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To Whom It May Concern:

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Notice Regarding Formulation of the Green Finance Framework

COSMO ENERGY HOLDINGS COMPANY, LIMITED (hereinafter referred to as the “Company”) hereby announces it has formulated the Green Finance Framework*¹ (hereinafter referred to as the “Framework”) and obtained a second opinion from Rating and Investment Information, Inc. (R&I), a third-party assessment agency, in order to further promote its efforts to realize a decarbonized society.

Description

1. Background and Objectives of the Formulation of the Framework

The Group is promoting sustainability management in the operations of the Group in its Basic Concept of Sustainability, which consists of “Harmony and Symbiosis” and “Creating Future Values” as the axes, under the Group’s Management Vision, “In striving for harmony and symbiosis between our planet, man and society, we aim for sustainable growth towards a future of limitless possibilities.”

With respect to the environmental issues, we have formulated Vision 2030, which aims to achieve reduction in CO₂ emissions by 2 million tons in 2030 (300,000 tons of Scope 1 + 2 and 1.7 million tons of contribution to reduction in emissions) in order to achieve net zero carbon including Scope 3 by 2050. Under Vision 2030, we are working on initiatives to contribute to become a carbon-neutral society, including “Bolster the green electricity supply chain,” “Expand next-generation energy” and “Strengthen the competitiveness of our Oil Business and pursue low carbonization.”

Recently, we have formulated the Framework to raise funds for research and development and capital expenditures for renewable energy, EVs and power storage in “Bolster the green electricity supply chain,” and SAF, hydrogen and next-generation energy in “Expand next-generation energy,” in order to promote the achievement of Net Zero Carbon by the Group as a whole.

The Group will continue to fulfill its mission of providing a stable supply of low-carbon, low-cost energy, while fully recognizing the growing societal demand for decarbonization and factoring in the distortions and adverse effects of rapid energy conversion.

2. Acquisition of External Assessment (Second Opinion) of Alignment

We have obtained a second opinion from Rating and Investment Information, Inc. (R&I), a third-party assessment agency, stating that the Framework is aligned with four elements (1. Use of Proceeds, 2. Process for Project Evaluation and Selection, 3. Management of Proceeds, and 4. Reporting) as defined in the Green Bond Principles (GBP) 2021 formulated by International Capital Market Association (ICMA) and the Green Bond Guidelines (2022) formulated by the Ministry of the Environment of Japan.

3. Overview of the Framework

The formulation of the Framework enables the Group to raise funds through green finance (bonds and loans). We will aim to achieve net zero carbon including Scope 3 by 2050 by using proceeds from the Framework.

1. Use of proceeds *Including the businesses of the Group companies	○Bolster the green electricity supply chain •Renewable energy -Wind power generation -Solar power generation •EV •Power storage ○Next-generation energy, Raw materials, CCS/CCUS •SAF •Hydrogen and next-generation energy -Hydrogen supply chain -Synthetic fuel -Biodiesel -Bio-engine oil •Chemical recycling •CCU/CCUS
2. Third-party assessment agency	Rating and Investment Information, Inc. (R&I)
3. Structuring agents*2	Mizuho Securities Co., Ltd. and Mizuho Bank, Ltd.

*1 Cosmo Energy Holdings Green Finance Framework[[Link](#)]

*2 Entities that support the implementation of sustainable finance, including the issuance of green bonds, through providing advice on the formulation of a green finance framework and the acquisition of external assessment (second opinion)

End

<Reference>

- Sustainability of the Cosmo Energy Group

<https://www.cosmo-energy.co.jp/ja/sustainability.html>

- Vision 2030 of Cosmo Energy Holdings

<https://www.cosmo-energy.co.jp/ja/company/vision2030.html>