Last update: June 29, 2026

Cosmo Energy Holdings Co., Ltd.
Shigeru Yamada, Representative Director, Group CEO
Contact: Corporate Communication Department
Securities code: 5021 https://www.cosmo-energy.co.jp/en/top.html

The corporate governance of Cosmo Energy Holdings (the "Company" or "we") is described below.

I Basic Views on Corporate Governance, Capital Structure, Corporate Profile, and Other Basic Information

1. Basic Views

The Cosmo Energy Group (the "Group") has set the following 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." The Group promotes "improvement in transparency and efficiency in the management," "prompt execution of business," and "thorough risk management and compliance" based on "Cosmo Energy Group Management Vision" and a specific guideline for promoting such management vision and achieving targets, the "Cosmo Energy Group Code of Conduct" (the "Code of Conduct").

[Reasons for Non-compliance with the Principles of the Corporate Governance Code]

The Company has implemented all of the Principles of the Corporate Governance Code.

[Disclosure Based on the Principles of the Corporate Governance Code] Updated

[Principle 1-4 Cross-Shareholdings]

・The Group has a policy of holding listed stocks at the minimum necessary number of shares, limiting to stocks that are deemed to contribute to the sustainable growth of the Group and the improvement of corporate value over the medium- to long-term from the perspective of maintaining and expanding transactions and stabilizing fund raising. It is the annual practice of the Group to verify all stocks to determine whether the benefits of the shareholding are commensurate with the cost of capital, and whether there is any significance in holding those shares, taking into consideration the risk of stock price fluctuations and the issuer's medium- to long-term contribution to the Company's business. After discussions at the Board of Directors, certain shares are sold if no significance is found in their holding. As a result, the number of strategically held stocks was 17 (including one listed stock) as of the end of March 2026. We will examine the significance of holding the shares, which we will sell if no significance is found. We also disclose the details of examinations by stock at the Board of Directors.

・When exercising voting rights attached to listed shares, we comprehensively consider whether: 1) the proposal contributes to the improvement of the issuer's and the Company's corporate value over the medium- to long-term, regardless of whether it is an issuer proposal or a shareholder proposal, and 2) the proposal may reduce the significance of the Company's shareholding.

[Principle 1-7 Related Party Transactions]

・The Board of Directors approves competitive transactions and conflict-of-interest transactions by directors in an appropriate manner, based on applicable laws and regulations as well as the Board of Directors Rules.

・It is the Company's policy to conduct related party transactions after full consideration of economic rationality in order to ensure such transactions do not harm the Company's interests as with the case of those with non-related parties.

[Supplementary Principle 2-4-1 Ensuring Diversity in Promotion to Core Positions]

(i) Approach to and policy on ensuring diversity and implementation

・The Group considers human resources as management capital and recognizes the importance of maximizing their value. Therefore, we declare in the Code of Conduct that we will make effective use of human resources and improve their abilities. Under the Code of Conduct, we set the Human Resources Policy, a basic policy on our human resources initiatives, as follows.

We aim to create an environment where all officers and employees are treated fairly and can fully leverage their abilities regardless of age, gender, nationality, job type, affiliation, or work history.

[Human Resources Policy]

1. Promoting success of diverse human resources

We will respect diverse values and create an environment where all employees are treated fairly and can fully leverage their abilities regardless of age, gender, nationality, job type, affiliation, or work history.

2. Promoting job-based abilities

We clarify the roles, duties, and goals expected of each employee and reward those who demonstrate their abilities to the maximum.

3. Promoting autonomous growth

We will develop employees who are particularly focused on the entire Group's profits and growth and who can identify their own challenges and work to resolve them.

4. Promoting individual growth

We promote the formation of self-directed careers and behavior change by clarifying work goals and action plans to address individual employees' development challenges and evaluate their growth.

Please refer to our website below for more information on our human resources system and development.
https://www.cosmo-energy.co.jp/ja/sustainability/social/employee2.html

(ii) Ratio of female managers and promotion of female employees to managerial positions (promotion of active participation by women)

・Placing the promotion of active participation by women as a top priority issue in its efforts to realize diversity, the Company is working on the empowerment of women by implementing awareness and work style reforms, and taking initiatives for active recruitment of women, promotion to managerial positions, and appropriate posting corresponding to their abilities.

・In the 7th Consolidated Medium-Term Management Plan period starting in FY2023, we set the following four target indexes for women's empowerment. In the 8th Consolidated Medium-Term Management Plan, we have set higher targets based on our previous results to continuously implement women's empowerment initiatives. Specific planned measures include the preparation of individual development plans for female manager candidates, the expansion of the coverage of cross-mentoring programs with other companies, and ongoing training on unconscious biases (for managers).

[Targets for women's empowerment in the 8th Consolidated Medium-Term Management Plan and results in FY2025]

・Ratio of female managers (as of April 1, 2029) : 12% (8.9% as of April 1, 2026)

・Ratio of female new graduates hired (in April 2027, April 2028, April 2029)
: Maintain 40 to 60% throughout the period (55% for those hired in April 2026).

・Wage gap between male and female employees (FY2026, FY2027, FY2028)
: Maintain 75% or more throughout the period (80.2% for FY2025).

・Rate of paternity leave acquisition (FY2026, FY2027, FY2028) : Achieve 90% or more throughout the period (84% for FY2025).

* The ratio of female managers and the ratio of female new graduates hired cover core employees mainly from the Company (Cosmo Energy Holdings Co., Ltd.) and its core operating companies (Cosmo Oil Co., Ltd., Cosmo Oil Marketing Co., Ltd. and Cosmo Energy Exploration & Production Co., ltd.), and include those seconded from Cosmo Oil Co., Ltd. to other companies.

* The ratio of female new graduates hired remained at a 50% level throughout the three-year period of the 7th Medium-Term Management Plan.

* The target for the wage gap between male and female employees covers regular employees mainly from the Company and its core operating companies.

* The rate of paternity leave acquisition covers employees mainly from the Company and its core operating companies.

* The Company offers a number of programs for supporting employees in balancing work and childcare. In addition to a childcare leave system exceeding legal requirements, maternity leave, and leave for nursing care of one's child, a variety of support systems are available, such as a teleworking system and a system of flexible working hours without core hours, so that it is possible to work flexibly. We offer some options employees can choose from autonomously, including childcare leave, so that they can keep working while raising their children.
Please refer to our website below for more information on "Support programs for balancing work and childcare/family care."
https://www.cosmo-energy.co.jp/ja/sustainability/social/employee4.html

(iii) Ratio and promotion of mid-career hires and foreign managers

・We believe that mid-career hires are an important component of workforce diversity and are important human resources for a company's sustainable growth and transformation. As of April 1, 2026, 13% of line managers employed by the Company and its core operating companies are mid-career hires. In addition, we have not only hired mid-career employees but also actively appointed executive officers and directors from among mid-career hires.
We will continue to actively recruit, develop, and assign them appropriately according to their abilities.

・As we consider that no particular difference is created between foreign and other employees by nationality or any other factor, we have not set any goals and targets associated with the promotion of foreign nationals to managerial positions. In order to increase diversity, we will actively recruit and develop people regardless of their nationality and promote them to managerial positions.

・The Company is actively engaged in the work style reform and awareness reform for gender equality in order to ensure such diversity.

(iv) Work style reform

・We are working to implement working styles that are not bound by time and place, such as flextime and telework systems.

・We are promoting optimization of working hours aimed at improving productivity and work-life balance.

・We have developed and launched "Cosmo Guidelines on Workstyles" as more productive workstyles and monitored and improved the status of compliance with the guidelines.

(v) Awareness reforms

・Exchange meetings with senior female employees inside and outside the Company are held to help women have a clearer image of themselves in their career vision.

・A mentoring system for female employees and mid-career hires has been introduced.

・We hold seminars for female employees led by female directors.

・We offer career design training sessions for both male and female employees as part of our initiatives for supporting self-directed career choices.

・We offer paternity leave (paid special leave for fathers following childbirth) and partially paid childcare leave to promote male participation in childcare.

・We provide diversity and management training sessions to superiors.

(vi) Other

・The Company is promoting active participation of people with disabilities on the premise of inclusion.

・The Company acquired a gold rating in the PRIDE Index in recognition of our initiatives for sexual minority (LGBTQ+) in 2025, for the second consecutive year.

Please refer to our website below for more information on our Diversity, Equity & Inclusion (DEI) initiatives.
https://www.cosmo-energy.co.jp/ja/sustainability/social/employee3.html

[Principle 2-6 Roles of Corporate Pension Funds as Asset Owners]
・The Group makes quarterly reports to officers in charge of corporate pension reserves about the management of such reserves, and reviews the management policy every year at the Executive Officers' Committee.
・Furthermore, a pension liaison meeting consisting of the Human Resource Department, the Accounting Department, and the Finance Department is held twice a year in order to ensure the sound management of pension funds from a professional viewpoint and the perspective of beneficiary protection.
・We comprehensively evaluate and monitor asset managers in consideration of investment performance, management structures, management processes, etc.

