

## To Our Shareholders



I would like to express my sincere appreciation for your continued support of our business.

In FY2025, the final year of our previous Medium-term Management Plan, we made further efforts to improve capital efficiency and profitability in our existing businesses, while making steady progress toward achieving carbon neutrality and circular society.

FY2026 marks the launch of a new Medium-term Management Plan with a horizon extending to FY2030. Right now, we are facing a rapidly evolving business landscape, shaped by surging resource prices due to the deteriorating situation in the Middle East, heightened energy security concerns, and a shifting decarbonization timeline. To navigate these growing uncertainties, we will actively pursue three initiatives — exploiting existing businesses, creating growth businesses, and staging up low-carbon/decarbonization businesses — while balancing short- to medium-term profitability with medium- to long-term growth.

Going forward, we will continue to pursue sustainable growth and enhance corporate value, rooted in our founding principle of “People-Centered Management” and embodying our vision of “Your Reliable Partner for a Brighter Future” and “Shaping Change.”

We humbly ask you, our valued shareholders, for your continued support.

Yours very truly,

Representative Director and President,  
Idemitsu Kosan Co.,Ltd.  
Noriaki Sakai

June 2, 2026

To the Shareholders:

NOTICE OF THE 111TH ORDINARY GENERAL MEETING  
OF SHAREHOLDERS

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Dear Shareholders:

We would like to express our appreciation for your continued support.

Please note that the 111th Ordinary General Meeting of Shareholders of the Company will be held as described below.

We are convening this Ordinary General Meeting of Shareholders in accordance with measures to provide information in electronic format, such as information contained in the Reference Documents for the General Meeting of Shareholders, etc. (information to be provided in electronic format), as posted on the Internet websites below. Please access and refer to the relevant websites.

Our website: <https://www.idemitsu.com/jp/ir/stock/meeting/index.html> (in Japanese)

The Tokyo Stock Exchange's website (TSE Listed Company Information Service):

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (in Japanese)

(Please access the TSE website above and enter either “出光興産” (Idemitsu Kosan) in the “銘柄名(会社名)” (Issue name (company name)) field or our securities code “5019” in the “コード” (Code) field, and press the “検索” (Search) button. Thereafter, please first select “基本情報” (Basic information) followed by “縦覧書類/PR情報” (Documents for public inspection/PR information). The information can be accessed from the section titled “株主総会招集通知/株主総会資料” (Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting) under “縦覧書類” (Filed information available for public inspection).)

Website at which materials for general meetings of shareholders are available:

<https://www.soukai-portal.net>

If you do not attend the Ordinary General Meeting of Shareholders in person, you may exercise your voting rights either in writing (by post) or via the Internet, etc. Please review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5:00 p.m., Tuesday, June 23, 2026.

Yours very truly,  
Noriaki Sakai  
Representative Director  
President

Idemitsu Kosan Co.,Ltd.  
2-1, Otemachi 1-chome,  
Chiyoda-ku, Tokyo, Japan

## Description

1. Date and hour of the meeting:  
Wednesday, June 24, 2026, at 10:00 a.m.
2. Place of the meeting:  
Otemachi Mitsui Hall  
Otemachi One Mitsui Bussan Building 3F  
2-1, Otemachi 1-chome, Chiyoda-ku, Tokyo, Japan
3. Matters forming the objects of the meeting:  
Matters to be reported:
  1. Report on the business report, the consolidated financial statements and the results of audit of the consolidated financial statements by the accounting auditors and the Audit & Supervisory Board for the 111th fiscal year (from April 1, 2025 to March 31, 2026)
  2. Report on the non-consolidated financial statements for the 111th fiscal year (from April 1, 2025 to March 31, 2026)Matters to be resolved:

Proposition No. 1:	Election of 13 Directors
Proposition No. 2:	Election of 2 Audit & Supervisory Board Members
Proposition No. 3:	Revision of the Terms of Performance-Linked Stock Compensation, etc. for Directors, etc.
4. Matters regarding exercise of voting rights:
  1. If you expect to be present by proxy, please make a document evidencing his/her power of attorney presented to a receptionist at the place of the meeting, together with the voting form. (Such proxy must be another shareholder (being one (1) person) of the Company entitled to vote.)
  2. If any institutional investor or any other shareholder who holds shares on behalf of third parties desires to exercise the voting rights in a non-uniform manner, please give notice to that effect and of the reason therefor to the Company no later than three (3) days prior to the date of this Ordinary General Meeting of Shareholders.
  3. All fees payable to Internet service providers and telecommunication carriers (such as phone line charges) in accessing the website for the exercise of voting rights must be borne by the shareholders.

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- The reception of this meeting will begin at 9:00 a.m. on the date of this Ordinary General Meeting of Shareholders.
  - If you exercise your voting rights in writing (by post) and do not indicate your approval or disapproval with respect to any proposition in your voting form, you will be deemed to have indicated your approval.
  - If there are any corrections to information provided in electronic format, we will post a notice on the relevant Internet websites set forth in the preceding page, together with the information before and after the correction.
  - We will send documents containing information provided in electronic format to the shareholders who request delivery of such documents. Please note that the information listed below is not included in those documents in accordance with the applicable laws and ordinances and Article 15 of the Articles of Incorporation of the Company.
    1. “Assets and income/loss,” “Main businesses,” “Major business offices and plants,” “Other important matters concerning the current state of the Group,” “Accounting auditors,” “Systems to secure the properness of business activities (so-called “internal control systems”) and the summary of the status of the operation of the systems,” and “Fundamental policy on corporate control” of the Business Report
    2. “Consolidated statement of changes in net assets,” and “Notes to consolidated financial statements” of the consolidated financial statements
    3. “Non-consolidated statement of changes in net assets,” and “Notes to non-consolidated financial statements” of the non-consolidated financial statements

As such, the business report, the consolidated financial statements, and the non-consolidated financial statements included in those documents are part of the documents that have been audited by the accounting auditors in preparing their accounting auditors’ report and by the Audit & Supervisory Board Members in preparing their audit report, respectively.

## Instructions for Exercising Voting Rights

The following methods are available for voting at the General Meeting of Shareholders. As a measure to allow shareholders who do not attend the meeting physically to participate in the meeting, the Company will (1) provide a live stream of the meeting and (2) accept questions in advance. We ask all shareholders to please make use of them.

1. Voting by Attendance at the General Meeting of Shareholders

Please present the enclosed voting form to the reception desk if you are present at the meeting.

Date and hour of the meeting: Wednesday, June 24, 2026, at 10:00 a.m.

2. Postal Voting

Please indicate “Approve” or “Disapprove” with respect to each proposition on the voting form and submit the form.

Votes must be received by: Tuesday, June 23, 2026, 5:00 p.m.

3. Electronic Voting via the Internet, etc.

Please input “Approve” or “Disapprove” in conformance with the guidance on the next page.

Voting must be completed by: Tuesday, June 23, 2026, 5:00 p.m.

<Instructions for filling out the voting form>

Please indicate approval or disapproval with respect to each proposition.

Proposition No. 1 and No. 2

Approval of all candidates: Mark  in the box labelled “贊”

Disapproval of all candidates: Mark  in the box labelled “否”

Disapproval of certain candidates: Mark  in the box labelled “贊” and indicate the number of each candidate you wish to disapprove.

Proposition No. 3

Approval: Mark  in the box labelled “贊”

Disapproval: Mark  in the box labelled “否”

If you vote both by post and via the Internet, etc., only the vote exercised via the Internet, etc. will be treated as valid.

