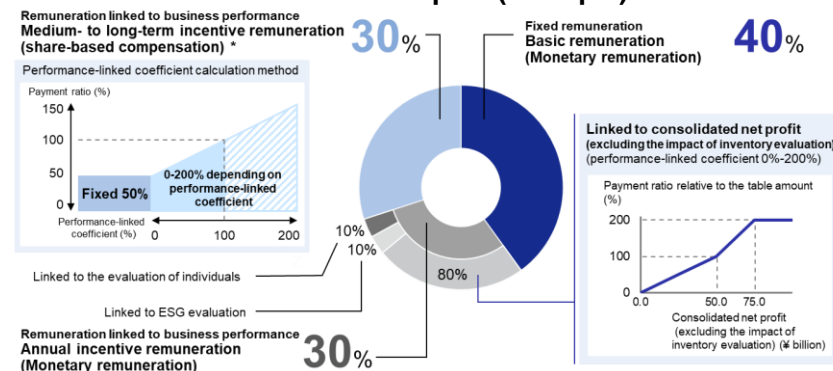
Changes in the strengthening of remuneration systems

October 2015	<ul style="list-style-type: none"> • Established a holding company structure • Shifted to company with an audit and supervisory committee structure • Introduced a share-based compensation plan
2018	<ul style="list-style-type: none"> • TSR standard introduced for medium- to long-term incentive remuneration
2022	<ul style="list-style-type: none"> • Evaluation of efforts to achieve ESG targets taken into account in annual incentive remuneration
2024	<ul style="list-style-type: none"> • Increased remuneration framework for directors and audit committee members • Consideration of the introduction of a malus and clawback is now underway

Remuneration system overview

	Monetary remuneration		Share-based compensation
	Basic remuneration (fixed)	Remuneration linked to business performance	
		Annual incentive remuneration	Medium- to long-term incentive remuneration
Executive director	○	○	○
Executive officer	○	○	○
Outside director	○	—	—
Non-executive director	○	—	—
Audit and Supervisory Committee member	○	—	—

Executive officer remuneration plan (example)



*Linked to FY2023-2025 TSR relative to the TOPIX growth rate and the consolidated net debt-to-equity ratio.

Offensive and defensive of remuneration systems

Revision of remuneration frameworks



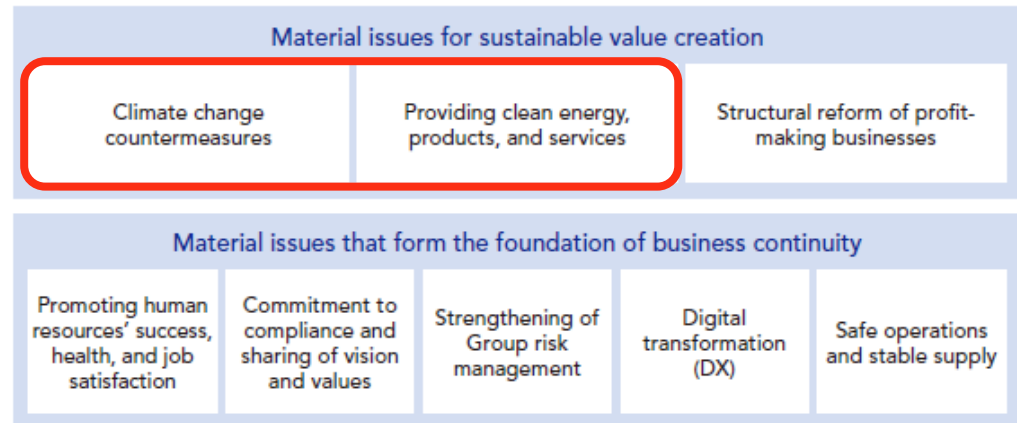
- Competitive remuneration levels in attracting outstanding director candidates

Consideration of the introduction of a malus and clawback



- A malus and clawback (return of remuneration) is under consideration to be introduced to further enhance executive remuneration governance

Green transformation (GX)

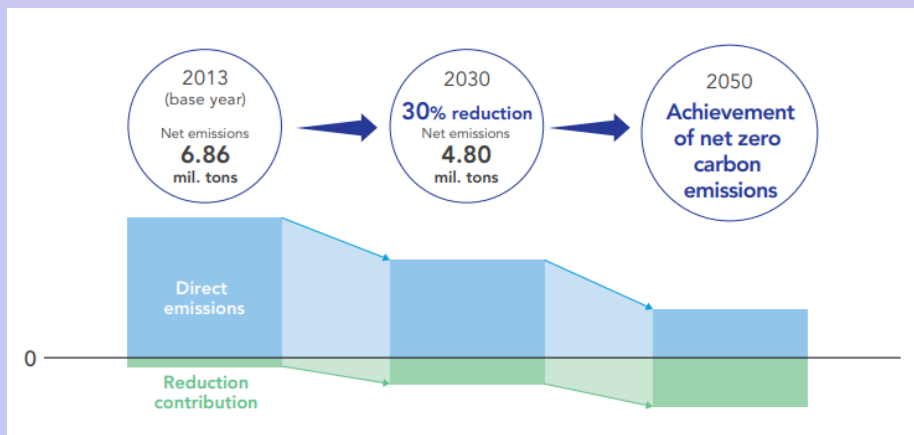


Roadmap for Achieving Net Zero Carbon by 2050

- We announced the 2050 Net Zero Carbon Declaration for Scope 1,2, and 3 emissions and will work with stakeholders to create energy that shapes the future and contribute to build a decarbonized society.

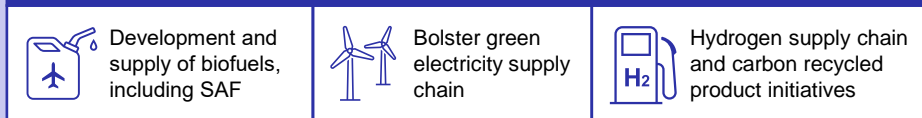
GHG Emission Targets and Reductions

Scope1/Scope2 (including reduction contribution)



Scope3

Aiming for Net Zero in 2050



Our Group's Past Initiatives

- In 2013, the Group closed the Sakaide Refinery to streamline the production system. The closure reduced Group CO₂ emissions by approx. 1 million tons per year.
- By implementing energy-saving measures as well as improving efficiency, we reduced emissions per unit of production (12% reduction over 10 years).
- In the 7th MTMP, we will further reduce emissions through energy-saving measures and among others.

For the future

- While rising geopolitical risks and other factors have increased the importance of stable energy supplies, we aim to achieve both stable supply and carbon neutrality by 2050.
- We will focus on revising our roadmap in line with Japanese new Strategic Energy Plan targets and mandatory GX-ETS* CO₂ emissions reduction targets

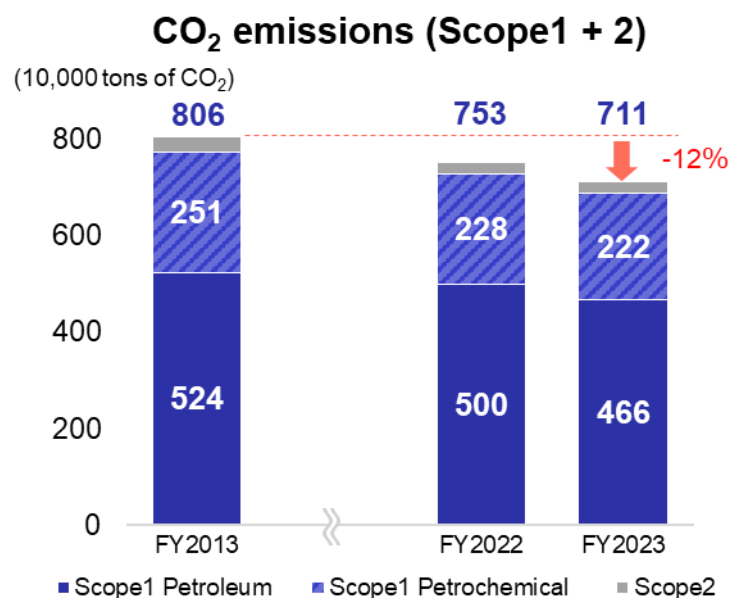
*Japanese Green Transformation (GX) League emissions trading system

Direct emissions reductions: Initiatives in *Oil* fields

- Group-wide CO₂ emissions (Scope 1+2) reduced by 12% compared to FY2013.