[Principle 3-1 Full Disclosure]
(i) Company objectives (e.g., Management Vision), management strategies, and management plans
Please refer to our corporate website below for the Management Vision, management strategies, management plan, etc.
<Management Vision>https://www.cosmo-energy.co.jp/ja/company/vision.html
<Explanatory materials for the Consolidated Medium-Term Plan>https://www.cosmo-energy.co.jp/ja/ir/library/consolidated-medium-term-management-plan.html

(ii) Basic views and policies on corporate governance
For the Group's basic views on corporate governance, please refer to "I-1. Basic Views" of this report.

(iii) Board policies and procedures in determining the remuneration of the senior management and directors
・The Company has established the Nomination and Remuneration Advisory Committee, a majority of whose members are independent outside directors, as an advisory body to the Board of Directors in order to increase the transparency and objectivity of the remuneration determination and evaluation processes. The Board of Directors is responsible for making decisions on the policies and systems pertaining to the remuneration of directors and executive officers based on the results of deliberation at the Nomination and Remuneration Advisory Committee.
・The Company has established a performance-linked remuneration system that has the basic policies of: incentives to enhance business performance and increase corporate and shareholder value in the medium- to long-term; sharing profits with shareholders; encouraging a challenging spirit; and ensuring transparency and objectivity in the remuneration determination and evaluation processes.
For details, please refer to "II-1. Matters Relating to Institutional Structure, Organizational Management, etc." and "II-2. Matters Relating to Functions of Business Execution, Auditing, Oversight, Nomination and Remuneration Decisions (Overview of Current Corporate Governance System)" of this report.
・The details of remuneration of individual directors (excluding outside directors, non-executive directors, and directors who are Audit and Supervisory Committee members) are determined by the Board of Directors, except for personal appraisal for the annual incentive remuneration. Remuneration of individual directors who are Audit and Supervisory Committee members is determined through discussions among the directors who are Audit and Supervisory Committee members in accordance with the provisions of Article 361, paragraph 3 of the Companies Act.

(iv) Board policies and procedures in the appointment/dismissal of senior management and the nomination of director candidates and Audit and Supervisory Board Member candidates
・The Company established, as an advisory body for the Board of Directors, the Nomination and Remuneration Advisory Committee (a voluntary committee), which is chaired by an independent outside director and whose majority is composed of independent outside directors, with the aim of ensuring transparency and objectivity in the processes of appointing/dismissing senior management members and nominating directors including those who are the Audit and Supervisory Committee members. The Nomination and Remuneration Advisory Committee is responsible for: 1) confirming whether a director or executive officer is capable of performing his/her duties on a continuous basis based on the multi-faceted appraisal information, including the information on the level of fulfillment of the Company's requirements for its human resources, as well as the results of quarterly performance evaluation; 2) deliberating on the proposals concerning director/executive officer candidates; and 3) submitting its opinion to the Board of Directors.
・With regard to the appointment of senior management members and the nomination of directors including those who are the Audit and Supervisory Committee members, we have set requirements for individuals who can contribute to the Group's sustainable growth and improvement of corporate value over the medium- to long-term, in addition to the corporate ethics and compliance spirit that are indispensable for the Company's directors and executive officers, taking into consideration the Company's vision and recognition of its business environment. Accordingly, it is the Company's basic policy to nominate directors and executive officers who meet the requirements, i.e., conceptual ability, execution ability, personal influence and personality, and leadership risk.
・The Nomination and Remuneration Advisory Committee is also responsible for verifying whether the Group's requirements for its human resources are updated in a timely manner to align with changes in the environment surrounding the Company as well as the circumstances under which the Company operates, and making revisions to the requirements as necessary. For the appointment status of directors and the overview of the committee, please refer to "II-1. Matters Relating to Institutional Structure, Organizational Management, etc." and "II-2. Matters Relating to Functions of Business Execution, Auditing, Oversight, Nomination, and Remuneration Decisions (Overview of Current Corporate Governance System)" of this report.

(v) Explanations on appointment, dismissal, and nomination of Directors
・The Company describes in the notice of convocation of the general meeting of shareholders the background of the director candidates, significant concurrent positions, the number of shares held, and the reasons for appointment.

[Supplementary Principle 3-1-3 Sustainability Initiatives, etc.]
<In-house sustainability initiatives>
・The Company discloses its sustainability policy and initiatives in the integrated report (*Cosmo Report*), the annual securities report, the notice of convocation of the general meeting of shareholders, etc. The Group identified important ESG issues (material issues) that will influence the sustainable development of society and the Group and our medium- to long-term corporate value for realizing the society we envisage in 2050. The Group has set KPIs for each material issue and working on addressing them. On June 18, 2026, following the start of

the 8th Consolidated Medium-Term Management Plan, we reviewed the existing material issues and ultimately identified six. Please refer to our website below for our views, policies, and initiatives for sustainability.
https://www.cosmo-energy.co.jp/ja/sustainability.html

<Investment in human capital and intellectual properties>
・The 7th Consolidated Medium-Term Management Plan set out "Management foundation transformation" as a basic policy, and one of the pillars of this policy was HRX (Human Resources Transformation), "Pursue a people strategy that motivates employees and harnesses their skills." In order to create a stronger organization than ever before, capable of implementing a management strategy in conjunction with a human resources strategy, the Company has implemented various measures and investments to maximize the value of human resources.
・In the 8th Consolidated Medium-Term Management Plan, we have defined the following two non-financial indexes and set targets therefor to improve our corporate value:
a. Challenge index
Encourage employees' self-driven pioneering actions and ensure their continuous growth by visualizing the entire process from the provision of opportunities to take on challenges to employees to implementation and support, and the development of a sense of growth.
b. Engagement index
Maintain and improve the state in which employees can work with high motivation and energy in order to achieve continuous organizational growth and produce results.

Non-financial index	FY2028 target	FY2025 result
Challenge index *1	80 points	60 points
Engagement index *2	70 points	64 points
Annual training cost *3	210,000 yen/employee	181,000 yen/employee

*1 This indicates the share of positive responses from employees of the Company and its core operating companies in engagement surveys regarding goal setting and assignment, pioneering actions and support, and sense of growth/appropriate feedback.
*2 This indicates the share of positive responses from employees of the Company and its core operating companies in engagement surveys regarding work satisfaction, capability demonstration, and pride in work.
*3 The annual training cost covers employees mainly from the Company and its core operating companies (including those seconded from Cosmo Oil Co., Ltd. to other companies).

・To reinforce our organizational capability, we have established the recruitment and training system to secure executive candidates having leadership and highly specialized human resources. We offer a variety of training programs with different themes and for different targets, including training for different staff grades, career design training and DX training, and provide financial assistance for correspondence courses for employees' self-development. We value on-the-job training and put in place a performance-based personnel system that highly evaluates employees who produced results and employees who endeavored to bring about a reform and transformation.
Please refer to our website below for more information on our personnel development and evaluation systems.
https://www.cosmo-energy.co.jp/ja/sustainability/social/employee2.html

・Recognizing that intellectual properties are our important assets to enhance our corporate value as a sustainable corporation group, we have implemented various initiatives for investment in intellectual properties and protected and utilized intellectual properties generated by employees through research and development, business development and operations, especially in securing profitability and expanding the New Fields to drive growth as set out in the 7th Consolidated Medium-Term Management Plan.
Please refer to our website below for more information on our specific initiatives and patent rights, trademark rights and other intellectual properties that we have established and protected to date:
https://www.cosmo-energy.co.jp/ja/actions/intellectual-property.html
・Our initiatives for managing our brand, which is an intangible asset, are disclosed in our corporate report (*Cosmo Report*) below.
https://www.cosmo-energy.co.jp/ja/ir/library/annual/2022/pdf/report2022_10.html
We will facilitate a transition to our brand frame with an eye to the realization of Vision 2035 and beyond, and take measures for disseminating it.

<Response to climate change>
・Our Group recognizes that formulating and implementing management plans that further incorporate perspectives on climate change is indispensable for sustainable development of the earth, society, and our company, and declared our goal to achieve net zero carbon emissions by 2050 in May 2021. For more information, please refer to our website below.
https://www.cosmo-energy.co.jp/ja/sustainability/environment/gl-warming/tcfd.html
In May 2022, we formulated a roadmap that summarizes our initiatives and steps for achieving net-zero carbon emissions based on analysis of scenarios as well as external and internal environments by the Task Force on Climate-related Financial Disclosures (TCFD). In June 2026, we revised this roadmap based on changes in the external environment and the progress of our initiatives. For more information, please refer to our website below.
https://www.cosmo-energy.co.jp/ja/sustainability/environment/gl-warming/netzero-roadmap.html

[Supplementary Principle 4-1-1 Delegation of Authority to Management]
・The Company's Board of Directors Rules stipulate that, in addition to the matters stipulated by laws and regulations and the Articles of Incorporation, the Board shall discuss and make decisions on the basic policy and important matters relating to the Company's management.

・Other business execution decisions are delegated to the Representative Director, Group CEO so as to speed up the management process, and the authority is delegated to its lower-level meeting, the Executive Officers' Committee, as well as to officer in charge of the business.