If you vote more than once via the Internet, etc., only the most recent vote will be treated as valid.

<Information on methods of electronic voting via the Internet, etc.>

Deadline for Internet voting: Tuesday, June 23, 2026, 5:00 p.m.

Method of voting by smartphone, etc.

1. Please scan the QR Code<sup>®</sup> located on the voting form.  
\* “QR Code” is a registered trademark of Denso Wave Incorporated.
2. On the top page of 株主総会ポータル<sup>®</sup> (General Shareholders Meeting Portal), please tap the “議決権行使へ” (exercise voting rights) button.
3. The top page of スマート行使<sup>®</sup> (Smart Exercise) will be displayed. Please input “Approve” or “Disapprove” in conformance with the instructions on the display.

Method of voting by PC, etc.

At the following URL, please input the log-in ID and password stated on the voting form for access. After logging in, please input “Approve” or “Disapprove” in conformance with the instructions on the display.

株主総会ポータル (General Shareholders Meeting Portal) URL <https://www.soukai-portal.net>

The voting website can also be used: <https://www.web54.net>

Information on acceptance of questions in advance

Deadline for acceptance of questions in advance: Friday, June 12, 2026, 5:00 p.m.

For this meeting, we will accept questions in advance about our propositions, details of business, etc. from shareholders through the 株主総会ポータル (General Shareholders Meeting Portal). From among the questions that we receive, we will address those that we consider to be of high interest for shareholders at the meeting. Please access the 株主総会ポータル (General Shareholders Meeting Portal) in the same way as the method of voting described above and tap/click on “事前質問へ” (submit questions in advance) on the top page. Once the “事前質問のご入力” (input questions in advance) screen is displayed, please input questions in conformance with the instructions on the display.

\* Please note that we will not individually answer each question received.

Notes:

- If you change your votes after the casting thereof, you need to input the “議決権行使コード” (voting code) and “パスワード” (password) stated on the voting form.
- If you vote both via the Internet and by post, only the vote exercised via the Internet will be treated as valid. If you vote more than once via the Internet, only the most recent vote will be treated as valid.

For inquiries:

Sumitomo Mitsui Trust Bank, Limited

Stock Transfer Web Support

Phone No. 0120-652-031 (9:00 a.m. to 9:00 p.m.) (JST)

Institutional investors may use the electronic voting platform for institutional investors operated by ICJ, Inc.

## Reference Documents for the General Meeting of Shareholders

### Proposition No. 1: Election of 13 Directors

The term of office of all the Directors will expire at the close of this Ordinary General Meeting of Shareholders. Hence, it is hereby proposed that 13 Directors be elected.

The candidates for Director are as follows:

Candidate No.		Name		Current position and duties in the Company	Term of office	Meetings attended	
1	Reelection	Shunichi Kito		Representative Director and Chairman	13	15/15	
2	Reelection	Noriaki Sakai		Representative Director and President	5	15/15	
3	Reelection	Atsuhiko Hirano		Representative Director, Executive Vice President Oversea Business Strategy, Energy Resources Business Strategy, Corporate Solution Business and LPG Business Strategy	6	15/15	
4	Reelection	Masahiko Sawa		Representative Director, Executive Vice President Corporate Strategy, Human Capital Strategy and Carbon Neutral Transformation Strategy, Head of Safety & Environmental Protection Headquarters, Head of Quality Assurance Headquarters, Head of CNX Strategy Headquarters	4	15/15	
5	New election	Takashi Sakata		Managing Executive Officer Chief Financial Officer, Financial Strategy	-	-	
6	New election	Kazuma Ikeda		Senior Executive Officer, Human Resources, and General Manager of Human Resources Department	-	-	
7	Reelection	Masakazu Idemitsu		Director (Non-Executive)	7	15/15	
8	Reelection	Kazunari Kubohara		Director (Non-Executive)	7	15/15	
9	Reelection	Jun Suzuki	Outside	Independent	Director	3	15/15
10	Reelection	Shiori Nagata	Outside	Independent	Director	2	15/15
11	Reelection	Mio Kashiwamura	Outside	Independent	Director	1	11/11
12	New election	Sumiko Takeuchi	Outside	Independent	-	-	
13	New election	So Hirano	Outside	Independent	-	-	

\* Ratio of Outside Directors: 38%

Candidate No. 1	Reelection	Shunichi Kito (April 6, 1956)	
 <p data-bbox="201 846 413 976">Number of shares of the Company held 199,440 shares</p> <p data-bbox="201 1016 413 1111">(Number of dilutive shares: 347,100 shares)</p> <p data-bbox="201 1115 413 1379">* The number of dilutive shares is the number of vested points in the stock compensation plan administered through a trust.</p>	<p data-bbox="445 259 635 320">Brief history and position and duties in the Company</p> <p data-bbox="445 324 568 360">Apr. 1980</p> <p data-bbox="445 398 568 434">Apr. 2005</p> <p data-bbox="445 501 568 537">July 2008</p> <p data-bbox="445 602 568 638">June 2011</p> <p data-bbox="445 741 568 777">June 2013</p> <p data-bbox="445 911 568 947">June 2014</p> <p data-bbox="445 983 568 1019">June 2017</p> <p data-bbox="445 1084 568 1120">Apr. 2018</p> <p data-bbox="445 1155 568 1191">Apr. 2019</p> <p data-bbox="445 1292 568 1328">June 2022</p> <p data-bbox="445 1429 568 1464">Sept. 2022</p> <p data-bbox="445 1532 568 1568">Apr. 2025</p> <p data-bbox="445 1635 568 1731">(Important concurrent office)</p>	<p data-bbox="651 324 989 385">Joined Idemitsu Kosan Co.,Ltd. (“Idemitsu Kosan”)</p> <p data-bbox="651 398 989 495">Deputy General Manager of Personnel Department, Idemitsu Kosan</p> <p data-bbox="651 501 989 598">Deputy General Manager of Accounting Department, Idemitsu Kosan</p> <p data-bbox="651 604 989 736">Executive Officer and General Manager of Accounting Department, Idemitsu Kosan</p> <p data-bbox="651 741 989 904">Director, Managing Executive Officer and General Manager of Accounting Department, Idemitsu Kosan</p> <p data-bbox="651 911 989 972">Managing Director, Idemitsu Kosan</p> <p data-bbox="651 983 989 1079">Executive Vice President and Director, Idemitsu Kosan</p> <p data-bbox="651 1084 989 1144">Representative Director &amp; President, Idemitsu Kosan</p> <p data-bbox="651 1155 989 1288">Representative Director, President and Chief Executive Officer, Idemitsu Kosan</p> <p data-bbox="651 1292 989 1424">Representative Director, President and Chief Executive Officer, Idemitsu Kosan</p> <p data-bbox="651 1429 989 1525">President, Petroleum Association of Japan (current)</p> <p data-bbox="651 1532 989 1628">Representative Director and Chairman, Idemitsu Kosan (current)</p> <p data-bbox="651 1635 989 1695">President, Petroleum Association of Japan</p>	<p data-bbox="1005 259 1310 320">Reason for nomination as candidate for Director</p> <p data-bbox="1005 360 1423 904">Following his tenure as head of the accounting division and Executive Vice President, Mr. Shunichi Kito has, since April 2018, led the integration of management as Representative Director and President. Since April 2025, he has been responsible for the management of the Company as Representative Director and Chairman. We believe that he is capable of contributing to Japan’s energy policy and enhancing corporate value through unerring, fair, and efficient management of the Company in the future as well.</p>