Trends in CO₂ emissions in the Group



*The difference in emissions from the roadmap is due to the difference between the calculation method under the SHK system and the calculation method under the GHG Protocol.



Efforts to reduce CO₂ emissions

- CO₂ emissions reduction in the Petroleum Business in FY2023 was 340,000 tons of CO₂ less than the previous fiscal year due to the promotion of efficiency improvement and reduced operation of equipment due to scheduled maintenance.
- CO₂ emissions reduction is also expected through capacity reductions and production system optimization, including the shutdown of ethylene production equipment, which is under consideration in the Petrochemical Business.
- To meet 2030 targets, we are focused on reducing emissions through CCS, and over the long term, we are working on technologies that utilize zero-emission hydrogen and ammonia as fuel.

Direct emissions reductions: CCS initiatives

- JOGMEC's contracts for two publicly advertised projects were selected in October 2024, and FS/FEED study started.
- Aiming to reduce CO₂ emissions by separating and recovering CO₂ emitted from the Chiba and Sakai refineries.
- Study on value chain development and related technology verification to start business by FY2030.



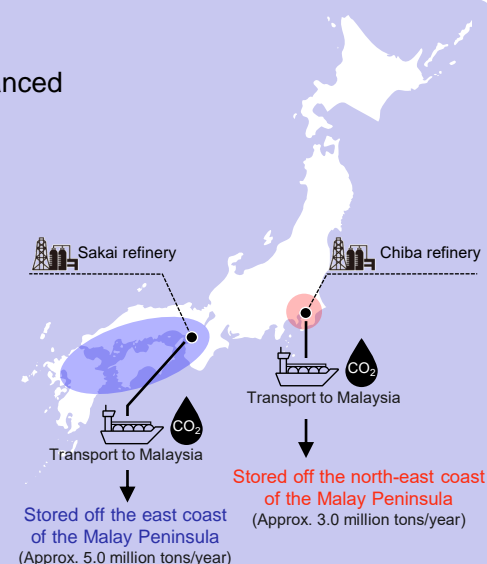
CCS

(Carbon dioxide Capture and Storage)

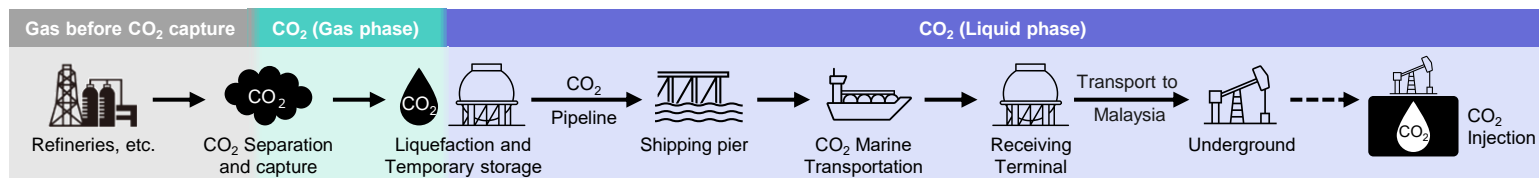
Commissioned for two projects in an open call by JOGMEC for Engineering Design Work for Advanced CCS Projects in FY2024

Currently working consideration to make FID by FY2026 and begin operation by FY2030

Name	Storage area	Capture site of the Group	Storage capacity (project total)	Role of the Company
Northern Offshore of Peninsular Malaysia CCS	Malaysia Northern offshore of Peninsular Malaysia	Chiba Refinery	Approx. 3.0 million tons/year	CO ₂ separation & capture
Southern Offshore Peninsular Malaysia CCS	Malaysia Offshore of the east coast of Peninsular Malaysia	Sakai Refinery	Approx. 5.0 million tons/year	CO ₂ separation & capture, and shipping



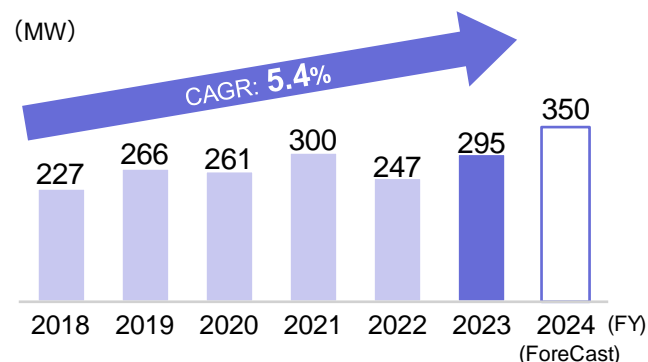
CO₂ Recovery/Storage (CCS) image



Reduction contribution: Bolster green electricity supply chain

- The Group is working to contribute to the reduction of CO₂ emissions by expanding the supply of renewable energy.
- Reduction contribution is expected to increase to approx. 1.3 million tons of CO₂ in FY2030 through expansion of wind power generation capacity, etc.

Wind power generation capacity

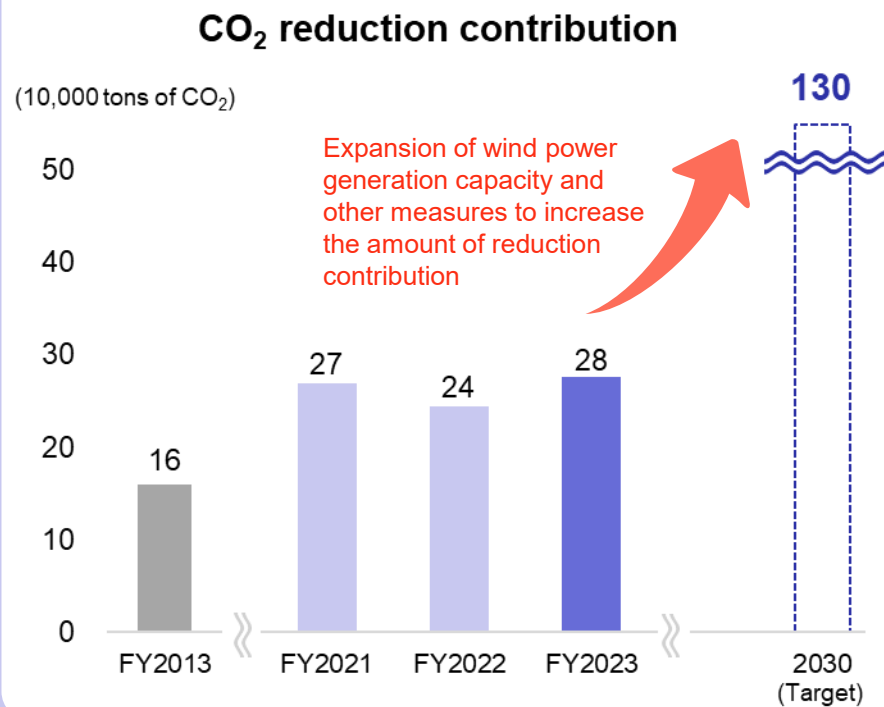


Prospects for capacity expansion

Projects scheduled to begin operation in FY2024

	Status	Project	Facility capacity
Onshore	Under construction	Shin-Mutsu-Ogawara (Aomori)	Approx. 33MW
	Under construction	Shin-Iwaya (Aomori)	Approx. 27MW
	Total		Approx. 60MW

CO₂ reduction contribution



Initiatives for SAF and hydrogen business

- The production facilities are expected to complete by the end of the year and steady progress towards the start of operations in FY2024 for SAF made from used cooking oil; ISCC CORSIA and ISCC EU certifications were obtained in November 2024.
- In hydrogen business, formed capital and business alliance with Iwatani Corporation and promote projects to build hydrogen stations and supply chain.



Initiatives for SAF made from used cooking oil

Nov. 2024: First ISCC certification for the entire supply chain in Japan



Collection

Main raw material is locally-sourced used cooking oil



Collecting used cooking oil and developing sources

- Expanding partnerships with a wide range of industries, including SC operators, hotels, restaurants, railroad operators, department stores, and local governments to operate with an annual capacity of 30,000 kiloliters



Production

New production equipment installed at Cosmo Oil's Sakai Refinery

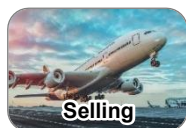


Oversight of entire business
Unit design and construction



Provision of sites and utilities
Operation and product mixing

- **Start filling used cooking oil into feedstock tanks in October 2024; SAF production facility to be completed by the end of the year.**
- Preparations are underway to start operation during FY2024.