[Supplementary Principle 4-1-3 Succession Plan]
・The Company has determined the development of successors to the Representative Director, Group CEO to be one of the priority strategies that support the sustainable growth of the Group. Its basic policy on the succession plan is to ensure transparency and objectivity in the successor candidate selection process, and develop successors who have the abilities and qualities suitable for the Representative Director, Group CEO through the deployment of human resources and the provision of opportunities to participate in external training sessions.
・During the successor training period, the evaluation of the level of fulfillment of the Group's requirements for its human resources and other multifaceted appraisals are conducted on the successor candidates in addition to the evaluation of their quarterly performance. We also develop the candidates in a scheduled manner to support their training for the future, through the consideration and implementation of human resource deployment plans that are aligned with individual candidates' level of development, as well as through the provision of opportunities to participate in external training sessions. The Nomination and Remuneration Advisory Committee receives information on the multifaceted personnel evaluation and quarterly performance evaluation results, and continuously confirms the suitability of successor candidates and the appropriateness of the training plans.
・The finalist candidates are selected by the Representative Director, Group CEO from multiple candidates who have sufficient ability and quality suitable to the Company's Representative Director, Group CEO and the finalists are proposed to the Nomination and Remuneration Advisory Committee. The Nomination and Remuneration Advisory Committee deliberates on the appropriateness of the proposal received from the Representative Director, Group CEO, and submits an opinion to the Board of Directors.

[Supplementary Principles 4-3-2 Appointment of Qualified CEO]
・The Representative Director, Group CEO selects a successor candidate from multiple individuals based on the level of fulfillment of the Group's requirements for its human resources and other multifaceted appraisal information, in addition to the results of quarterly performance evaluation, and submits a proposal to the Nomination and Remuneration Advisory Committee. The Nomination and Remuneration Advisory Committee examines the appropriateness of the proposal received from the Representative Director, Group CEO, and submits an opinion to the Board of Directors.

[Supplementary Principle 4-3-3 Procedures to Dismiss CEO]
・The Nomination and Remuneration Advisory Committee deliberates each fiscal year whether it is necessary to submit a proposal to the Board of Directors about the dismissal of the Representative Director, Group CEO, in light of the human resources requirements and performance standards. If, as a result of deliberation, it is determined that the proposal must be submitted to the Board of Directors, the Board determines whether the Representative Director, Group CEO must be dismissed, based on the opinion of the Nomination and Remuneration Advisory Committee.

[Principle 4-9 Independence Standards and Qualification for Independent Outside Directors]
・We believe that it is desirable for outside directors to be as independent as possible, so as to ensure the objectivity and transparency necessary for the proper governance of the Company.
In order to make an objective judgment of independence, the Company has established the following independence standards, which are stricter than those provided for by the Tokyo Stock Exchange.
・If the Company's outside director does not fall under any of the following items, the Company determines that the outside director has sufficient independence and considers that he/she is an independent outside director:
（1） an executing person of the Group (Note 1);
（2） a major shareholder of the Company (a shareholder who directly or indirectly holds 10% or more of the voting rights) (Note 2) or its executing person;
（3） an executing person of a corporation, etc. who falls under any of the following:
(a) a major customer of the Group (Note 3);
(b) a major lender of the Group (Note 4);
（4） a certified public accountant belonging to an audit firm that serves as the accounting auditor of the Group;
（5） a consultant, accountant, tax accountant, lawyer, judicial scrivener, or patent attorney who receives more than 10 million yen of money or other property annually from the Group;
（6） a person who receives annual donations of over 10 million yen from the Group;
（7） a person of a company that has an arrangement for a reciprocal exchange or secondment of outside directors with the Company;
（8） a person with a close relative who falls under any of (1) to (7) above (excluding (4) and (5), limited to significant persons);
（9） a person who has fallen under any of (2) to (8) above in the past five years; or
（10） notwithstanding the provisions of the preceding items, a person who is deemed to have other special reasons that may cause a conflict of interest with the Company.

(Note 1) The "Group" refers to a group of companies that are included in the consolidated financial statements of the Company. An "executing person" refers to an executive director, executive officer, manager, or other employee of the stock company or subsidiary in the past or present.
(Note 2) "Major shareholder" refers to a shareholder who holds 10% or more of the voting rights in the person's own name or another person's name at the end of the Company's fiscal year.
(Note 3) "Major customer" refers to a buyer or supplier of the Group's products whose annual transaction volume exceeds 2% of the consolidated sales of the Company or the other party.
(Note 4) "Major lender" is a financial institution which provides loans to the Group and whose outstanding loans to the Group exceed 2% of the consolidated total assets of the Company or the financial institution at the end of the Company's fiscal year.

[Supplementary Principle 4-10-1 Use of Optional Approach]
As an advisory body for the Board of Directors, we have established the Nomination and Remuneration Advisory Committee, a majority of whose members are independent outside directors, with the aim of ensuring transparency and objectivity of the processes for appointing and

dismissing officers, making succession plans, and determining officers' remuneration. The Committee is chaired by an Independent Outside Director to ensure its independence. For the details, please refer to "Voluntary Committees" on pages 11–12 of this report.

[Composition of the Nomination and Remuneration Advisory Committee]
Chairperson Keiichi Asai, (independent outside) Director
Members Yasuko Takayama, (independent outside) Director; Ryuko Inoue, (independent outside) Director; Takuya Kurita, (independent outside) Director; Hiroshi Kiriyama, Representative Director, Group Chairman (internal director)

[Supplementary Principle 4-11-1 Policy and Procedure Regarding the Board Skills Matrix and the Appointment of Directors]
・The Board of Directors determines the number of directors within the limit set out in the Articles of Incorporation so that the Board's functions can be performed in the most effective and efficient manner, based on the results of deliberation by the Nomination and Remuneration Advisory Committee.
・The Board also nominates directors so that it is composed of directors with different backgrounds such as specialized knowledge, experience, and internationality.
・When nominating directors and Audit and Supervisory Committee members, the Company prepares, by referring to the Management Vision and management challenges, a skills matrix that lists particularly important knowledge, abilities, etc. in addition to the abilities to formulate and implement corporate strategies and make appropriate management decisions. The skills matrix is disclosed in our integrated report, *Cosmo Report*, as well as the notice of convocation of the general meeting of shareholders.
・The Board of Directors appointed six independent outside directors for the purpose of improving the transparency and objectivity required for corporate governance, three of whom have management experience at other companies.

[Supplementary Principle 4-11-2 Concurrent Positions Held by Directors and Corporate Auditors]
The Company discloses the status of concurrent positions held by each officer in the notice of convocation of the general meeting of shareholders.

[Supplementary Principle 4-11-3 Evaluation of Board Effectiveness]
・The Board evaluates its effectiveness based on the results of prior questionnaires and discussions, and discloses a summary of the evaluation results on the Company's corporate website.
https://www.cosmo-energy.co.jp/ja/ir/management/governance.html

[Supplementary Principle 4-14-2 Training Policy for Officers]
・The Company holds several in-house training sessions for directors and their candidates in order to further improve their industry knowledge and expertise. It also provides them with opportunities to attend external training courses and so forth as necessary.
・Upon appointment of directors, the Company offers them opportunities to: 1) have meetings with division heads to learn about the Company's and its core business companies' businesses (refining, sales, and oil exploration and production businesses) and 2) visit key facilities, including Group companies' oil exploration and production facilities in the Middle East, wind power plants, refineries, and service stations.

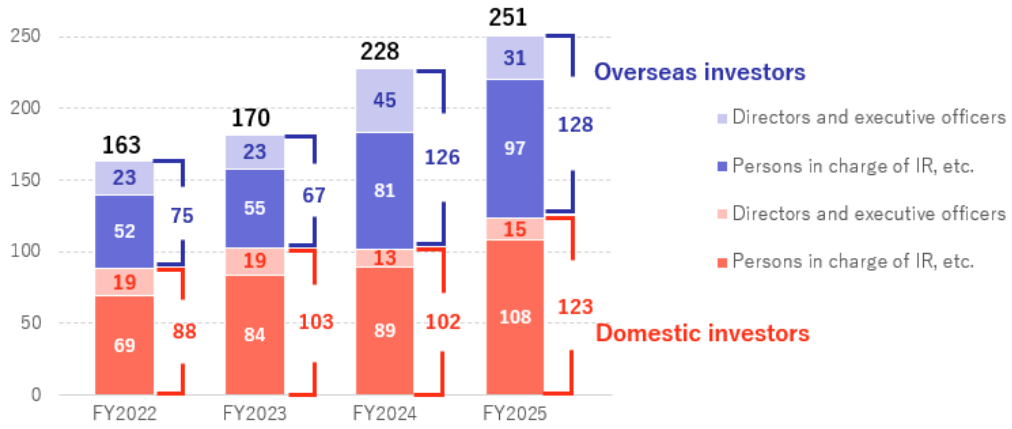
[Principle 5-1 Policy for Constructive Dialogue with Shareholders]
・In order to promote constructive dialogue with shareholders and investors and thereby contribute to its sustainable growth and the improvement of medium- to long-term corporate value, the Company has established a policy to implement the following measures:

(i) Designation of persons (senior management or other executives) who are to attend meetings intended to promote dialogue with shareholders
An officer in charge of IR supervises dialogue with shareholders and responds to them properly, including the selection of persons (senior management or other executives) who are to attend meetings with shareholders. If it is reasonably deemed appropriate based on shareholders' request and main concerns about meetings, directors including executive officers, outside directors and Audit and Supervisory Committee Members are to attend the meetings.
Outside directors have active involvement in dialogue with shareholders. They have taken the stage at every ESG Presentation that we started in FY2021, and have attended SR meetings as necessary. In FY2024, we held our first small meeting attended by outside directors as part of our efforts to enhance dialogue with shareholders and investors.
(ii) Measures to ensure organic cooperation among relevant internal departments with the aim of supporting dialogue
The department in charge of IR plays a central role in holding constructive dialogue with shareholders and collaborates actively with related departments to, for example, share necessary information with them.
(iii) Measures to promote opportunities for dialogue aside from individual meetings
As a measure for dialogue aside from individual meetings, the Company holds earnings briefings for institutional investors throughout the year and posts the details on its corporate website.
Furthermore, as a tool for constructive dialogue with domestic and overseas shareholders, the Company publishes its integrated report(*Cosmo Report*) both in Japanese and English and enhances information disclosure, for example, by issuing newsletters for individual shareholders and providing a wide range of information on its website.
(iv) Effective feedback on shareholders' opinions and concerns
Opinions and concerns identified through dialogue with shareholders are regularly fed back to management.
(v) Measures to control insider information when engaging in dialogue
To prevent insider information leakage, the Company limits dialogue with shareholders by setting a certain length of silent period prior to the announcement of financial results.

[Status of Dialogue with Shareholders, etc.]

- In accordance with the Corporate Governance Code and the requirement for promoting and disclosing dialogue with shareholders based on the regulations of the Tokyo Stock Exchange, the Company believes that constructive dialogue with shareholders will contribute to the Company's sustainable growth and improvement of its corporate value over the medium- to long-term by helping shareholders have a deep understanding of its corporate governance and its measures to enhance corporate value, including medium-term management plans, and allowing the Company to receive the opinions of shareholders and work on engagement with them. Therefore, the Company places importance on and actively engages in dialogue with institutional investors and shareholders from the perspective of improving its sustainable corporate value.
- As part of such efforts, in addition to activities by the department in charge of IR and the management, the Company provides more opportunities for dialogue between its independent outside directors and institutional investors and shareholders. The number of such dialogues in FY2025 is as follows:

The number of dialogues with institutional investors (from April 2022 to March 2026)



- Our dialogue with institutional investors and shareholders covers various topics, including their comments on the capital policy set out in our 7th Consolidated Medium-Term Management Plan, especially the high capital efficiency and the shareholder return policy, and their expectations for us to achieve both growth strategies, and the capital policy and shareholder return under the next medium-term management plan.
  These opinions are fed back to the management in a timely and appropriate manner regularly or irregularly, and are also reflected in the Company's management strategies and measures depending on the content.

[Action to Implement Management that is Conscious of Cost of Capital and Stock Price] Updated

Description	Disclosure of initiatives (updates)
Availability of an English version	Available
Date of updating	June 30, 2026

Supplementary Explanation

- Under the 7th Consolidated Medium-Term Management Plan "Oil & New -Next Stage -" announced in March 2023, the Company formulated four basic policies, namely, "Secure profitability," "Expand New fields to drive growth," "Realize three-pronged capital policy," and "Transform management foundation" in the belief that achieving business strategies through the use of non-financial capital, improving profitability and implementing a more attractive capital policy, and expanding growth businesses will contribute to corporate value enhancement (PBR improvement).
- We implemented various measures pursuant to these basic policies and almost achieved the management targets set out in the 7th Consolidated Medium-Term Management Plan. As a result, the average PBR for the period covered by the plan reached 1.0x.
- The 7th Consolidated Medium-Term Management Plan set an ROIC target exceeding a capital cost calculated based on WACC.
- The capital policy set out in the 7th Medium-Term Management Plan was to be implemented through a three-pronged approach that places equal emphasis on shareholder returns, financial health and capital efficiency. Fully conscious of the stock price, we have actively disclosed information on our capital policy to the capital market, such as improved total return ratio, stable dividend payment over minimum set dividend, and disclosure of the calculation method for financial health targets.
- Under the 8th Consolidated Medium-Term Management Plan, *Oil & New - Go Beyond with Energy.* -, announced in June 2026, we will implement updates while maintaining the direction of Vision 2030 set forth in the 7th Consolidated Medium-Term Management Plan in order to further enhance our corporate value by stable energy supply and sustainable growth.
- The Board of Directors has analyzed the current situation, including market valuations, and disclosed our initiatives for corporate value enhancement and the results thereof in explanatory materials for financial results and the medium-term management plan.

Results for FY2023 (announced on May 9, 2024)
https://www.cosmo-energy.co.jp/content/dam/corp/jp/ja/ir/financial/presentation/2023/pdf/presen2023_04.pdf
Results for FY2024 (announced on May 13, 2025)
https://www.cosmo-energy.co.jp/content/dam/corp/jp/ja/ir/financial/presentation/2024/pdf/presen2024_04.pdf
The 8th Consolidated Medium-Term Management Plan (announced on June 18, 2026)
https://www.cosmo-energy.co.jp/ja/ir/library/consolidated-medium-term-management-plan.html

2. Capital Structure

Percentage of foreign shareholders Updated	20% or more but less than 30%

[Status of Major Shareholders] Updated

Name/company name	Number of shares owned (shares)	Percentage (%)
Iwatani Corporation	35,419,800	22.17
The Master Trust Bank of Japan, Ltd. (Trust account)	18,233,900	11.41
Custody Bank of Japan, Ltd. (Trust account)	6,564,300	4.11
Kansai Electric Power Co., Inc.	3,720,000	2.32
Cosmo Energy Holdings Customers Shareholding Association	3,482,000	2.18
JPMorgan Securities Japan Co., Ltd.	3,262,404	2.04
Aioi Nissay Dowa Insurance Co., Ltd.	3,160,600	1.97
Mitsui Sumitomo Insurance Co., Ltd.	2,500,000	1.56
THE BANK OF NEW YORK MELLON 140044	2,236,514	1.40
STATE STREET BANK AND TRUST COMPANY 505001	2,051,538	1.28

Controlling shareholder (excluding parent company)	None
Parent company	None

Supplementa Updated

1. Although the Company holds 5,335,671 treasury shares, the Company is excluded from the major shareholders list above. These treasury shares do not include shares owned by the trust bank through the “Executive Remuneration Board Incentive Plan (BIP) Trust.”

2. The aforementioned number of shares owned includes the following number of shares held in connection with trust business:
The Master Trust Bank of Japan, Ltd. (Trust account): 18,233,900 shares
Custody Bank of Japan, Ltd. (Trust account): 6,564,300 shares

3. Corporate Attributes

Listing exchanges and market section	Tokyo Stock Exchange Prime Market
Fiscal year-end	March
Industry sector	Oil & coal products
(Consolidated) Number of employees as of the end of the immediately preceding business year	1,000 persons or more
(Consolidated) Sales in the immediately preceding business year	1 trillion yen or more
Number of consolidated subsidiaries as of the end of the immediately preceding business year	10 companies or more but less than 50 companies

4. Policy on Measures to Protect Minority Shareholders When Conducting Transactions with Controlling Shareholders

———

5. Other Special Circumstances that May Have Significant Impact on Corporate Governance Updated

[Other Approaches and Policies for Group Management at Subsidiaries and Affiliates]

Iwatani Corporation, one of our shareholders, holds 22.2% of voting rights of the Company, that is, the Company is an equity method affiliate of Iwatani Corporation.

The Company has concluded a capital and business alliance agreement with Iwatani Corporation with the aim of achieving carbon neutrality by 2050. Energy demand is changing, and both companies will create new synergy and increase their respective corporate value by collecting their respective management resources and expertise and further deepening their collaboration to ensure a smooth transition from fossil fuels such as oil and LP gas to hydrogen and renewable energy. Furthermore, an alliance promotion committee chaired by the representative directors of both companies will be organized as an organization to discuss and promote the alliance.

[Other Approaches and Measures for Ensuring Independence from Subsidiaries and Affiliates, etc. Necessary for the Protection of Minority Shareholders]

The terms and conditions of sale and purchase of products to and from Iwatani Corporation are determined in the same manner as those of general transactions.

Half of the Company's board members are independent outside directors. The Board of Directors has established a voluntary Nomination and Compensation Committee, which is chaired by an independent outside director and a majority of whose members are independent outside directors. As an advisory body to the Board of Directors, the Committee appoints and removes senior management, nominates directors, including Audit & Supervisory Committee members, and determines the appointment and removal of senior management and directors and their remuneration in order to maximize the interests of all shareholders while ensuring management independence as a listed company.