Candidate No. 2	Reelection	Noriaki Sakai (April 8, 1961)	
 <p>Number of shares of the Company held 128,449 shares</p> <p>(Number of dilutive shares: 172,075 shares) * The number of dilutive shares is the number of vested points in the stock compensation plan administered through a trust.</p>	<p>Brief history and position and duties in the Company</p> <p>Apr. 1985</p> <p>July 2010</p> <p>July 2012</p> <p>July 2015</p> <p>June 2017</p> <p>July 2018</p> <p>Apr. 2019</p> <p>July 2020</p> <p>June 2021</p> <p>June 2022</p> <p>June 2023</p> <p>Apr. 2025</p> <p>(Important concurrent office)</p>	<p>Joined Idemitsu Kosan Co.,Ltd. (“Idemitsu Kosan”)</p> <p>Deputy General Manager of Tokuyama Refinery and Deputy General Manager of Tokuyama Plant, Idemitsu Kosan</p> <p>Deputy General Manager of Human Resource Department, Health Insurance Union President and Corporate Pension Fund President, Idemitsu Kosan</p> <p>Deputy General Manager of Accounting Department, Idemitsu Kosan</p> <p>General Manager of Accounting Department, Idemitsu Kosan</p> <p>Executive Officer and General Manager of Accounting Department, Idemitsu Kosan</p> <p>Executive Officer and General Manager of Finance Department, Idemitsu Kosan</p> <p>Senior Executive Officer, Chief Financial Officer, Idemitsu Kosan</p> <p>Director, Managing Executive Officer, Idemitsu Kosan</p> <p>Director, Executive Vice President, Idemitsu Kosan</p> <p>Representative Director, Executive Vice President, Idemitsu Kosan</p> <p>Representative Director and President, Idemitsu Kosan (current)</p> <p>—</p>	<p>Reason for nomination as candidate for Director</p> <p>Following his tenure as head of the accounting and finance divisions and Executive Vice President, Mr. Noriaki Sakai assumed the post of Representative Director and President in April 2025. We believe that he is capable of unerring, fair, and efficient management of the Company, advancing a “People-Centered Management” approach to achieve the FY2030 financial targets outlined in the new Medium-term Management Plan while driving sustainable growth.</p>

Candidate No. 3	Reelection	Atsuhiko Hirano (August 25, 1962)	
 <p data-bbox="201 840 413 969">Number of shares of the Company held 49,829 shares</p> <p data-bbox="201 1010 413 1373">(Number of dilutive shares: 163,715 shares) * The number of dilutive shares is the number of vested points in the stock compensation plan administered through a trust.</p>	<p data-bbox="443 257 636 320">Brief history and position and duties in the Company</p> <p data-bbox="443 324 636 360">Apr. 1985</p> <p data-bbox="443 400 636 436">Sept. 2002</p> <p data-bbox="443 477 636 512">Sept. 2004</p> <p data-bbox="443 575 636 611">Mar. 2005</p> <p data-bbox="443 786 636 822">Mar. 2006</p> <p data-bbox="443 826 636 862">Mar. 2009</p> <p data-bbox="443 902 636 938">Mar. 2013</p> <p data-bbox="443 978 636 1014">July 2014</p> <p data-bbox="443 1077 636 1113">Apr. 2019</p> <p data-bbox="443 1176 636 1211">June 2020</p> <p data-bbox="443 1274 636 1310">June 2022</p> <p data-bbox="443 1350 636 1386">June 2023</p> <p data-bbox="443 1449 636 1619">Current duties:</p> <p data-bbox="443 1624 636 1718">(Important concurrent office)</p>	<p data-bbox="649 324 992 387">Joined Showa Shell Sekiyu K.K. (“Showa Shell”)</p> <p data-bbox="649 392 992 454">General Manager, Shizuoka Area, Showa Shell</p> <p data-bbox="649 459 992 566">General Manager of Marketing Planning Division, Showa Shell</p> <p data-bbox="649 571 992 768">Executive Officer and General Manager of Marketing Planning Division, General Manager of Retail Sales Division, Showa Shell</p> <p data-bbox="649 772 992 808">Director, Showa Shell</p> <p data-bbox="649 813 992 875">Corporate Executive Officer, Showa Shell</p> <p data-bbox="649 880 992 943">Senior Corporate Executive Officer, Showa Shell</p> <p data-bbox="649 947 992 1055">Representative Director, President, Solar Frontier K.K.</p> <p data-bbox="649 1059 992 1167">Managing Executive Officer, Idemitsu Kosan Co.,Ltd. (“Idemitsu Kosan”)</p> <p data-bbox="649 1171 992 1256">Director, Managing Executive Officer, Idemitsu Kosan</p> <p data-bbox="649 1261 992 1323">Director, Executive Vice President, Idemitsu Kosan</p> <p data-bbox="649 1328 992 1435">Representative Director, Executive Vice President, Idemitsu Kosan (current)</p> <p data-bbox="649 1440 992 1615">Oversea Business Strategy, Energy Resources Business Strategy, Corporate Solution Business and LPG Business Strategy</p> <p data-bbox="649 1619 992 1655">–</p>	<p data-bbox="1005 257 1310 320">Reason for nomination as candidate for Director</p> <p data-bbox="1005 360 1418 862">Mr. Atsuhiko Hirano possesses extensive experience, knowledge and expertise, having headed the fuel sales division and renewable energy division. He has been responsible for the overall management as the Representative Director and Executive Vice President; promoted restructuring of the functional materials and resources business of the Group, and delivered solid results. Thus, we believe that he will be able to execute business of the Company properly, fairly and effectively.</p>

Candidate No. 4	Reelection	Masahiko Sawa (July 11, 1962)	
 <p data-bbox="201 763 416 898">Number of shares of the Company held 56,418 shares</p> <p data-bbox="201 931 416 1301">(Number of dilutive shares: 110,965 shares) * The number of dilutive shares is the number of vested points in the stock compensation plan administered through a trust.</p>	<p data-bbox="443 255 638 322">Brief history and position and duties in the Company</p> <p data-bbox="443 322 638 367">Apr. 1990</p> <p data-bbox="443 400 638 445">Apr. 2013</p> <p data-bbox="443 501 638 546">June 2017</p> <p data-bbox="443 602 638 647">Apr. 2019</p> <p data-bbox="443 748 638 792">June 2021</p> <p data-bbox="443 882 638 927">June 2022</p> <p data-bbox="443 983 638 1028">June 2024</p> <p data-bbox="443 1061 638 1106">June 2025</p> <p data-bbox="443 1162 638 1464">Current duties:</p> <p data-bbox="443 1476 638 1570">(Important concurrent office)</p>	<p data-bbox="649 322 991 389">Joined Idemitsu Kosan Co.,Ltd. (“Idemitsu Kosan”)</p> <p data-bbox="649 389 991 501">Deputy General Manager of Gas Business Department, Idemitsu Kosan</p> <p data-bbox="649 501 991 613">General Manager of Technology &amp; Engineering Center, Idemitsu Kosan</p> <p data-bbox="649 613 991 748">Executive Officer and General Manager of Hokkaido Refinery, Idemitsu Kosan</p> <p data-bbox="649 748 991 882">Senior Executive Officer (in charge of Manufacturing &amp; Technology), Idemitsu Kosan</p> <p data-bbox="649 882 991 994">Director, Managing Executive Officer, Idemitsu Kosan</p> <p data-bbox="649 994 991 1061">Director, Executive Vice President, Idemitsu Kosan</p> <p data-bbox="649 1061 991 1151">Representative Director, Executive Vice President, Idemitsu Kosan (current)</p> <p data-bbox="649 1151 991 1464">Corporate Strategy, Human Capital Strategy and Carbon Neutral Transformation Strategy, Head of Safety &amp; Environmental Protection Headquarters, Head of Quality Assurance Headquarters, Head of CNX Strategy Headquarters</p> <p data-bbox="649 1476 991 1509">–</p>	<p data-bbox="1003 255 1422 322">Reason for nomination as candidate for Director</p> <p data-bbox="1003 378 1422 983">Mr. Masahiko Sawa has worked as the top manager of the Manufacturing &amp; Technology Department and has accumulated wide experience, knowledge, and expertise in such fields. Responsible for overall management as Representative Director and Executive Vice President, he has promoted business restructuring aimed at the transition to carbon neutrality as a manager with a technical background, and delivered solid results. Thus, we believe that he will be able to execute business of the Company properly, fairly and effectively.</p>