Selling

Sakai Refinery plans to produce 30,000 kiloliters per year

*24,000 kiloliters planned for fiscal 2025



Delivery to airports and sales to airlines



To be the only supplier of locally-made SAF on a large scale in FY2025



Hydrogen business initiatives

Expand hydrogen station business through a joint venture with Iwatani Corporation

- Mar. 2022 Basic agreement regarding potential collaboration in the hydrogen business concluded with Iwatani Corporation
- Feb. 2023 Established a limited liability company for the hydrogen station business between Cosmo Oil Marketing and Iwatani Corporation
- Nov. Established a limited liability company for engineering services between Cosmo Engineering and Iwatani Corporation
- Dec. Selected as the hydrogen station operator at two Tokyo Metropolitan Government-owned sites
- Apr. 2024
 - Opened the first hydrogen station for fuel cell commercial vehicles
 - Signed a capital and business alliance agreement with Iwatani Corporation



Heiwajima
Apr.2024

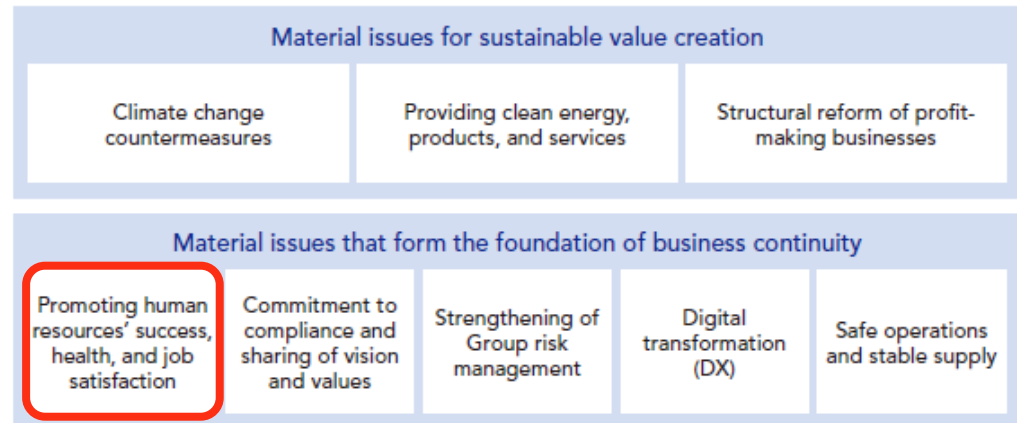


Ariake
Apr.2025 (planned)



Shinsuna
Business operator selected

Human resource transformation (HRX)



Challenges and HRX direction in the 7th MTMP

- We aim to cultivate human resources with diverse ideas, who continually challenge themselves, and act autonomously, so that we can venture into new business fields while transforming existing ones.

Vision 2030

To create energy that shapes the future, energy that sustains society, and new forms of value



Bolster green electricity supply chain



Expand next generation energy



Strengthen competitiveness of Oil Business and pursue low carbonization



Human resource strength for driving force

Capability to expand business areas and create new value

Capability to create new value based on existing business strengths

Capability to transform existing businesses through initiatives such as digitalization to further improve competitiveness



Direction of change required for human resources strategy

Homogeneity
↓
Expanding diversity

Other-oriented, passive
↓
Shift to autonomous and proactive

Maintenance of status quo
↓
Fostering a desire to grow

Analog and oral tradition
↓
Improve DX literacy



Human resource strength foundation

Wellness enhancement / higher engagement

Overall measures

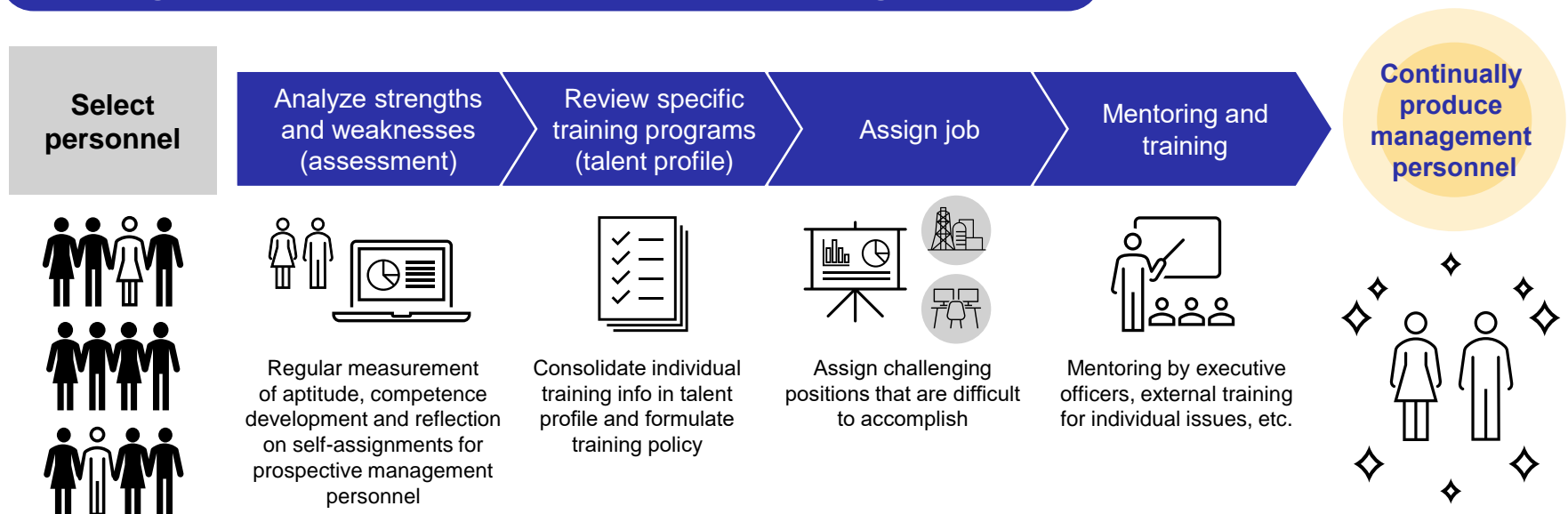
- To achieve our human resources strategic vision, we implement specific initiatives in the areas of human resources training and development, organizational culture, and wellness.
- We focus particularly on cultivating management personnel, development successors in business divisions, as well as the advancement of women in the workforce.

	 Human resources training and development	 Organizational culture	 Wellness 
Human resource strategy vision for 2030	Self-directed career development Training and development of change and challenge-oriented, professional type human resources	Maximize performance and increase engagement through diverse human resources and working styles	Promoting wellness management
Transformation direction	<ul style="list-style-type: none"> ● Transformation to autonomous and proactive ● Fostering a desire to grow ● Improve DX literacy 	<ul style="list-style-type: none"> ● Further expand diversity 	<ul style="list-style-type: none"> ● Wellness enhancement
Specific measures during 7th MTMP	<ul style="list-style-type: none"> ● Monitoring by the Human Resource Strategy Committee ● Promoting the right person in the right position by visualizing of capabilities and skills, promote employee development, and enhance expertise ● Cultivating management personnel / development successors in business divisions ● Review employee evaluation and promotion system ● Expand job challenge system ● Cultivate core digital personnel ● Expand self-development training 	<ul style="list-style-type: none"> ● Accelerate securing of workforce with diverse qualities and experience by fine-tuning recruitment strategies ● Continue to increase the number of women and mid-career hires and actively promoting them according to ability ● Continue supporting childcare-work balance ● Promoting senior employee activation ● Professional certification and compensation ● Realization of working styles that enhance productivity through promotion of <i>Navigating Your Career at Cosmo</i> 	<ul style="list-style-type: none"> ● More intently communicate top management's commitment to health ● Promote group-wide wellness through the Health and Productivity Management Promotion Committee ● Conduct educational activities to improve employee smoking, drinking, and eating habits ● Organize wellness events ● Disseminate info and provide learning opportunities for establishing healthy lifestyles

Cultivating management personnel

- Important to establish a system to systematically cultivate and produce future management personnel in order to respond to the industry's period of change.
- Promotes the acquisition of the necessary skills and a high level of vision through the definition of management personnel requirements, selection, development policies, appointment to key positions, mentoring and training.
- The development of management personnel is a matter for deliberation by the Human Resources Strategy Committee and progress is regularly monitored by management.