II Status of Business Management Organization and Other Corporate Governance Systems for Managerial Decision-making, Business Execution, and Oversight

1. Matters Relating to Institutional Structure, Organizational Management, etc.

Organizational form	Company with Audit and Supervisory Committee

[Matters Relating to Directors]

Maximum number of directors stipulated in the Articles of Incorporation	17 persons
Directors' term of office stipulated in the Articles of Incorporation	1 year
Chairperson of the Board	Group Chairman (excluding the case where he or she concurrently serves as the Representative Director, Group CEO)
Number of directors	12 persons
Appointment of outside directors	Appointed
Number of outside directors	6 persons
Number of outside directors designated as independent directors	6 persons

Relationship with the Company (1)

Name	Attribute	Relationship with the Company (*)									
		a	b	c	d	e	f	g	h	i	j	k
Ryuko Inoue	Attorney at law											
Takuya Kurita	Other											
Takako Suzuki	From another company											
Yasuko Takayama	From another company											
Keiichi Asai	From another company								△			
Toshihiro Kuriyama	From another company											

* Categories for “Relationship with the Company”
* “○” indicates that the director presently falls or has recently fallen under the category; “△” indicates that the director fell under the category in the past.
* “●” indicates that a close relative presently falls or has recently fallen under the category; “▲” indicates that a close relative fell under the category in the past.

a. Executing person of the Company or its subsidiaries
b. Non-executive director or executing person of a parent company of the Company
c. Executing person of a sister company of the Company
d. A party whose major client or supplier is the Company or an executing person thereof
e. Major client or supplier of the Company or an executing person thereof
f. Consultant, accountant, or legal professional who receives a large amount of monetary consideration or other property from the Company besides compensation as a director/Audit and Supervisory Board Member
g. Major shareholder of the Company (if the major shareholder is a corporate body, executing person of that corporate body)
h. Executing person of a client or supplier of the Company (that does not fall under d, e, or f) (the director himself/herself only)
i. Executing person of a company that has an arrangement for a reciprocal exchange of outside directors with the Company (the director himself/herself only)
j. Executing person of a company to which the Company donates (the director himself/herself only)
k. Other

Relationship with the Company (2) Updated

Name	Member of the Audit and Supervisory Committee	Independent director	Supplementary explanation about the relationship	Reasons for appointment
Ryuko Inoue		○	-	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, and United Nations World Food Programme in 2003, contributing to the growth of the global economy. She is currently an attorney at Atsumi Sakai Law Office and Foreign Law Joint Venture, as well as an outside director at multiple companies. 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 as an outside director by leveraging her wide-ranging knowledge that extends beyond the industry to which the Company belongs.
Takuya Kurita		○	-	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. After retiring from the Ministry in 2021, he has served as Advisor of Sumitomo Mitsui Trust Bank, Limited and Project Professor at the University of Tokyo. Based on his experience working in that government ministry, and serving as an advisor of other companies and project professor, 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 as an outside director by leveraging his wide-ranging knowledge that extends beyond the industry to which the Company belongs.
Takako Suzuki		○	-	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 then leveraged her insights in this field. In 2010, she joined S.T. CORPORATION where she produced many hit products as part of a design revolution and in 2013 was appointed President and CEO. In 2023, she assumed the position of Chairperson at S.T. CORPORATION, and along with her experience as External Director at KING JIM CO., LTD. and Outside Director at FUJIFILM Holdings Corporation, she has properly executed her duties as an outside director by leveraging her wide-ranging knowledge that extends beyond the industry to which the Company belongs.
Yasuko Takayama	○	○	-	Yasuko Takayama served as the person in charge of consumer relations and the CSR department and a full-time Audit & Supervisory Board Member at Shiseido Co., Ltd., and then served as an Outside Director for several listed companies, as well as a member of the Central Labour Relations Commission. As a member of the Nomination and Compensation Committee of the Company, she has endeavored to further improve the Company's succession planning and performance-linked executive remuneration. In addition, as chairperson of the Audit and Supervisory Committee, based on her experience up to her previous position and extensive knowledge of corporate governance, she provided auditing and oversight regarding the legitimacy and appropriateness of management decision-making process and business execution. In addition to the above achievements, based on her wide-ranging perspectives that extends beyond the industry to which the Company belongs, the Company believes she is capable of properly executing her duties as an outside director (Audit and Supervisory Committee member).
Keiichi Asai	○	○	Keiichi Asai was an executing person of KH Neochem Co., Ltd., which is one of the Group's trading partners.	He built his career in the petroleum business divisions (sales, supply and demand, refining, etc.) mostly in the energy field at Mitsubishi Corporation. After serving as Executive Officer at Mitsubishi Corporation, he became the Director and Vice President of Lithium Energy Japan in 2013 and the Representative Director, President and Chief Executive Officer of KH Neochem Co., Ltd. in 2014. At the Company, he has successfully further improved the Company's succession planning and performance-linked executive remuneration as a member of the Nomination and Remuneration Committee. He has also

				provided auditing and oversight regarding the legitimacy and appropriateness of management decision-making process and business execution as a Member of the Audit and Supervisory Committee. In addition to these achievements, based on his international knowledge that includes postings in the U.S. and India, and his extensive knowledge and experience related to corporate management in general, the Company believes he is capable of properly executing his duties as an outside director (Audit and Supervisory Committee member).
Toshihiro Kuriyama	○	○	-	After joining ALPS ELECTRIC CO., LTD. (now ALPS ALPINE CO., LTD.), he served as the General Manager of the Business Development Headquarters and the General Manager of the Engineering Headquarters. Then in 2012 he was appointed Representative Director, President, and in 2023 Representative Director, Chairman. 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. Not only has he expanded its business operations, but he also established various systems required by the company, including an optimal governance framework and initiatives geared towards decarbonization. He has provided auditing and oversight regarding the legality and appropriateness of the management decision-making process and business execution as a Member of the Audit and Supervisory Committee of the Company. Based on his extensive knowledge and experience related to corporate management in general, the Company believes he is capable of properly executing his duties as an outside director (Audit and Supervisory Committee member).

[Audit and Supervisory Committee]

Composition of the Committee and Attributes of Chairperson

	Total number of committee members (persons)	Full-time members (persons)	Internal directors (persons)	Outside directors (persons)	Chairperson
Audit and Supervisory Committee	4	1	1	3	Outside director

Appointment of directors and employees who are to assist the duties of the Audit and Supervisory Committee	Appointed

Matters Related to the Independence of such Directors and Employees from Executive Directors

To assist the duties of the Audit and Supervisory Committee, the Company established the Secretariat for the Audit and Supervisory Committee and assigned full-time staff. With the aim of ensuring independence of the full-time staff, the Company established a rule that, when making a decision on matters related to their personnel issues such as transfer, consent from the Audit and Supervisory Committee must be obtained in advance.

Status of Cooperation between Audit and Supervisory Committee, Independent Auditors, and Internal Auditing Office

The Audit and Supervisory Committee regularly holds meetings with the independent auditor (KPMG AZSA LLC) to receive reports on the status of business execution and assets of the Company and its subsidiaries and to maintain close cooperation with the auditor by sharing information and exchanging opinions with each other. The Committee regularly receives reports on the results of internal audits from the Internal Auditing Office, evaluates the appropriateness of the internal control system, and provides instructions on additional audits and investigations as necessary.

[Voluntary Committees]

Establishment of voluntary committees corresponding to a nomination or remuneration committee	Established

Names and Composition of Voluntary Committees, and Attributes of the Chairpersons

	Name of committee	Total number of committee members (persons)	Full-time members (persons)	Internal directors (persons)	Outside directors (persons)	Outside experts (persons)	Other (persons)	Chairperson
Voluntary committee corresponding to nominating committee	Nomination and Remuneration Advisory Committee	5	1	1	4	0	0	Outside director
Voluntary committee corresponding to remuneration committee	Nomination and Remuneration Advisory Committee	5	1	1	4	0	0	Outside director

Supplementa Updated

The Company established the Nomination and Remuneration Advisory Committee, a majority of whose members are independent outside directors, with the aim of ensuring transparency and objectivity in the process of determining director candidates and their remuneration.
Serving as both a nominating committee and a remuneration committee, the Committee deliberates on prospective director candidates and the remuneration system and submits proposals to the Board of Directors. The Secretariat Office serves as the Committee's secretariat.