Candidate No. 5	New election	Takashi Sakata (September 4, 1967)	
 <p data-bbox="201 927 416 1059">Number of shares of the Company held 38,990 shares</p> <p data-bbox="217 1099 400 1189">(Number of dilutive shares: 11,090 shares)</p> <p data-bbox="204 1200 416 1462">* The number of dilutive shares is the number of vested points in the stock compensation plan administered through a trust.</p>	<p data-bbox="445 259 643 320">Brief history and position and duties in the Company</p> <p data-bbox="445 331 643 360">Apr. 1990</p> <p data-bbox="445 400 643 430">Sept. 2008</p> <p data-bbox="445 539 643 568">Apr. 2009</p> <p data-bbox="445 645 643 674">Apr. 2011</p> <p data-bbox="445 750 643 779">Mar. 2013</p> <p data-bbox="445 855 643 884">Mar. 2015</p> <p data-bbox="445 994 643 1023">Mar. 2018</p> <p data-bbox="445 1200 643 1229">Apr. 2019</p> <p data-bbox="445 1373 643 1402">June 2021</p> <p data-bbox="445 1478 643 1507">July 2024</p> <p data-bbox="445 1650 643 1680">July 2025</p> <p data-bbox="445 1789 643 1879">(Important concurrent office)</p>	<p data-bbox="651 331 991 392">Joined Showa Shell Sekiyu K.K. (“Showa Shell”)</p> <p data-bbox="651 403 991 528">General Manager of Finance Department and Manager of Finance Section, Showa Shell</p> <p data-bbox="651 539 991 629">General Manager of Marketing Planning Division, Showa Shell</p> <p data-bbox="651 640 991 730">General Manager of Chugoku Branch, Showa Shell</p> <p data-bbox="651 741 991 831">Senior Officer and General Manager of Chubu Branch, Showa Shell</p> <p data-bbox="651 842 991 967">Executive Officer and General Manager of Finance and Accounting Department, Showa Shell</p> <p data-bbox="651 978 991 1151">Corporate Executive Officer, Chief Financial Officer, Public Affairs, Accounting, Finance and Financial Risk Management, Showa Shell</p> <p data-bbox="651 1162 991 1357">Senior Executive Officer, Procurement, and General Manager of Accounting Department, Idemitsu Kosan</p> <p data-bbox="651 1368 991 1458">Managing Director, Idemitsu International (Asia) Pte. Ltd.</p> <p data-bbox="651 1469 991 1641">Senior Executive Officer and General Manager of Finance and Accounting Department, Idemitsu Kosan</p> <p data-bbox="651 1653 991 1778">Managing Executive Officer, Chief Financial Officer, Financial Strategy, Idemitsu Kosan (current)</p> <p data-bbox="651 1789 991 1812">–</p>	<p data-bbox="1007 259 1420 320">Reason for nomination as candidate for Director</p> <p data-bbox="1007 383 1420 1048">Mr. Takashi Sakata has held key positions in the accounting and finance divisions, and has also been involved in marketing planning and the management of domestic sales offices and overseas subsidiaries, thereby gaining extensive experience, knowledge, and expertise. In addition, as Managing Executive Officer and CFO, he oversees financial strategy and has been committed to strengthening the Group’s financial foundation. In light of these achievements, we believe that he is capable of unerring, fair, and efficient management of the Company, and have therefore nominated him as a candidate for Director.</p>

Candidate No. 6	New election	Kazuma Ikeda (January 16, 1969)	
 <p>Number of shares of the Company held 31,873 shares</p> <p>(Number of dilutive shares: – shares) * The number of dilutive shares is the number of vested points in the stock compensation plan administered through a trust.</p>	<p>Brief history and position and duties in the Company</p> <p>Apr. 1991</p> <p>Apr. 2019</p> <p>July 2021</p> <p>Apr. 2023</p> <p>July 2024</p> <p>July 2025</p> <p>(Important concurrent office)</p>	<p>Joined Idemitsu Kosan Co.,Ltd. (“Idemitsu Kosan”)</p> <p>Deputy General Manager of Retail Marketing Department, Idemitsu Kosan</p> <p>Representative Director and President, Idemitsu Retail Marketing Co., Ltd.</p> <p>General Manager of Human Resources Department, Idemitsu Kosan</p> <p>Executive Officer and General Manager of Human Resources Department, Idemitsu Kosan</p> <p>Senior Executive Officer, Human Resources, and General Manager of Human Resources Department, Idemitsu Kosan (current)</p> <p>–</p>	<p>Reason for nomination as candidate for Director</p> <p>Mr. Kazuma Ikeda possesses extensive experience, knowledge, and expertise mainly accumulated in the sales and retail divisions, with a strong background in sales planning, marketing, and Group company management. Furthermore, after serving as Executive Officer and General Manager of the Human Resources Department, he currently holds the positions of Senior Executive Officer in charge of Personnel and General Manager of the Human Resources Department, where he is dedicated to advancing the Group’s human capital strategies and strengthening its talent base. In light of these achievements, we believe that he is capable of unerring, fair, and efficient management of the Company, and have therefore nominated him as a candidate for Director.</p>


Candidate No. 7	Reelection	Masakazu Idemitsu (October 15, 1968)	
 <p>Number of shares of the Company held 100 shares</p>	<p>Brief history and position and duties in the Company</p> <p>Apr. 2010      Councilor, Public Interest Incorporated Foundation Idemitsu Museum of Arts (current)</p> <p>                    Councilor, Public Interest Incorporated Foundation Idemitsu Culture and Welfare Foundation</p> <p>Dec. 2015      Director and Vice President, Nissho Kosan Co., Ltd. (“Nissho Kosan”)</p> <p>Apr. 2016      Representative Director and President, Nissho Kosan (current)</p> <p>Apr. 2019      Director, Idemitsu Kosan Co.,Ltd. (current)</p> <p>                    Representative Director and President, Showa Kosan Co., Ltd. (“Showa Kosan”) (current)</p> <p>Apr. 2020      Representative Director and President, MI Power Co., Ltd. (current)</p> <p>Oct. 2020      Representative Director, General Incorporated Association Idemitsu Philosophy Laboratory (current)</p> <p>Apr. 2021      Representative Director, General Incorporated Association Idemitsu Kosan Corporate History and Philosophy Laboratory (current)</p> <p>Aug. 2024      Representative Director and President, ZEN Co., Ltd. (current)</p> <p>Aug. 2024      Representative Director and President, ENN Co., Ltd. (current)</p> <p>Aug. 2025      Director, Power Consulting Networks Inc. (current)</p> <p>Aug. 2025      President and Representative Director, Kona Aquaculture Inc. (current)</p>		<p>Reason for nomination as candidate for Director</p> <p>Mr. Masakazu Idemitsu assumed the position of Director of the Company in April 2019. He has an essential understanding of the details of the Company’s business, and the Origin of Management, “respect for human beings (Ningen-Soncho),” as a grandson of Mr. Sazo Idemitsu, the founder of the Company. Thus, we believe that, from a long-term perspective, he will be able to perform his duties as Director properly.</p>