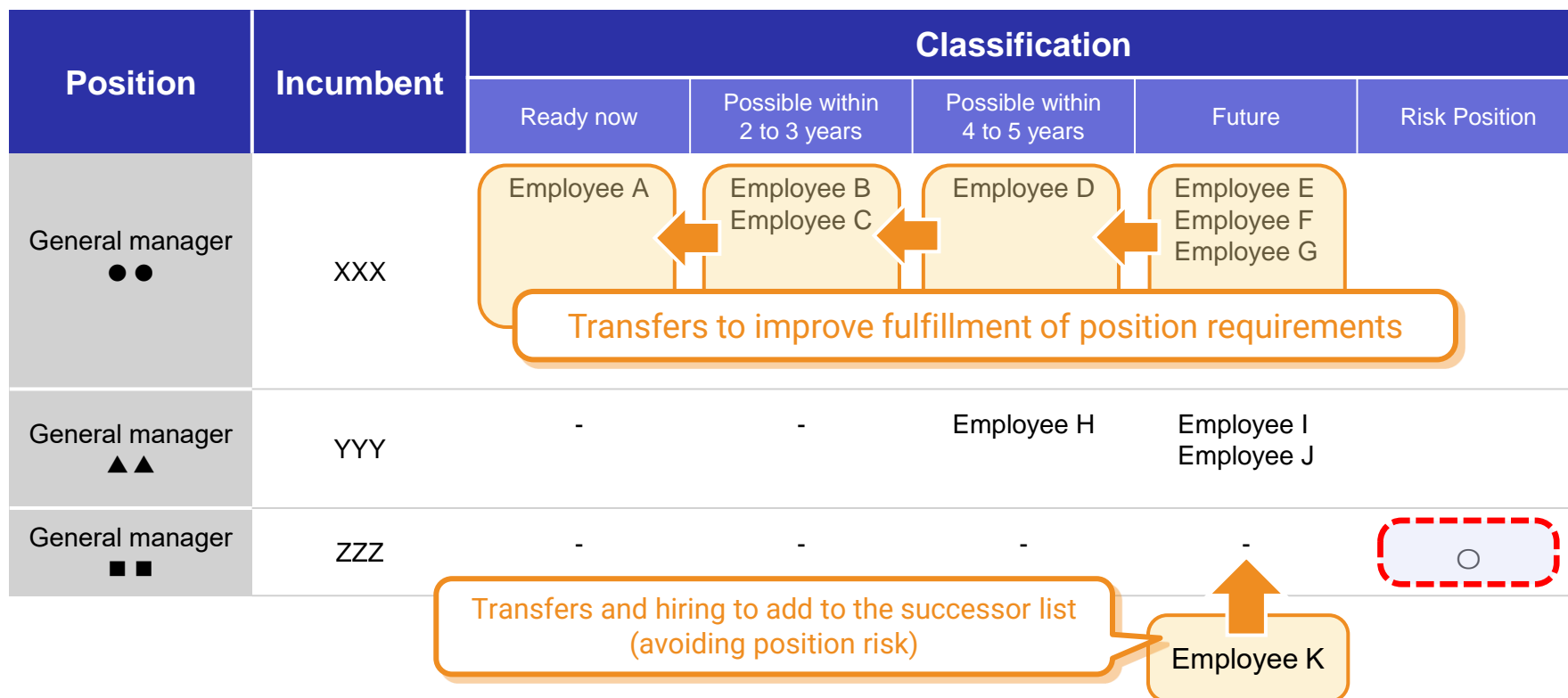
Management Personnel Selection and Training Process



Development successors in business divisions

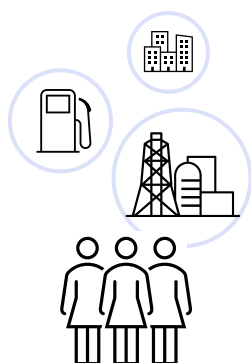
- In addition to management personnel, efforts are also underway to train leaders to steer business divisions.
- Visualization of position requirements in job descriptions and development of a list of successors based on aptitude, experience, among others.
- Recruitment for strategic placement and risk positions in line with the sufficiency of successors.

Successors



Promoting the advancement of women in the workforce

- In order to bring about change and innovation in all business area, we have taken diversity and inclusion as a key theme, taking the advancement of women in the workforce as our highest priority.
- Active recruitment and training of women employees to expand the population of women employees who are candidates for leadership positions.
- In addition to competence, the Company also takes into account the need to balance work and family life, such as childcare, and promotes challenges that match the lifecycle of the employee.



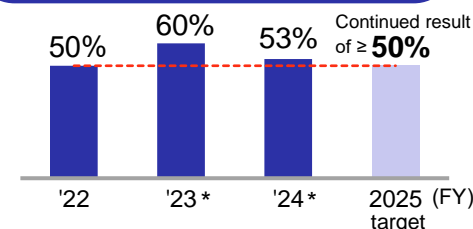
Expand flexible work styles
(both structures and mindsets)

Expand population through active recruitment of women

- Set ongoing hiring of 50% or more women in new graduates hired as KPI during 7th MTMP period
- Hold recruitment events for women graduates in technical field, where the total number of women is especially low
- Use recruitment agencies that focus on women graduates
- More active mid-career recruitment of women as candidates for management positions



Percentage of women graduates among total new graduate hires

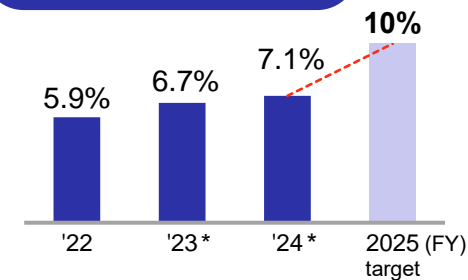


Capacity building through enhanced training

- Cross-industry networking for women employees
- External training in women's leadership development programs
- Executive lectures and in-house seminars for women employees
- Actively assign women employees, with focus on technical departments
- Promote flexible work styles (Flextime system with no core time, telework system [no limit on number of days], childcare leave system that is more generous than legally required, etc.)