・Attendance Record for FY2025
Keiichi Asai (Chairperson): 9/9 meetings
Yasuko Takayama (committee member): 9/9 meetings
Ryuko Inoue (committee member): 9/9 meetings
Takuya Kurita (committee member): 9/9 meetings
Hiroshi Kiriyama (committee member): 9/9 meetings

・Status of the Nomination and Remuneration Advisory Committee's Activities in FY2025
In FY2025, the Nomination and Remuneration Advisory Committee meetings were held nine times in total to mainly deliberate the following agenda items:

	Matters deliberated/confirmed (nomination area)	Matters deliberated/confirmed (remuneration area)
May 13, 2025	・Skills matrix for FY2025 ・Effectiveness evaluation for the Nomination and Remuneration Advisory Committee for FY2024	・The executive remuneration system for FY2025 and the pre-determined number of shares provided as stock-based remuneration in FY2025 ・Finalization of the annual incentive for FY2024 (personal evaluation and ESG evaluation)
June 16, 2025		・Finalization of the medium- to long-term incentive for FY2022
June 26, 2025	・Appointment of members of the Nomination and Remuneration Advisory Committee	
July 22, 2025	・Setting targets for each officer ・Report on officer training in FY2024 ・Officer training in FY2025	・Discussion about the reappraisal of the executive remuneration system
September 25, 2025		・Discussion about the reappraisal of the executive remuneration system

November 11, 2025	・Report on the results of multifaceted officer evaluations	・Discussion about the reappraisal of the executive remuneration system (remuneration survey results and analysis by a consulting company)
January 20, 2026	・Nomination of officers of the Company and core operating companies for the next year ・Skills matrix for FY2026	・Discussion about the reappraisal of the executive remuneration system
February 26, 2026	・Skills matrix for FY2026	・Discussion about the reappraisal of the executive remuneration system
March 24, 2026	・Skills matrix for FY2026	・Discussion about the reappraisal of the executive remuneration system ・Policy for determining remuneration, etc. ・Convocation of the general meeting of shareholders and draft proposals

[Matters Related to Independent Officers]

Number of independent officers	6 persons

Other Matters Related to Independent Officers

The Company appoints independent outside directors taking into consideration business relationships with corporations and organizations for which outside directors serve as executives, while referring to the criteria on the Independence Standards for Independent Directors established by the Tokyo Stock Exchange.

[Matters Related to Incentives]

Implementation of measures related to the provision of incentives to directors	Introduction of a performance-linked remuneration system

Supplementary Explanation Updated

The Company has established a performance-linked remuneration system that has basic policies of: providing incentives to enhance business performance and increase corporate value and shareholders value in the medium- to long-term; sharing sustainable profits with shareholders; encouraging a challenging spirit; and ensuring transparency and objectivity in the remuneration determination and evaluation processes.

The system is composed of basic remuneration, which will be a set amount, as well as annual and medium- to long-term incentive remuneration. Annual incentive remuneration (bonus) is composed of business performance evaluation against the annual consolidated net income target of 60 billion yen (excluding inventory evaluation effects) as the 100% achievement level, sustainability evaluation regarding business continuity initiatives, and personal evaluation from the perspective of manager nomination. Each of these components is linked at a rate of 0% to 200%. Medium- to long-term incentive remuneration is based on the Company's Total Shareholder Return (TSR) to the Tokyo Stock Price Index (TOPIX) growth ratio (total return) as well as the consolidated net debt-to-equity ratio (ratio of interest-bearing liabilities). Each of these components is linked at a rate of 50% to 150%.

As medium- to long-term incentive remuneration, the Company has adopted a stock-based remuneration plan that is called Executive Remuneration Board Incentive Plan (BIP) Trust.

The performance-linked remuneration system is intended for directors (excluding non-executive directors, outside directors and directors who are Audit and Supervisory Committee members) and executive officers.

Persons eligible for stock options	None

Supplementary Explanation

———

[Matters Related to Directors' Remuneration]

Status of disclosure (of individual directors' remuneration)	Only for some directors

Supplementary Explanation Updated

Classification	Number of directors remunerated (persons)	Amount of remuneration, etc. (in millions of yen)	Basic remuneration (in millions of yen)	Performance-linked remuneration (Annual incentive) (in millions of yen)	Non-monetary remuneration (Medium- to long-term incentive) (in millions of yen)
Directors (excluding Audit and Supervisory Committee members)	8	612	256	230	125
(Of which: outside directors)	(3)	(47)	(47)	(-)	(-)
Directors (Audit and Supervisory Committee members)	4	97	97	-	-
(Of which: outside directors)	(3)	(59)	(59)	(-)	(-)
Total	12	710	354	230	125

* The amount of non-monetary remuneration above is the amount expensed as stock remuneration granted for the appraisal period that includes the current consolidated fiscal year.
We also disclose, in our annual securities report, the total amount of remuneration, etc. by officer and the amount by type of remuneration, etc., in cases where the total amount of remuneration, etc. is 100 million yen or more. The following shows the total amount and the amount by type of remuneration to be paid to respective officers in FY2025:

Hiroshi Kiriyama (Director): 176 million yen in total (breakdown: Basic remuneration of 65 million yen, bonus of 71 million yen, and stock remuneration of 39 million yen)
Shigeru Yamada (Director): 206 million yen in total (breakdown: Basic remuneration of 67 million yen, bonus of 91 million yen, and stock remuneration of 47 million yen)

* The amount of stock remuneration mentioned above is the amount accounted for (expensed) as stock remuneration granted for the appraisal period that includes the current consolidated fiscal year and varies from the amount actually obtained upon conversion into the stock grant points. In the case where all of the base points for stock-based remuneration granted in the current consolidated fiscal year are converted into the stock grant points, the amount of stock remuneration granted to Hiroshi Kiriyama and Shigeru Yamada will be 39 million yen and 50 million yen, respectively, based on the stock price on the base point calculation date.

The following shows the number of shares granted to directors, etc. as remuneration and the number of officers eligible for stock-based remuneration in the current consolidated fiscal year.
As of October 1, 2025, the Company conducted a two-for-one common stock split. The number of shares below is presented on a pre-split basis.
It includes 11,927 shares granted to an officer who resigned before the current business year as director remuneration, etc.
It also includes 28,397 shares converted into and paid in cash at the time of stock grant in accordance with the stock grant rules under the stock-based remuneration plan. No share has been granted to outside directors.

Officer classification	Number of shares (shares)	Number of officers (persons)
Directors (excluding Audit and Supervisory Committee members)	56,397 shares	4
Directors (Audit and Supervisory Committee members)	-	-

Policy on determining remuneration amounts or the method for the calculation	Established

Details of Disclosed Policy on Determining Remuneration Amounts or the Method for the Calculation

According to the resolution of the 9th Ordinary General Meeting of Shareholders, the upper limit of monetary remuneration for directors (excluding directors who are Audit and Supervisory Committee members) is set at 1 billion yen per year (including a maximum of 200 million yen per year for outside directors), and the same for directors who are Audit and Supervisory Committee members is set at 200 million yen per year. The upper limit of the amount of money contributed by the Company under the stock-based remuneration plan is set at 1 billion yen for each pertinent period.
The level of total remuneration to be paid to officers and the composition ratio of basic remuneration, annual incentive remuneration, and medium- to long-term incentive remuneration are determined through deliberation by the Nomination and Remuneration Advisory Committee, after being reviewed for their appropriateness based on the objective benchmark analyses that use analytical data called “Executive Compensation Database,” which is administered by an outside consultant, and compare the Company’s officer remuneration level and the remuneration composition with the latest state of those of leading domestic businesses companies.

[Supporting System for Outside Directors]

The Company assigned staff dedicated to supporting outside directors by, for example, distributing meeting materials in advance, providing prior explanations, and offering relevant information.

2. Matters Relating to Functions of Business Execution, Auditing, Oversight, Nomination, and Remuneration Decisions (Overview of Current Corporate Governance System) Updated

As a company that chose to be a "Company with an Audit and Supervisory Committee" as its form of governance, the Company established the Audit and Supervisory Committee and appointed its accounting auditor. Furthermore, by establishing a Nomination and Remuneration Advisory Committee as a voluntary committee, the Company ensures the objectivity and transparency of the process for appointing directors and executive officers and determining their remuneration.

(1) Board of Directors

The Company's Board of Directors consists of 8 directors who are not Audit and Supervisory Committee members (including 6 male directors (including one independent outside director) and 2 female directors (including 2 independent outside directors)) and 4 directors who are Audit and Supervisory Committee members (including 2 male directors (including 2 male independent outside directors) and 2 female directors (including one independent outside director)). It is responsible for making decisions on important matters such as basic management policies and overseeing business execution.

(2) Audit and Supervisory Committee

The Audit and Supervisory Committee, which consists of 4 (one full-time and 3 part-time) Audit and Supervisory Committee members including 3 independent outside directors, is responsible for auditing and overseeing execution of duties by directors as well as other duties as a whole associated with the Group's management, using internal control system. The Committee is chaired by an independent outside director. The Audit and Supervisory Committee holds a meeting at least once a month, in principle, and on an ad-hoc basis if necessary.

(3) Accounting auditor

The Company appointed KPMG AZSA LLC as its accounting auditor and receives advice and guidance from a third-party perspective regarding the appropriateness and legality of the Company's accounting and accounting-related internal control system.

(4) Internal audit

The Company has the Internal Audit Office that consists of staff members directly reporting to the Representative Director, Group CEO. The Office is responsible for conducting internal audits on the Company's and its affiliates' business activities in accordance with the annual internal audit plan reviewed by the Executive Officers' Committee. In addition to offering concrete suggestions and recommendations for the improvement of operational efficiency, the Internal Auditing Office submits reports of internal audit to senior management, the Executive Officers' Committee, and the Audit and Supervisory Committee.