(Important concurrent office)	Representative Director and President, Nissho Kosan Co., Ltd.  Representative Director and President, Showa Kosan Co., Ltd.  Representative Director and President, ZEN Co., Ltd.  Representative Director and President, ENN Co., Ltd.
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Candidate No. 8	Reelection	Kazunari Kubohara (July 16, 1967)	
 <p>Number of shares of the Company held - shares</p>	<p>Brief history and position and duties in the Company</p> <p>Dec. 2008</p> <p>Apr. 2010</p> <p>Apr. 2011</p> <p>Sept. 2015</p> <p>June 2016</p> <p>July 2017</p> <p>Mar. 2018</p> <p>Apr. 2018</p> <p>Apr. 2019</p> <p>Aug. 2025</p> <p>(Important concurrent office)</p>	<p>Registered as an attorney, established Kyuhodo Law Firm (current)</p> <p>Committee Member, Tokyo Local Third-Party Committee to Check Pension Records, Ministry of Internal Affairs and Communications</p> <p>Delegate, Dai-Ichi Tokyo Bar Association</p> <p>Auditor, General Incorporated Association for Realizing Prescription of Adequate Amount of Anti-Dementia Drugs</p> <p>Outside Statutory Auditor, Class Technology Co., Ltd.</p> <p>Auditor, Medical Corporation Hakueikai Miyake Dental Clinic (current)</p> <p>Delegate, Japan Federation of Bar Associations</p> <p>Vice Chairperson, the Legal Services Obstruction Countermeasures Committee, Dai-Ichi Tokyo Bar Association</p> <p>Director, Idemitsu Kosan Co.,Ltd. (current)</p> <p>Vice President and Director, Kona Aquaculture Inc. (current)</p> <p>Attorney at law (Kyuhodo Law Firm)</p>	<p>Reason for nomination as candidate for Director</p> <p>Mr. Kazunari Kubohara has experience working in a corporate environment before he registered as an attorney, is familiar with corporate legal affairs as an attorney, and has extensive knowledge of corporate management. Thus, we believe that he will be able to perform his duties as Director properly.</p>


Candidate No. 9	Reelection	Jun Suzuki (February 19, 1958)	
 <p data-bbox="204 869 416 999">Number of shares of the Company held 12,500 shares</p>	<p data-bbox="443 255 638 320">Brief history and position and duties in the Company</p> <p data-bbox="443 324 638 358">Apr. 1983</p> <p data-bbox="443 362 638 396">Apr. 2011</p> <p data-bbox="443 432 638 465">Apr. 2012</p> <p data-bbox="443 501 638 535">Apr. 2013</p> <p data-bbox="443 571 638 604">June 2013</p> <p data-bbox="443 674 638 707">Apr. 2014</p> <p data-bbox="443 777 638 810">Apr. 2022</p> <p data-bbox="443 846 638 880">June 2022</p> <p data-bbox="443 949 638 983">June 2023</p> <p data-bbox="443 1019 638 1052">June 2023</p> <p data-bbox="443 1088 638 1193">(Important concurrent office)</p>	<p data-bbox="649 324 991 358">Joined Teijin Limited</p> <p data-bbox="649 362 991 427">Teijin Group Chief Representative of Europe</p> <p data-bbox="649 432 991 497">Teijin Group Corporate Officer</p> <p data-bbox="649 501 991 566">Teijin Group Executive Officer</p> <p data-bbox="649 571 991 667">Member of the Board, Executive Officer, Teijin Limited</p> <p data-bbox="649 674 991 770">President and CEO, Representative Director of the Board, Teijin Limited</p> <p data-bbox="649 777 991 873">Chairperson, Member of the Board, Teijin Limited</p> <p data-bbox="649 878 991 943">Outside Director, The Midori Kai Co., Ltd. (current)</p> <p data-bbox="649 949 991 1014">Senior Advisor, Teijin Limited (current)</p> <p data-bbox="649 1019 991 1084">Director, Idemitsu Kosan Co.,Ltd. (current)</p> <p data-bbox="649 1088 991 1193">External Director, MS&amp;AD Insurance Group Holdings, Inc.</p>	<p data-bbox="1003 255 1422 387">Reason for nomination as candidate for Director and overview of expected roles as Outside Director</p> <p data-bbox="1003 432 1422 1335">Mr. Jun Suzuki has been engaged in the high performance fibers and composite materials business and the pharmaceuticals business at Teijin Limited, serving as President and CEO, Representative Director of the Board as well as Chairperson, Member of the Board at Teijin Limited. He possesses a deep understanding of technical fields and a wealth of experience and broad knowledge in corporate management, and satisfies the “Independence Requirements for Outside Officers” of the Company. Thus, we believe that he will be able to perform his duties properly. Upon election, he will, as chair of the Nomination and Compensation Advisory Committee, contribute from an objective and impartial standpoint to the selection of officer candidates and decisions regarding matters such as officers’ compensation.</p>

\* Mr. Suzuki serves as an Executive Member of the Policy Board of the Japan Business Federation (“Keidanren”), and the Company has transactions with this organization, including annual membership fees. However, the transaction amount for FY2025 was approximately ¥25 million, which accounts for less than 2% of the Company’s consolidated net sales. Also, Mr. Suzuki serves as Vice Chairman and Executive Director of the Japan Association of Corporate Executives (KEIZAI DOYUKAI), and the Company has transactions with this organization, including membership fees. However, the transaction amount for FY2025 was approximately ¥0.6 million, which amounts to a negligible proportion of our consolidated sales. While the Company incurs entertainment expenses with Teijin Limited, the amount is negligible, totaling less than ¥100,000 for FY2025.