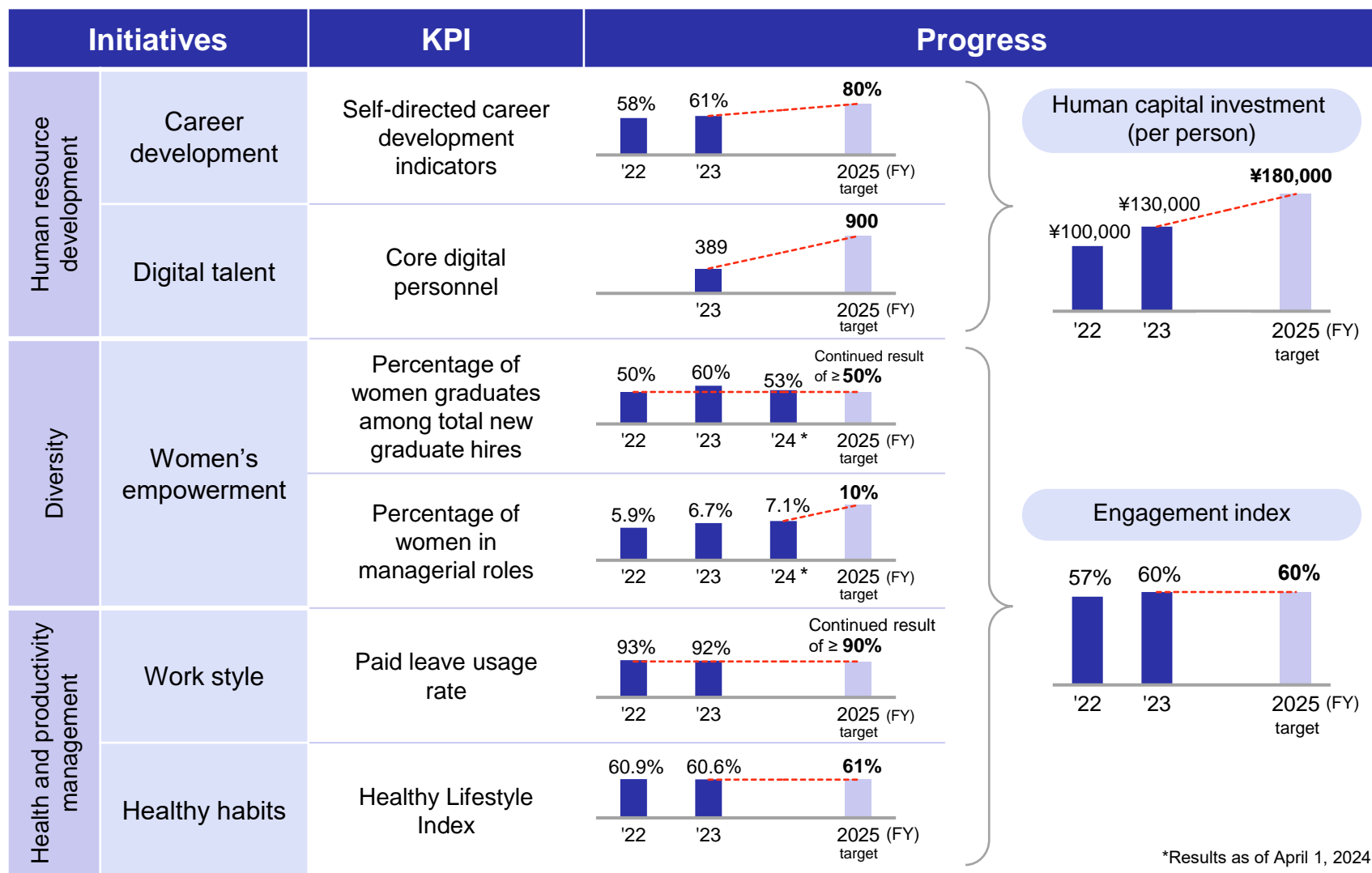


Percentage of women in managerial roles

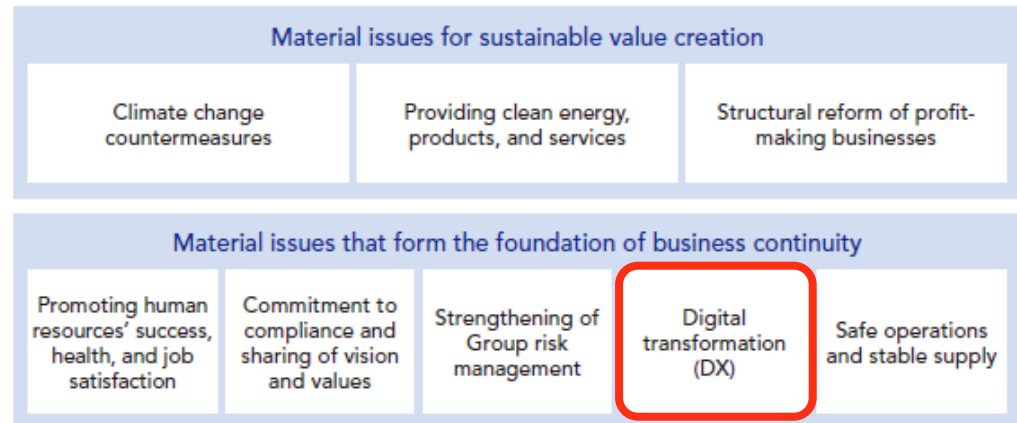


*Results as of April 1, 2024

Progress on the 7th MTMP KPIs



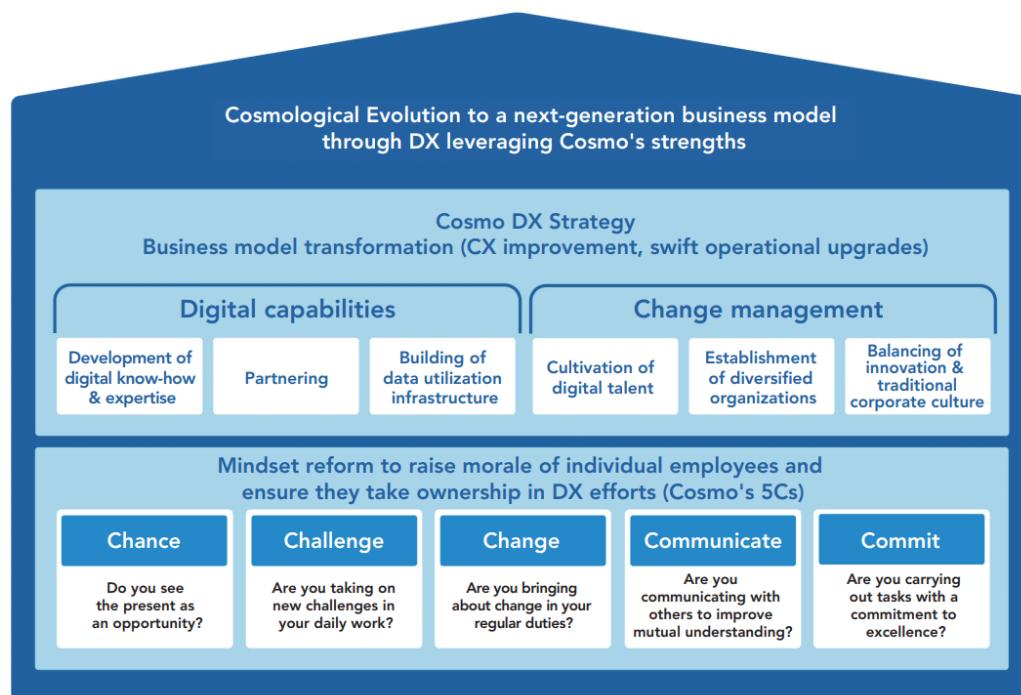
Digital transformation (DX)



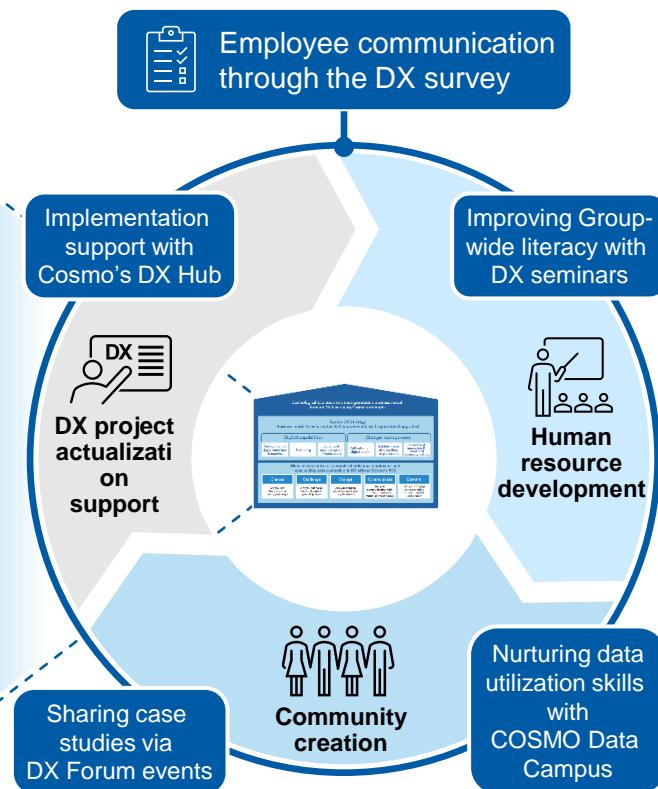
Cosmo's commitment to DX

- Transforming business models by improving digital capabilities and promoting change management

DX at Cosmo (Cosmo's Vision House)



Building a virtuous circle of DX activities



KPIs progress on DX

- Steady progress in all measures, including the creation of core digital personnel to lead the data utilization culture

Major KPIs of MTMP

DX event participation

Planned Total **20,000** people per year

Actual Total **23,500** people per year

DX Forum events

Planned **24** per year

Actual **26** per year

Cosmo's DX Hub

Planned **60** projects supported over 3 years

Actual **17** projects supported in the first year

IT/DX-driven operational efficiency improvement

Planned **-10%**

Actual **-4%**

FY2023 (vs. FY2022)