(5) Nomination and Remuneration Advisory Committee

The Nomination and Remuneration Advisory Committee is comprised of five members in total, including one internal director and four independent outside directors, and chaired by an independent outside director. Serving as an advisory body for the Board of Directors, the Committee deliberates on the nomination of officers and their remuneration.

(6) Executive Officers' Committee

The Executive Officers' Committee consists of key executive officers, including the Group CEO and directors who are full-time Auditing and Supervisory Committee members, as well as the presidents of the core operating companies (Cosmo Oil Co., Ltd., Cosmo Oil Marketing Co., Ltd., and Cosmo Energy Exploration & Production Co., Ltd.). In general, the Committee holds a meeting every two weeks and serves as a mechanism for making decisions on the basic policies and important matters concerning business execution based on the management policies determined by the Board of Directors.

(7) Overview of liability limitation agreements

Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company has concluded agreements with Directors Shigeki Iwane, Ryuko Inoue, Takuya Kurita, Takako Suzuki, Yasuko Takayama, Keiichi Asai, and Toshihiro Kuriyama which limit their liability for damages under Article 423, paragraph 1 of the same Act. The maximum liability for damages under such agreements is equal to the minimum liability set out in Article 425, paragraph 1 of the Companies Act.

3. Reasons for Adoption of Current Corporate Governance System

The Company has adopted the governance form of a Company with an Audit and Supervisory Committee, for the purpose of increasing the ratio of outside directors and strengthening the Board's audit and supervisory functions.

Furthermore, with the aim of clearly segregating management decision making and supervision of business execution (the Board of Directors) from business execution, the Company adopted an executive officer system. Some authority has been delegated to executive officers to ensure quick response to changes in the business environment and prompt decision making.

III Implementation of Measures for Shareholders and Other Stakeholders

1. Measures to Vitalize the General Meeting of Shareholders and Ensure Smooth Exercise of Voting Rights

	Supplementary explanation
Early notification of general meeting of shareholders	The convocation notice is sent about three weeks before the date of the ordinary general meeting of shareholders. It is also published on the Company's website about four weeks before the date of the ordinary general meeting of shareholders.
Scheduling ordinary general meeting of shareholders avoiding the peak day	The Company ensures that as many shareholders as possible can attend by scheduling its ordinary general meetings of shareholders on a non-peak day.
Allowing electronic exercise of voting rights	The online exercise of voting rights has been made available.
Participation in Electronic Voting Platform and other efforts to enhance the voting environment for institutional investors	The Company has participated in the Electronic Voting Platform.
Provision of convocation notice (summary) in English	The Company's notice of convocation of the general meeting of shareholders, business reports, consolidated/non-consolidated financial statements, transcripts of audit reports, and reference documents for the general meeting of shareholders are translated into English and posted on its corporate website and the Electronic Voting Platform website.
Other	Notice of convocation of the general meeting of shareholders, business reports, consolidated/non-consolidated financial statements, transcripts of audit reports, reference documents for the general meeting of shareholders, and a map to the venue of the general meeting of shareholders are posted on the corporate website. In its general meeting of shareholders, the Company uses visual aids to help shareholders better understand matters to be reported, and provides live broadcasting of the general meeting of shareholders to shareholders who are unable to attend the venue. Moreover, the methods and procedures for dealing with shareholders' rights are stipulated in the Stock Handling Rules and the Procedures for Inspection and Copying Statutory Documents, etc.

2. IR Activities Updated

	Supplementary explanation	Explanation by representative
Preparation and publication of disclosure policy	As its information disclosure policy, the Company has published Disclosure Policy on its corporate website.	
Regular briefings for individual investors	As for financial and non-financial information briefings held for analysts and institutional investors, the Company has published the presentation materials used and Q&A session summaries on its corporate website, together with briefing videos available for streaming on demand. In FY2025, we held online briefings for individual investors as in the previous fiscal year. We also redesigned our website for individual investors. The Company also takes various measures to prevent information gaps between institutional and individual investors, including publishing shareholder newsletters twice a year. https://www.cosmo-energy.co.jp/ja/ir/individual.html	No

Regular briefings for analysts and institutional investors	The Company holds several briefings throughout the year. Financial performance briefings are held every quarter. The Company's senior management explains business strategies, financial results and performance forecasts, and answer questions regarding them. We hold an ESG briefing once a year in which our senior management explains the progress of sustainability strategies and measures, and answer questions together with outside directors. The Company has published the presentation materials used and Q&A session summaries on its corporate website, together with briefing videos available for streaming on demand. In addition to the above, we offer tours of the Group's business sites, including refineries and power plants.	Held
Regular briefings for overseas investors	While the Company does not hold briefings for overseas investors, it discloses briefing videos for analysts and institutional investors with an English voice-over on the corporate website, together with reference materials and Q&A session summaries in English.	Held
Posting of IR materials on website	On its website, the Company posts financial information (summaries of consolidated financial results, presentation materials, securities reports, semiannual reports, and historical performance data that can be downloaded in an Excel format) and non-financial information (ESG presentation materials and ESG data set), as well as stock and corporate bond information, and publications (integrated reports(*Cosmo Report*), shareholder newsletters). https://www.cosmo-energy.co.jp/ja/ir/library.html For overseas investors, the Company offers information in English, substantially equivalent to that in Japanese.	
Establishment of department and/or manager in charge of IR	(Officer in charge) Taisuke Matsuoka, Director, Senior Executive Officer (Department and person in charge) Yudai Tomite, head of IR Group, Corporate Planning Department	

3. Measures to Ensure Due Respect for the Interests of Stakeholders

	Supplementary explanation
Provisions to ensure due respect for the interests of stakeholders in internal rules, etc.	The Code of Conduct (revised in December 2024) stipulates the Group's social responsibilities to stakeholders. In order to embed the Code of Conduct into the organization, the Group provides all Group employees with an e-learning training session once a year and helps them be fully informed of corporate ethics and human rights.
Implementation of environmental conservation activities, CSR activities, etc.	The Group respects the United Nations Global Compact Principles (human rights, labor standards, environment, and anti-corruption) and works toward the achievement of the Cosmo Energy Group Management Vision. We will continue to promote sustainable management and implement supply chain initiatives toward the realization of a sustainable society. In the oil exploration and production business, the Group has positioned environmental conservation activities as its priority and is undertaking initiatives intended to minimize environmental burden. As its environmental conservation activities in oil-producing countries, the Company is engaged in a wide range of environmental conservation activities on Mubarraz Island, a crude oil production site, including mangrove planting and other greening initiatives, conservation of coral in the ocean, cultivation of seaweed, and protection of rare species (osprey). In Japan, it has been engaged in a satoyama (countryside) conservation activities with the aim of maintaining and preserving the satoyama around its business sites ("Cosmo Forests") and passing them on to the next generation.
Development of policies on information provision to stakeholders	The Code of Conduct states that in order to achieve management transparency, we should ensure timely and appropriate information disclosure to shareholders, investors, etc., and in order to help them better understand our management policies and business activities, we should ensure sincere and active communication with them. In accordance with its Group Management Vision and Code of Conduct, the Company sets out its basic policy on information disclosure in the Disclosure Policy. To disclose information to various stakeholders around the Group, the Company issues integrated reports entitled "Cosmo Report" with reference to various guidelines and posts editorial policies on its corporate website.

Other	(Ensuring diversity) ・Refer to Supplementary Principle 2-4-1. (Initiatives for health improvement) <Health and productivity management> The Group believes that the physical and mental health of our officers and employees is the source of its corporate value creation and serves as the basis for sustainable growth. We also believe that, in order to offer high-quality products and services in a safe and stable manner, it is indispensable to provide an environment in which our officers and employees are physically and mentally healthy and can demonstrate their capabilities to a maximum extent. For that, we have set our health management initiatives in the health management policy. As we place a focus on the prevention, early detection, and early treatment of illnesses, we provide a smoking cessation support program by setting working-hour non-smoking rules to improve each person's heath and prevent passive smoking, as well as paid special leaves for complete medical checkups and secondary examinations. <Promotion system> With the General Manager of the Human Resource Department of Cosmo Energy Holdings as the person responsible for driving health and productivity management, a new Health and Productivity Management Promotion Committee, consisting of the Human Resource Department, industrial physicians, medical professionals, and health insurance associations, as well as the core operating companies, has been established to examine initiatives for across-the-board health and productivity management. We have positioned the Group CEO as the head of health and productivity management and the officer in charge of Human Resources of Cosmo Energy Holdings as the deputy head. With the Group CEO at the helm, this approach reinforces our commitment to health and productivity management. Please refer to our website for the system diagram and initiatives. https://www.cosmo-energy.co.jp/ja/sustainability/social/employee6.html

IV Matters Related to Internal Control System, Etc.

1. Basic Views on Internal Control System and the Progress of System Development Updated

[Basic View]

The Company is committed to implementing the Group Management Vision and the Code of Conduct while ensuring the appropriate and efficient performance of duties. Toward these ends, the Company has established and maintains systems regarding the performance of duties by directors and employees of the Company and its Group companies; auxiliary systems for risk management and internal auditing; and systems for ensuring effective audits by the Audit and Supervisory Committee.