Candidate No. 10	Reelection	Shiori Nagata (March 20, 1978)	
 <p data-bbox="204 1173 416 1301">Number of shares of the Company held 1,499 shares</p>	<p data-bbox="437 255 643 315">Brief history and position and duties in the Company</p> <p data-bbox="437 322 643 360">Apr. 2000</p> <p data-bbox="437 394 643 432">June 2004</p> <p data-bbox="437 439 643 477">Jan. 2007</p> <p data-bbox="437 483 643 521">Sept. 2009</p> <p data-bbox="437 573 643 611">Sept. 2014</p> <p data-bbox="437 645 643 683">Jan. 2015</p> <p data-bbox="437 779 643 817">June 2020</p> <p data-bbox="437 887 643 925">Apr. 2024</p> <p data-bbox="437 958 643 996">June 2024</p> <p data-bbox="437 1167 643 1256">(Important concurrent office)</p>	<p data-bbox="643 322 997 383">Joined Deloitte Tohmatsu Consulting, Inc.</p> <p data-bbox="643 394 997 432">Joined Tohato Inc.</p> <p data-bbox="643 439 997 477">Joined Unison Capital Inc.</p> <p data-bbox="643 483 997 573">Joined INCJ, Ltd. (currently Japan Investment Corporation (JIC))</p> <p data-bbox="643 573 997 633">Joined Yanmar Holdings Co., Ltd.</p> <p data-bbox="643 645 997 779">Executive Officer, General Manager of the Recreational Marine Business Unit, Yanmar Co., Ltd.</p> <p data-bbox="643 779 997 880">Director, Chief Strategy Officer, Yanmar Holdings Co., Ltd.</p> <p data-bbox="643 887 997 947">Director, Yanmar Holdings Co., Ltd.</p> <p data-bbox="643 958 997 1093">Member of the Board Member of the Audit Committee, NEC Corporation</p> <p data-bbox="643 1093 997 1153">Director, Idemitsu Kosan Co.,Ltd. (current)</p> <p data-bbox="643 1153 997 1328">Executive Officer, Corporate Executive Vice President, CHRO, and Head of People and Culture Division, NEC Corporation</p>	<p data-bbox="997 255 1423 383">Reason for nomination as candidate for Director and overview of expected roles as Outside Director</p> <p data-bbox="997 439 1423 1272">Ms. Shiori Nagata has been involved in business consulting, corporate planning, and corporate acquisitions across a wide range of industries, and has previously served as an Executive Officer of Yanmar Co., Ltd. and a Director of Yanmar Holdings Co., Ltd. She offers a strategic perspective as a manager, possesses expertise in corporate planning and administration, and satisfies the “Independence Requirements for Outside Officers” of the Company. Thus, we believe that she will be able to perform her duties properly. Upon election, she will, as a member of the Nomination and Compensation Advisory Committee, contribute from an objective and impartial standpoint to the selection of officer candidates and decisions regarding matters such as officers’ compensation.</p> <p data-bbox="997 1312 1423 1975">* The Company has transactions with NEC Corporation regarding facility usage fees, etc. However, the transaction amount for FY2025 was approximately ¥320 million, which accounts for less than 2% of the Company’s consolidated net sales. Also, Ms. Nagata serves as an Administrative Counsel Member of the Japan External Trade Organization (JETRO), and the Company has transactions with this organization regarding training expenses. However, the amount is negligible, totaling less than ¥100,000 for FY2025.</p>

Candidate No. 11	Reelection	Mio Kashiwamura (June 9, 1974)	
 <p data-bbox="204 1019 416 1149">Number of shares of the Company held - shares</p>	<p data-bbox="443 257 638 320">Brief history and position and duties in the Company</p> <p data-bbox="443 324 638 358">Apr. 1998</p> <p data-bbox="443 432 638 465">Apr. 2004</p> <p data-bbox="443 539 638 573">Oct. 2012</p> <p data-bbox="443 669 638 703">Apr. 2015</p> <p data-bbox="443 741 638 775">Apr. 2016</p> <p data-bbox="443 848 638 882">Apr. 2018</p> <p data-bbox="443 978 638 1012">Apr. 2019</p> <p data-bbox="443 1184 638 1218">Apr. 2020</p> <p data-bbox="443 1256 638 1290">Apr. 2025</p> <p data-bbox="443 1328 638 1361">June 2025</p> <p data-bbox="443 1400 638 1494">(Important concurrent office)</p>	<p data-bbox="649 324 991 427">Joined Recruit Co., Ltd. (currently Recruit Holdings Co., Ltd.)</p> <p data-bbox="649 432 991 535">Executive Director, SHANGHAI RECRUIT ADVERTISING CO., LTD.</p> <p data-bbox="649 539 991 665">Senior Vice President, Recruit Lifestyle Co., Ltd. Executive Manager, Beauty Information Department</p> <p data-bbox="649 669 991 732">Senior Vice President, Recruit Holdings Co., Ltd.</p> <p data-bbox="649 741 991 844">Representative Director and President, Recruit Staffing Co., Ltd.</p> <p data-bbox="649 848 991 974">SBU Executive Officer, Recruit Global Staffing B.V. (currently RGF Staffing B.V.)</p> <p data-bbox="649 978 991 1180">Senior Vice President, Recruit Co., Ltd. Representative Director and President, Recruit Marketing Partners Co., Ltd.</p> <p data-bbox="649 1184 991 1247">Senior Vice President, Recruit Holdings Co., Ltd.</p> <p data-bbox="649 1256 991 1319">Executive Vice President, Recruit Co., Ltd. (current)</p> <p data-bbox="649 1328 991 1391">Director, Idemitsu Kosan Co.,Ltd. (current)</p> <p data-bbox="649 1400 991 1431">-</p>	<p data-bbox="1005 257 1423 387">Reason for nomination as candidate for Director and overview of expected roles as Outside Director</p> <p data-bbox="1005 432 1423 1337">Ms. Mio Kashiwamura was involved in the matching platform business at a group company of Recruit Co., Ltd., and held roles such as Senior Vice President of Recruit Holdings Co., Ltd. and Representative Director and President of a group company before being appointed Executive Vice President of Recruit Co., Ltd. She possesses insight, long experience and wide knowledge in the fields of international business, public relations, and sustainability, and satisfies the “Independence Requirements for Outside Officers” of the Company. Thus, we believe that she will be able to perform her duties properly. Upon election, she will, as a member of the Nomination and Compensation Advisory Committee, contribute from an objective and impartial standpoint to the selection of officer candidates and decisions regarding matters such as officers’ compensation.</p> <p data-bbox="1005 1373 1423 1668">* The Company has transactions with Recruit Co., Ltd., regarding employee surveys, etc. However, the transaction amount for FY2025 was approximately ¥5.3 million, which accounts for less than 2% of the Company’s consolidated net sales.</p>

Candidate No. 12	New election	Sumiko Takeuchi (June 21, 1971)	
 <p>Number of shares of the Company held - shares</p>	<p>Brief history and position and duties in the Company</p> <p>Apr. 1994 Jan. 2012</p> <p>Apr. 2016</p> <p>Apr. 2018</p> <p>Oct. 2018</p> <p>Apr. 2020</p> <p>Apr. 2021</p> <p>(Important concurrent office)</p>	<p>Joined TEPCO</p> <p>Senior Fellow, Member, Board of Directors, International Environment and Economy Institute (current)</p> <p>Visiting Professor, University of Tsukuba</p> <p>Visiting Professor, Kansai University</p> <p>Co-founder and Co-President, U3 Innovations, LLC (current)</p> <p>Specially Appointed Professor of Tohoku University (current)</p> <p>Advisor, Deloitte Tohmatsu Financial Advisory LLC</p> <p>Outside Director, JAPAN PULP AND PAPER COMPANY LIMITED</p> <p>Outside Director, GRID Inc.</p> <p>Outside Director, Nippon Steel Corporation</p>	<p>Reason for nomination as candidate for Director and overview of expected roles as Outside Director</p> <p>Ms. Sumiko Takeuchi is involved with NPOs and universities in the fields of environment and energy, and serves as Co-founder and Co-President of U3 Innovations, LLC, among other posts. She possesses expertise in the fields of environment and energy as well as extensive experience and broad insight as a corporate executive, and satisfies the “Independence Requirements for Outside Officers” of the Company. Thus, we believe that she will be able to perform her duties properly. Upon election, she will, as a member of the Nomination and Compensation Advisory Committee, contribute from an objective and impartial standpoint to the selection of officer candidates and decisions regarding matters such as officers’ compensation.</p> <p>* The Company has transactions with Nippon Steel Corporation involving diesel fuel, kerosene, etc. However, the transaction amount for FY2025 was approximately ¥220 million, which accounts for less than 2% of the Company’s consolidated net sales. Also, the Company has transactions with Tohoku University regarding equipment usage fees, etc. However, the transaction amount for FY2025 was approximately ¥130,000, which amounts to a negligible proportion of our consolidated sales.</p>