Core digital personnel

Planned **900** people developed over 3 years

Actual **389** people developed in the first year




Digital Transformation
Certification

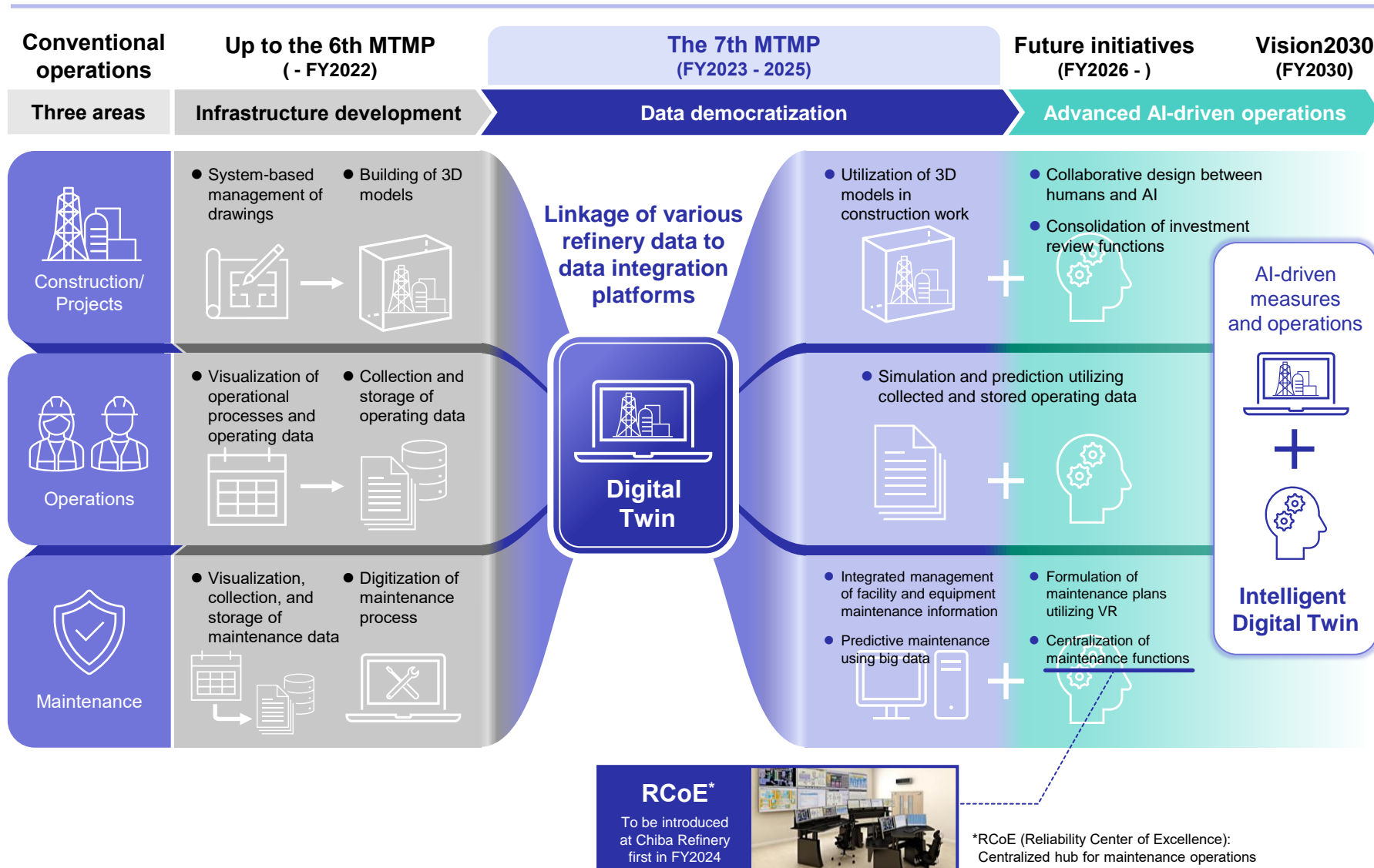
Approved in July 2022 and
updated in July 2024

DX initiatives

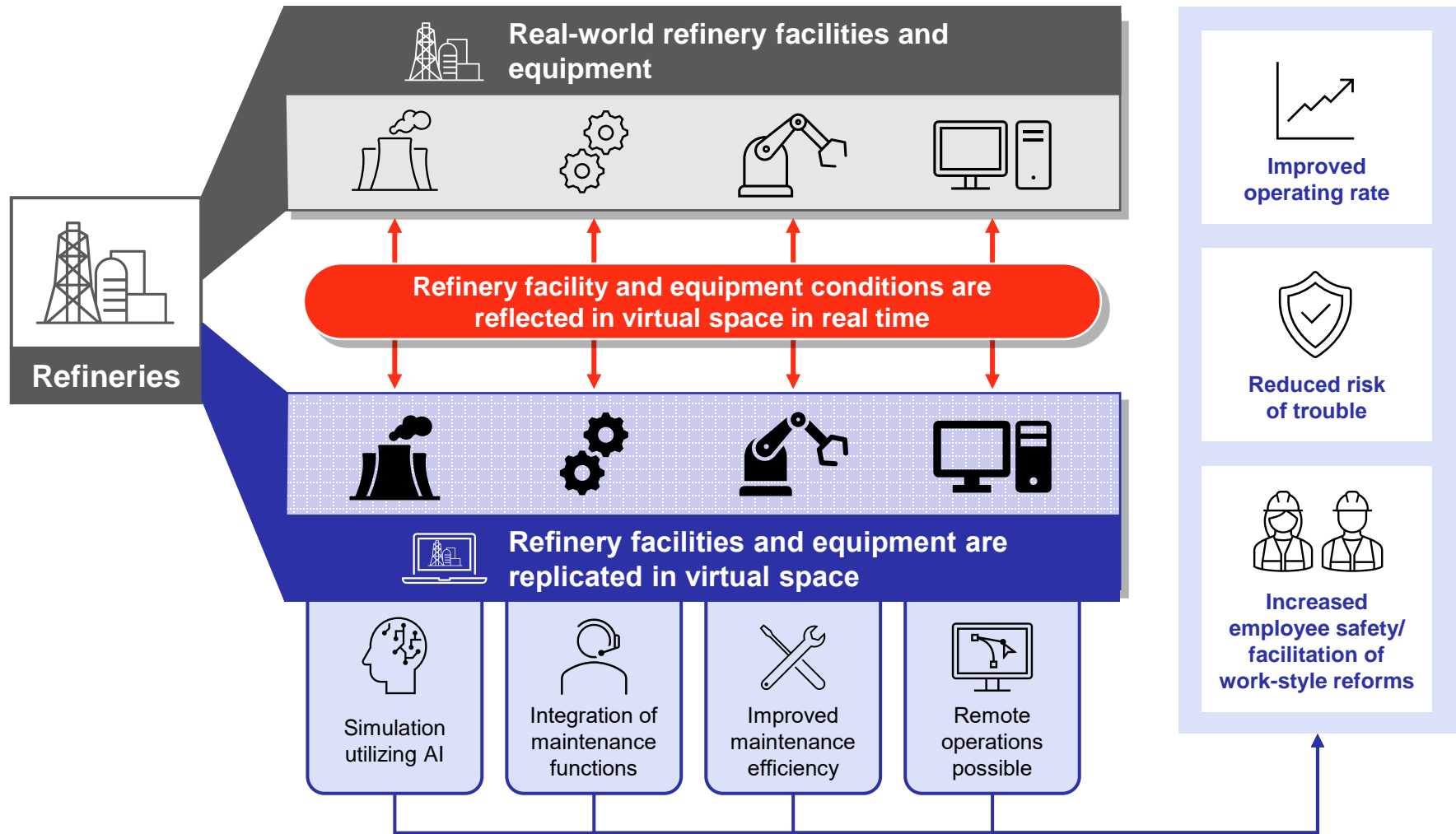
- Various initiatives are underway within the Group to strengthen the businesses and create new value