[Design of Internal Control System]

In order to achieve the Group Management Vision, the Company established the Code of Conduct and ensures ethical corporate behavior based on the spirit of regulatory compliance. To implement the Group Management Vision and the Code of Conduct and properly and efficiently carry out operations, the Company has established and maintains systems regarding the performance of duties by directors and employees of the Company and its Group companies, risk management and internal auditing, and audits by the Audit and Supervisory Committee based on the Basic Policy on Internal Control Systems.

In April 2021, we have established the Sustainability Strategy Committee chaired by the Representative Director and Group CEO, as an organization that supervises activities related to sustainability and internal control. Discussions by this organization helped sustainable management spread across the Group, and we saw good progress made in our efforts to combine financial and non-financial initiatives. In FY2025, therefore, we revised our governance framework and concentrated decision-making functions in the Executive Officers' Committee. Due to this change, in FY2025, the Sustainability Strategy Committee was abolished and the Sustainability Strategy Council was newly established instead as a supporting function of the Executive Officers' Committee. In FY2025, the Sustainability Strategy Committee met 7 times and discussed 19 topics, of which 8 were referred or reported to the Executive Officers' Committee and 9 to the Board of Directors.

Other measures are also undertaken to ensure compliance, such as the distribution of the Code of Conduct and Management Vision Card to all employees, and regular monitoring surveys and training sessions covering the Group's officers and employees.

The Company provides the Cosmo Energy Group Corporate Ethics Consultation Helplines inside and outside the Company in order to respond appropriately to consultation requests and whistleblowing reports from its employees, and establish corporate ethics. The Company takes measures to prevent retaliation against whistleblowers, such as maintaining their anonymity.

In order to ensure the efficient performance of duties by directors, the Company formulated the Board of Directors Rules, the Rules of the Executive Officers' Committee, the Operational Rules, and the Decision-making Authority Rules.

As a system for the retention and management of information pertaining to directors' duties, the Company ensures that such information is properly retained and managed in accordance with internal rules regarding information management, such as the Board of Directors Rules and the Information Management Rules.

The Internal Audit Office evaluates and improves the Group's internal control systems for financial reporting under the Financial Instruments and Exchange Act.

2. Basic Views on the Exclusion of Anti-Social Forces and Status of Related Initiatives

[Basic Views on the Exclusion of Anti-Social Forces]
In Chapter 6 (“We strive to maintain our position as an honest corporate group”) of the Code of Conduct, a provision stipulates as follows: “We have absolutely no relationships with organized criminal elements or groups who may threaten social order or safety, and we do not compromise with them or grant them any benefit whatsoever. We also do not involve ourselves in money laundering.”

[Status of Initiatives to Exclude Anti-social Forces]
In accordance with the basic guidelines above, the Company formulated manuals for dealing with anti-social forces (unreasonable demands, malicious solicitations, etc.). We also collect and manage information on unreasonable demands, and provide advice to business sites upon request. We have also established a system to cooperate with relevant authorities when appropriate.
Moreover, as a member of the Federation for Special Violence Prevention Measures under the jurisdiction of the Metropolitan Police Department (Tokuboren; a public interest incorporated association), the District Special Violence Prevention Measures Council (Tokubokyo; a regional public interest organization), and the Tokyo Center for Removal of Criminal Organizations (Botsui Tomin Center; a public interest incorporated foundation), the Company participates in various workshops and is engaged in information gathering activities.
As an awareness-raising activity, we conduct annual corporate ethics training for all employees of the Group to better understand the Code of Conduct. We also monitor the level of awareness to ensure that the Code is fully understood within the Group.

V Other

1. Adoption of anti-takeover measures

Adoption of anti-takeover measures	No

Supplementary Explanation

———

2. Other Matters Concerning Corporate Governance System

The following describes the internal system for timely disclosure of our corporate information.

1. Basic policy
Aiming to be a company trusted by stakeholders, our basic policy is to disclose financial and other important management information in a timely and appropriate manner, and to proactively disclose non-financial information as well.

2. Basic policies on the information disclosure
The Company complies with the Companies Act, the Financial Instruments and Exchange Act (including fair disclosure rules), and other relevant laws and regulations, as well as the “Rules on Timely Disclosure of Corporate Information by Issuer of Listed Securities” (hereinafter referred to as the “Timely Disclosure Rules”) provided for by the Tokyo Stock Exchange (hereinafter referred to as the “TSE”). We will proactively disclose information that is not required for disclosure under applicable laws and regulations and the Timely Disclosure Rules, if we determine that the disclosure is effective to help our stakeholders understand the Company.

3. Method of information disclosure
Any information that is required for disclosure under the Timely Disclosure Rules will be posted on the Company’s website promptly, in principle, after being disclosed on the TSE’s “TDnet (Timely Disclosure Information Transmission System).” We will publicly disclose information that is not required to be disclosed under the Timely Disclosure Rules by posting it on our corporate website and other media.

4. Prevention of insider trading
We have established internal rules to properly manage important corporate information and prevent insider trading. We also ensure that these rules are fully communicated to all employees of the Group and promote awareness-raising activities.

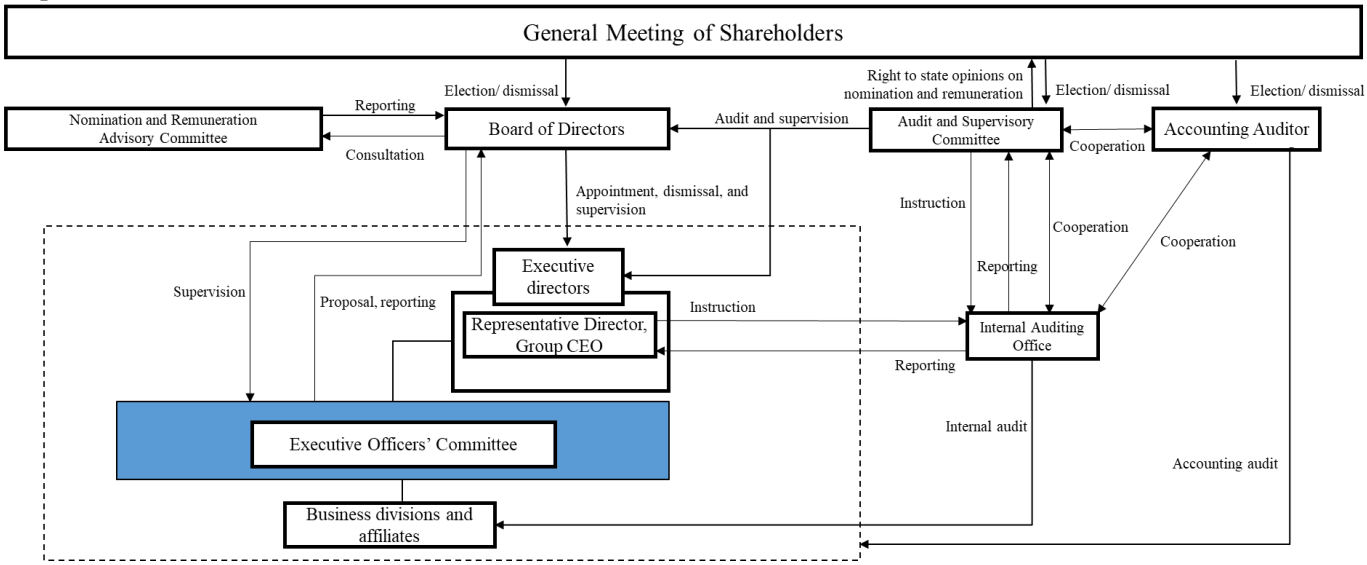
5. Handling of performance forecast and forward-looking information
Any statements made herein with respect to non-historical facts, including the Company’s plans, forecasts, and management goals, are based on the Company’s judgments and assumptions that were made according to the information available at that point of time. Due to various factors, however, actual performance may differ significantly from such statements. Factors that affect business performance include, but not limited to, economic conditions, crude oil prices, supply and demand and market conditions for petroleum products, and exchange rates.

6. Quiet period (period to withhold information disclosure)
In order to prevent the leakage of important corporate information and to ensure the fairness of information disclosure, the Company has designated the period (approximately one month) from the day immediately following the quarterly account settlement date to the date of announcement of financial results as the “quiet period.” During the quiet period, the Company will refrain from commenting or replying to inquiries about the financial results, except for those relating to information that has already been in the public domain. However, in the case of occurrence of any facts that fall under the Timely Disclosure Rules, we will disclose the facts in a timely and appropriate manner.

7. Internal structure
Any facts about decisions and any facts about occurrences are disclosed in a timely manner to the TSE via the Board of Directors, Executive Officers’ Committee, etc., if we determine, based on examinations by the Legal and General Affairs Department, that they need to be disclosed pursuant to the provisions of the Timely Disclosure Rules. Based on the policy described under item 1 above, any information that

is not required to be disclosed by the Timely Disclosure Rules will be disclosed widely by the Corporate Communication Department via the mass media or corporate website.

[Corporate Governance Structure]



[Internal Structure for Timely Disclosure]