Candidate No. 13	New election	So Hirano (April 7, 1978)	
 <p>Number of shares of the Company held - shares</p>	<p>Brief history and position and duties in the Company</p> <p>Apr. 2010 Assistant Professor, Faculty of Economics, Seijo University</p> <p>Apr. 2013 Associate Professor, Faculty of Economics, Seijo University</p> <p>Dec. 2014 Temporary Committee Member, Industrial Structure Council, Ministry of Economy, Trade and Industry</p> <p>Oct. 2019 Temporary Committee Member, Advisory Committee for Natural Resources and Energy, Ministry of Economy, Trade and Industry (current)</p> <p>Apr. 2020 Professor, Faculty of Economics, Seijo University</p> <p>Aug. 2020 Chairman, The Study Group for the Advancement of Yokkaichi Complex (current)</p> <p>(Important concurrent office)</p> <p>–</p>		<p>Reason for nomination as candidate for Director and overview of expected roles as Outside Director</p> <p>Mr. So Hirano is a professor in the Faculty of Economics at Seijo University, where he engages in research and teaching in the fields of economics and management. He also serves as a council member for the Ministry of Economy, Trade and Industry, and as the Chairman of the Study Group for the Advancement of Yokkaichi Complex. He possesses expertise in economics and management, as well as extensive knowledge of industrial policy and the energy sector, and satisfies the “Independence Requirements for Outside Officers” of the Company. Thus, we believe that he will be able to perform his duties properly. Upon election, he will, as a member of the Nomination and Compensation Advisory Committee, contribute from an objective and impartial standpoint to the selection of officer candidates and decisions regarding matters such as officers’ compensation.</p> <p>* Mr. Hirano is a Director of Next Energy Organization (NEO), and the Company receives subsidies from this organization. However, the transaction amount for FY2025 was approximately ¥50 million, which accounts for less than 2% of the Company’s consolidated net sales.</p>

- (Notes)
1. Mr. Shunichi Kito serves as the President of the Petroleum Association of Japan, and the Company engages in transactions with said Association such as the payment of membership fees.
  2. Mr. Masakazu Idemitsu serves as Representative Director and President of Nissho Kosan Co., Ltd., Showa Kosan Co., Ltd., ZEN Co., Ltd., and ENN Co., Ltd., who are major shareholders of the Company. The Company engages in transactions with Nissho Kosan involving real estate rental fees and electricity charges, and with Showa Kosan involving real estate rental fees. Mr. Idemitsu also serves as Representative Director of General Incorporated Association Idemitsu Kosan Corporate History and Philosophy Laboratory, and the Company engages in outsourcing transactions with said Laboratory.
  3. There is no special relationship between any candidate for Director and the Company, except for Mr. Shunichi Kito and Mr. Masakazu Idemitsu.
  4. Mr. Jun Suzuki, Ms. Shiori Nagata, Ms. Mio Kashiwamura, Ms. Sumiko Takeuchi, and Mr. So Hirano are candidates for Outside Director.
  5. Under Article 427, Paragraph 1 of the Companies Act of Japan, the Company has entered into agreements with Mr. Masakazu Idemitsu, Mr. Kazunari Kubohara, Mr. Jun Suzuki, Ms. Shiori Nagata, and Ms. Mio Kashiwamura, respectively, to limit the liability for damages provided for in Article 423, Paragraph 1 of the Companies Act of Japan. Under the agreement, the liability is limited to the amount provided for under law. If the reelection of Mr. Masakazu Idemitsu, Mr. Kazunari Kubohara, Mr. Jun Suzuki, Ms. Shiori Nagata, and Ms. Mio Kashiwamura is approved, the Company plans to continue the respective agreements. In addition, if Ms. Sumiko Takeuchi and Mr. So Hirano are elected, the Company plans to enter into the same agreement with each of them to limit the liability for damages.
  6. The Company has entered into a liability insurance contract for Directors and Audit & Supervisory Board Members with an insurance company pursuant to Article 430-3, Paragraph 1 of the Companies Act of Japan. Under said insurance contract, the insurance company shall compensate for damages that may result from the insured persons (including the Directors of the Company) assuming responsibility in connection with the execution of their duties or receiving claims related to the pursuit of such responsibility. In the event that each candidate is elected and assumes office as a Director of the Company, he/she will be insured under said insurance contract. Said insurance contract will be renewed with the same contents upon the next renewal.
  7. The Company has registered Mr. Jun Suzuki, Ms. Shiori Nagata, and Ms. Mio Kashiwamura as independent officers with the Tokyo Stock Exchange in accordance with its rules. In addition, Ms. Sumiko Takeuchi and Mr. So Hirano satisfy the requirements for independent officers set by the Tokyo Stock Exchange, and the Company plans to register them as independent officers with the Tokyo Stock Exchange.
  8. The number of shares of the Company held by each candidate for Director includes the candidate's interests in the Idemitsu Officer Stockholders Committee.
  9. The career summary of each Director is as of the preparation date (May 12, 2026) of these Reference Documents for the General Meeting of Shareholders.
  10. JAPAN PULP AND PAPER COMPANY LIMITED, where Ms. Sumiko Takeuchi serves as an Outside Director, was found by the Japan Fair Trade Commission in March 2024 to have violated Article 3 of the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade (prohibition of unreasonable restraint of trade) in connection with open tenders for recycled roll paper ordered by the National Printing Bureau, since at least June 2017. Said company has applied for leniency under the Commission's penalty reduction and exemption program, and has received neither a cease-and-desist order nor a penalty payment order. As an Outside Director, Ms. Sumiko Takeuchi has actively made recommendations to the Board of Directors from an objective and impartial standpoint regarding the importance of compliance and risk management. Following the discovery of the aforementioned matters, she has continued to offer guidance on


preventing recurrence and has regularly monitored said company's overall compliance efforts, thereby fulfilling her responsibilities.

**Proposition No. 2: Election of two (2) Audit & Supervisory Board Members**

The term of office of Audit & Supervisory Board Members Mr. Hidefumi Kodama and Ms. Yumiko Ichige will expire at the close of this Ordinary General Meeting of Shareholders. Hence, it is hereby proposed that two (2) Audit & Supervisory Board Members be elected.