	Business challenge	Key details of initiative
1	<u>Digital refinery</u>  Point	<ul style="list-style-type: none">• Introduction of data integration infrastructure• Safety monitoring of refinery employees through utilization of vital sensors
2	Supply chain optimization	<ul style="list-style-type: none">• Shipping optimization• Improving accuracy of demand forecasting
3	Promotion of marketing science	<ul style="list-style-type: none">• Maintenance of analytical data• Sophistication of digital marketing
4	Green/Energy/Mobility	<ul style="list-style-type: none">• Forecasting wind power generation volume• Analyzing detected abnormalities in operational wind turbines
5	Other (back office, etc.)	<ul style="list-style-type: none">• Visualization of data using BI tools• Introducing AI to handle inquiries

Long-term roadmap for digitizing refineries

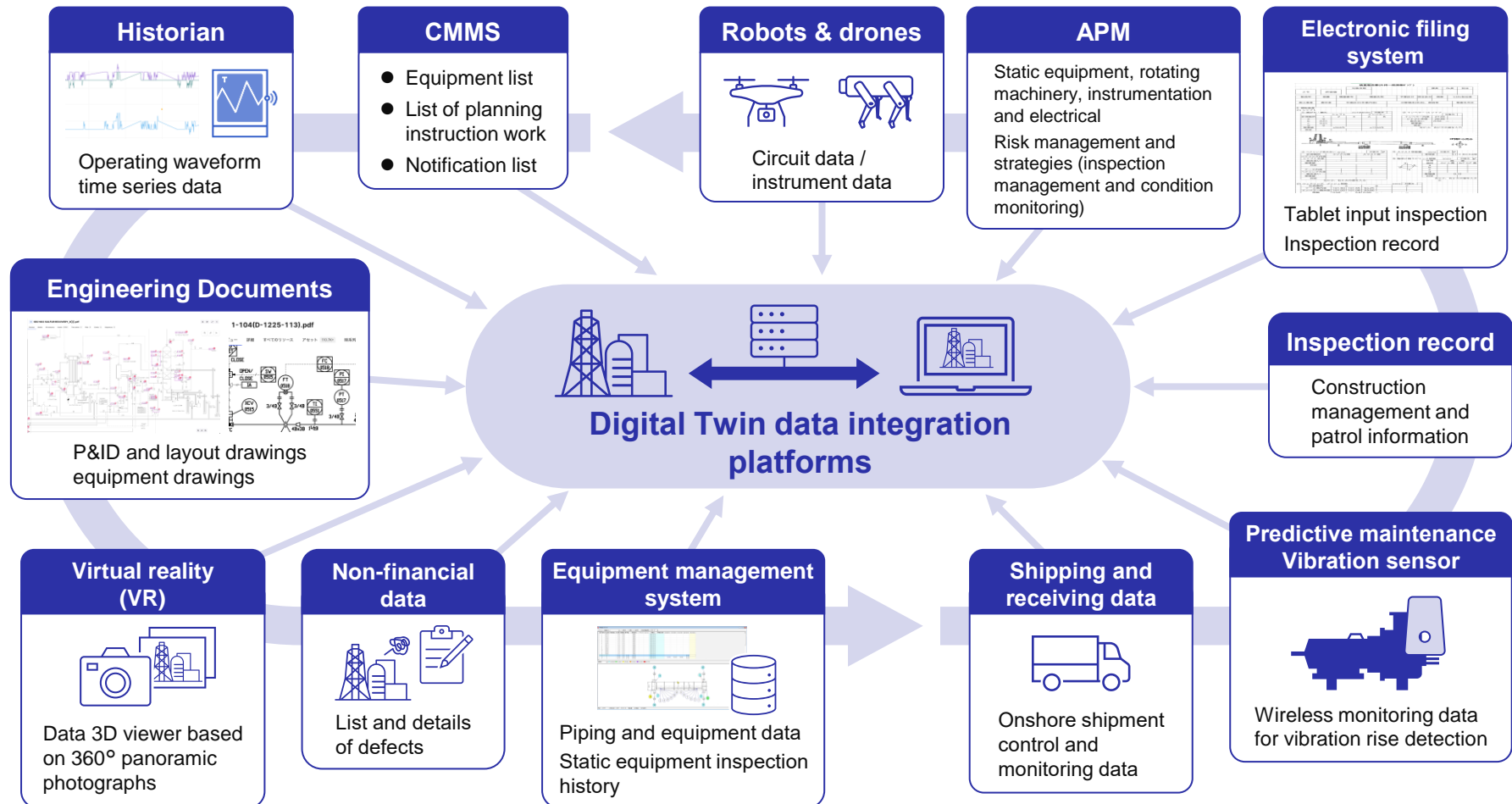


Benefits of digitizing refineries



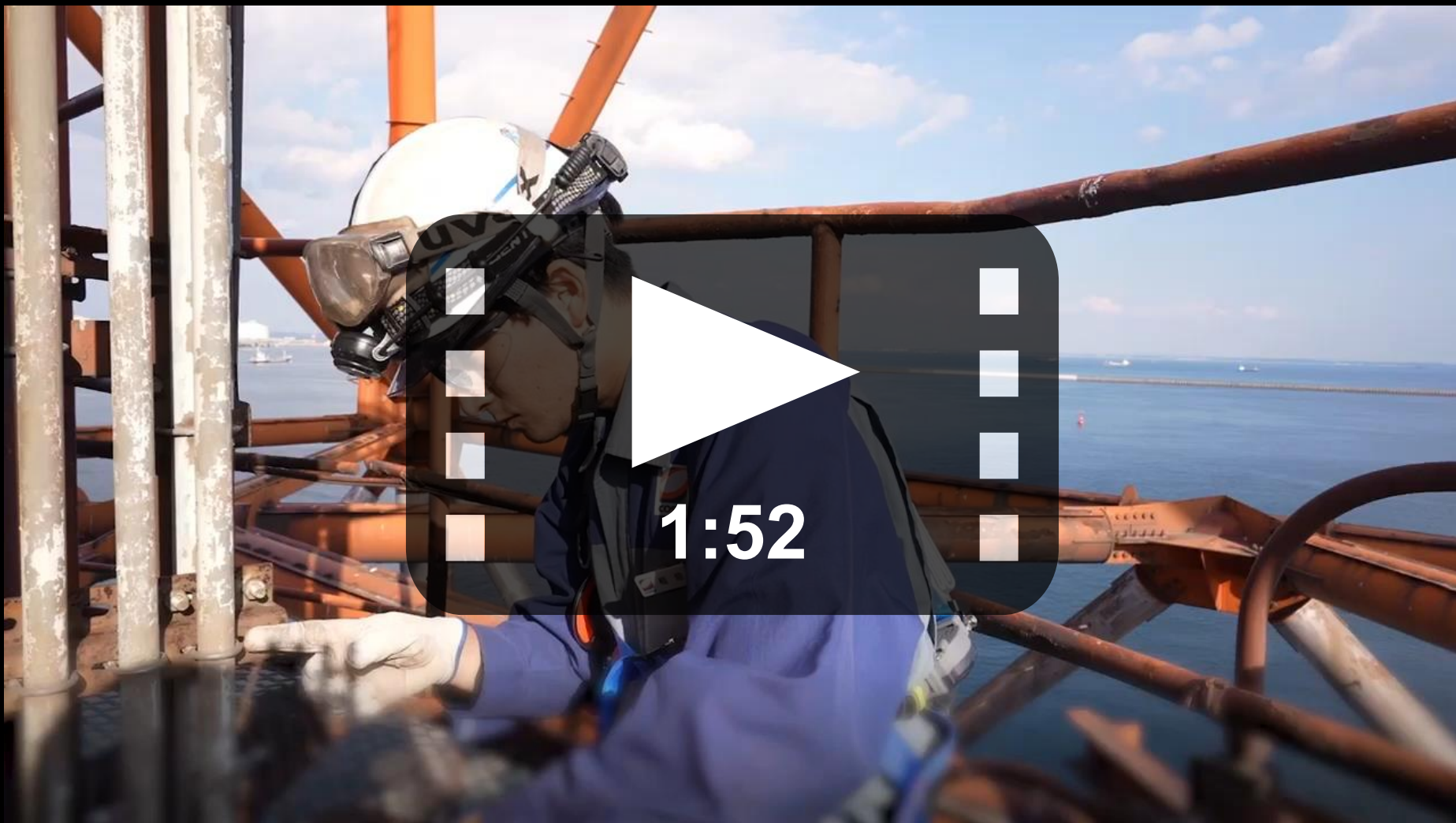
Digitizing refineries: Data integration

- Data linkage is being supported sequentially based on use case formulation activities for cross-organizational utilization/advanced utilization of data



Digitizing refineries

~Cross-organizational utilization of data and application of generative AI~



Appendix

(Ref.) COSMO REPORT 2024

























Integrated report that describes the Cosmo Energy Group's business activities, sustainability activities, and among others



URL <https://www.cosmo-energy.co.jp/en/ir/library/annual.html>

(Ref.) KPIs for material issues in the 7th MTMP

KPIs and results for material issues in the Seventh Consolidated Medium-Term Management Plan

Material issues		Vision for the future	Main KPIs	FY2023 results	Related SDGs
Material issues for sustainable value creation	Climate change countermeasures	<ul style="list-style-type: none"> GHG emissions are managed appropriately Progress is steadily being made toward achieving net zero carbon emissions by 2050 	<ul style="list-style-type: none"> ≥30% reduction in GHG emissions by 2030 (vs. FY2013) CO₂ emissions reduction (Scope 1, 2) (vs. FY2013) CO₂ reduction contribution 	<ul style="list-style-type: none"> 15% reduction 950,000-ton CO₂ reduction 480,000-ton CO₂ reduction contribution 	 
	Provision of clean energy, products, and services	<ul style="list-style-type: none"> Clean fuel that meets customer needs has been developed and is supplied We have become a leading company in domestic renewable energy generation Clean products have been developed and are being provided across the entire value chain Technologies and services that support low carbonization and decarbonization have been developed and are being supplied 	<ul style="list-style-type: none"> Clean fuel supplied (amount of bio-ETBE/SAF (used cooking oil) supplied) Wind power generation facility capacity Other renewable energy generation facility capacity Amount of next-generation raw materials supplied Sales excluding fossil fuels R&D expenses and investments in new businesses 	<ul style="list-style-type: none"> Bio-ETBE supplied: 297,000 kL Used cooking oil-derived SAF supplied: Construction of facility is underway toward production of approximately 30,000 kL per year by FY2025 Wind power generation facility capacity (March 31, 2024): 295MW Other renewable energy businesses are under consideration R&D related to next-generation raw materials and new businesses is ongoing 	    
	Structural reform of profitmaking businesses	<ul style="list-style-type: none"> Business profits are generated in a decarbonized society by investing profits from existing businesses in new businesses Enterprise value is being enhanced through new businesses centered on clean technology 	<ul style="list-style-type: none"> Investment in New businesses 	<ul style="list-style-type: none"> Invested ¥19.5 billion in New fields in FY2023 *Before factoring in sales of assets (¥16.5 billion) 	
Material issues that form the foundation of business continuity	Promoting human resources' success, health, and job satisfaction	<ul style="list-style-type: none"> All employees can demonstrate their abilities to the fullest, regardless of age, gender, nationality, job type, affiliation, or work history Decisions are made through dynamic discussions that incorporate diverse opinions Overwork and harassment are prevented, and employees can work healthily and with peace of mind Employees take the lead in managing their own physical and mental healthcare, and make efforts to manage and improve their health Employees autonomously improve and utilize their strengths and expertise to implement business strategies Employees are energetic and challenge themselves, and enjoy continuous growth with job satisfaction and fulfillment 	<ul style="list-style-type: none"> Proportion of women in managerial roles (FY2025): ≥10% Percentage of women graduates among total new graduate hires: ≥50% Percentage of employees who have taken a stress check (mental health) Percentage of employees who have received lifestyle health guidance (physical health) Investment in employee education and training Employee awareness survey "work satisfaction/pride" score: ≥60 points 	<ul style="list-style-type: none"> Proportion of women in managerial roles (as of April 1, 2024): 7.1% Percentage of women graduates among total new graduate hires (including those who joined the Company in April 2024): 53% 98.7% of employees took a stress check Health-focused initiatives to increase the percentage of employees who have received lifestyle health guidance are being implemented Annual training cost: ¥130,000 per person Employee awareness survey score: 60 points 	    
	Commitment to compliance and sharing of philosophy and values	<ul style="list-style-type: none"> Laws, regulations, and social norms are observed Officers, employees, and other staff members understand and observe the Group Management Vision, policies, and internal regulations The Cosmo Energy Group Code of Conduct and policies are widely understood and individuals are able to make appropriate decisions 	<ul style="list-style-type: none"> Number of compliance violations Employee awareness survey scores <ul style="list-style-type: none"> Compliance education: ≥83% Awareness of consultation helplines: ≥94% Understanding of Code of Conduct: ≥72% 	<ul style="list-style-type: none"> Number of serious compliance violations: 0 Employee awareness survey scores <ul style="list-style-type: none"> Compliance education: 82% Awareness of consultation helplines: 94% Understanding of Code of Conduct: 74% 	  
	Strengthening of Group risk management	<ul style="list-style-type: none"> Both the Company's operational risks and strategic risks (including opportunities) have been identified, and risks are appropriately hedged or leveraged Serious risks for the entire Group are understood and managed 	<ul style="list-style-type: none"> Risks associated with CEG priority initiatives are monitored Risks associated with priority initiatives undertaken by each company are monitored 	<ul style="list-style-type: none"> Risks associated with CEG priority initiatives and priority initiatives undertaken by each company have been identified, and a risk mitigation plan and its implementation are being evaluated ERM structure and approach development policy have been decided 	
	Digital transformation (DX)	<ul style="list-style-type: none"> A corporate culture embracing digital technology is being cultivated to transform work processes and drive continuous innovation for business transformation Efforts are being made to improve internal and external CX (customer experience) by delivering data-driven solutions that address challenges for both customers and employees 	<ul style="list-style-type: none"> Cultivation of core digital personnel (FY2025): ≥900 people 	<ul style="list-style-type: none"> 389 core digital personnel developed We are currently promoting a change in mindset toward DX through initiatives such as classroom-based training, data utilization in work, sharing case studies across organizations, and communication with each division, with the aim of developing human resources. 	 
	Safe operations and stable supply	<ul style="list-style-type: none"> Employee injuries are prevented Plant accidents and product (quality) accidents are prevented Operations are carried out so they do not threaten the safety of the operating area and surrounding residents Energy supply remains stable and reliable, even during disasters and emergencies, etc. 	<ul style="list-style-type: none"> Number of work-related accidents Number of accidents Number of accidents with an impact on the environment Supply and sales structure during disasters and emergencies: Up and running again within 24 hours 	<ul style="list-style-type: none"> Number of major work-related injuries: 0 Number of major accidents: 2 Number of major accidents with an impact on the environment: 0 BCP activation: N/A 	     

Disclaimer FORWARD-LOOKING STATEMENTS

Certain statements made and information contained herein constitute "forward-looking information" (within the meaning of applicable Japanese securities legislation). Such statements and information (together, "forward looking statements") relate to future events or the Company's future performance, business prospects or opportunities. Forward-looking statements include, but are not limited to, statements with respect to estimates of reserves and or resources, future production levels, future capital expenditures and their allocation to exploration and development activities, future drilling and other exploration and development activities, ultimate recovery of reserves or resources and dates by which certain areas will be explored, developed or reach expected operating capacity, that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management.

All statements other than statements of historical fact may be forward-looking statements. Statements concerning proven and probable reserves and resource estimates may also be deemed to constitute forward-looking statements and reflect conclusions that are based on certain assumptions that the reserves and resources can be economically exploited. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions) are not statements of historical fact and may be "forward-looking statements". Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements.

The Company believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. The Company does not intend, and does not assume any obligation, to update these forward looking statements, except as required by applicable laws.

These forward-looking statements involve risks and uncertainties relating to, among other things, changes in oil prices, results of exploration and development activities, uninsured risks, regulatory changes, defects in title, availability of materials and equipment, timeliness of government or other regulatory approvals, actual performance of facilities, availability of financing on reasonable terms, availability of third party service providers, equipment and processes relative to specifications and expectations and unanticipated environmental impacts on operations. Actual results may differ materially from those expressed or implied by such forward-looking statements.