The Audit & Supervisory Board has given their consent for this proposition. The candidates for Audit & Supervisory Board Members are as follows:

Candidate No. 1	New election	Yoshitaka Onuma (July 30, 1964)	
 Number of shares of the Company held 59,872 shares	Brief history and position in the Company	Apr. 1988	Reason for nomination as candidate for Audit & Supervisory Board Member
	July 2010	Joined Idemitsu Kosan Co.,Ltd. (“Idemitsu Kosan”) Manager of SPS and PPS Group, Functional Materials Department, Idemitsu Kosan	Mr. Yoshitaka Onuma has extensive knowledge and experience in finance, accounting, and business investment gained through many years in the Company’s accounting and
	Dec. 2015	Deputy General Manager of Accounting Department, Idemitsu Kosan	finance divisions, having served as General Manager of the Finance and Accounting Department and
	Apr. 2019	Deputy General Manager of Finance Department, and Corporate Pension Fund, Idemitsu Kosan	overseen business investment, among other responsibilities. Also, having served as a Manager in the Functional Materials Department, among other posts, he is deeply familiar with the Company’s business and the management challenges it faces through his experience in the business divisions, including sales and supply issues. Based on such knowledge and experience, we believe that he is capable of qualified, fair, and efficient audits of the Company.
	July 2020	General Manager of Finance Department, Idemitsu Kosan	
	July 2022	Executive Officer and General Manager of Finance and Accounting Department, Idemitsu Kosan	
	July 2024	Executive Officer, Business Investment Promotion and General Manager of Business Investment Office, Idemitsu Kosan	
	(Important concurrent office)	Executive Officer, Business Investment Promotion and General Manager of Business Investment Office, Idemitsu Kosan (current)	-

Candidate No. 2	Reelection	Yumiko Ichige (March 13, 1961)	
 <p data-bbox="201 1070 419 1200">Number of shares of the Company held - shares</p>	Brief history and position in the Company Apr. 1989	Registered as an attorney at law (Daini Tokyo Bar Association)	Reason for nomination as candidate for Audit & Supervisory Board Member
	Apr. 2009	Joined IBM Japan, Ltd. Vice Chair, Daini Tokyo Bar Association	Ms. Yumiko Ichige has extensive experience as an attorney as well as sufficient knowledge of corporate management as an expert in corporate law. Also, she is able to view matters from the perspectives of management strategy and governance as well, as she actively promotes women's empowerment in the workplace and is well versed in the field of intellectual property through her experience as a council member of the Japan Patent Office. She is being proposed for reappointment upon the expiration of her term at this time, and based on the results she has delivered over the past four years as an Outside Audit & Supervisory Board Member, we believe that she will continue to perform her duties properly. She also satisfies the "Independence Requirements for Outside Officers" of the Company.
	June 2012	Outside Director, NEC Networks & System Integration Corporation	
	Apr. 2014	Executive Director, Japan Federation of Bar Associations	
	May 2014	Outside Audit & Supervisory Board member, AEON MALL Co., Ltd.	
	Dec. 2014	Outside Director, Audit & Supervisory Committee member, SANYO TRADING CO., LTD.	
	Dec. 2016	Outside Director, Audit & Supervisory Committee member, FOOD & LIFE COMPANIES LTD.	
	June 2018	Outside Director, ITOHAM YONEKYU HOLDINGS INC.	
	June 2022	Outside Audit & Supervisory Board Member, Idemitsu Kosan Co.,Ltd. (current)	
	Oct. 2023	Outside Director, Hitachi Astemo, Ltd. (currently Astemo, Ltd.) (current)	
(Important concurrent office)	Partner, Nozomi Sogo Attorneys at Law		
	Outside Director, ASKUL Corporation		
	Outside Audit & Supervisory Board Member, OMRON Corporation		

- (Notes)
1. There is no special relationship between the candidates for Audit & Supervisory Board Member and the Company.
  2. Ms. Yumiko Ichige is a candidate for Outside Audit & Supervisory Board Member.
  3. Ms. Yumiko Ichige currently serves as an Outside Audit & Supervisory Board Member of the Company, and her term of office as an Audit & Supervisory Board Member will be four years at the conclusion of this Ordinary General Meeting of Shareholders.
  4. Under Article 427, Paragraph 1 of the Companies Act of Japan, the Company has entered into an agreement with Ms. Yumiko Ichige to limit the liability for damages provided for in Article 423, Paragraph 1 of the Companies Act of Japan. Under the agreement, the liability is limited to the amount provided for under law. If the reelection of Ms. Yumiko Ichige is approved, the Company plans to continue the agreement.
  5. The Company has entered into a liability insurance contract for Directors and Audit & Supervisory Board Members with an insurance company pursuant to Article 430-3, Paragraph 1 of the Companies Act of Japan. Under said insurance contract, the insurance company shall compensate for damages that may result from the insured (including the Audit & Supervisory Board Members of the Company) assuming responsibility in connection with the execution of their duties or receiving claims related to the pursuit of such responsibility. In the event that each candidate is elected and assumes office as an Audit & Supervisory Board Member, they will be insured under said insurance contract. Said insurance contract will be renewed on the same terms at the next renewal.
  6. The number of shares of the Company held by Mr. Yoshitaka Onuma includes his interests in the Idemitsu Employee Stockholders Committee.
  7. Ms. Yumiko Ichige satisfies the requirements for independent officers set by the Tokyo Stock Exchange, and the Company has registered her as an independent officer with the Tokyo Stock Exchange.
  8. The career summaries of each candidate for Audit & Supervisory Board Member are as of the preparation date (May 12, 2026) of these Reference Documents for the General Meeting of Shareholders.


(Reference) Skills career matrix of Directors and Audit & Supervisory Board Members (assuming each candidate is elected at this General Meeting of Shareholders)

While fulfilling its social mission of providing a stable energy supply, the Company wishes to contribute to the realization of a carbon neutral society in 2050, and to utilize this as a business opportunity and improve to become a corporate entity that continues to grow sustainably. To this end, it is very important for Directors and Audit & Supervisory Board Members, who have various knowledge and experience, to actively discuss matters at the Board of Directors meetings, and enhance the quality of discussions regarding overall management strategies including human capital strategies.

Since preparing and disclosing the skills career matrix for Directors in 2020, we have periodically reviewed it in light of the management challenges we face and the areas of expertise expected of Directors and Audit & Supervisory Board Members, and have identified the areas set out in the table below. The Company elected Officers who have skills, such as knowledge and experience in those areas, while also paying attention to diversity. For the areas that the Board of Directors members do not have sufficient skills (issues concerning economic security or other areas for which high expertise is required), the Company supplements them by inviting outside experts to Advisory Board meetings and Officer training sessions.

Perspective	Areas of expected contribution	Reason for selection of areas of expected contribution
To lead change	Corporate philosophy / business strategy	The Officers are required to deeply understand and implement the Company's business objectives and the purpose of its existence, and lead the management to realize the Vision for 2050 based on perspectives such as economic security, SDGs, and DX in the context of a discontinuous management environment.
	Human capital development / DE&I	The Officers are required to have knowledge and experience in promoting human capital strategy (disseminating the action guidelines, developing transformative talent, and DE&I).
	Co-creation / international business	The Officers are required to build a co-creation relationship with diverse partners based on an international perspective in order to enhance its social implementation capabilities toward the realization of the Vision for 2050.
To support business management	Manufacturing / research	The Officers are required to have knowledge of safety in manufacturing and technology, knowledge of trends in innovative advanced technologies, and knowledge of research areas.
	Marketing / supply	The Officers are required to have knowledge of marketing and sales in each field of business, knowledge of retail marketing, and knowledge of procurement and supply.
	Governance / legal affairs	The Officers are required to have knowledge of governance from a shareholder's perspective, knowledge of risk management related to business operations, and knowledge of legal affairs.
	Finance / accounting / tax	The Officers are required to have knowledge of finance, accounting, and tax affairs that contribute to ensuring capital efficiency and profitability.

Knowledge, Experience Director and Audit & Supervisory Board Member		Corporate philosophy / business strategy	Human capital development / DE&I	Co-creation / international business	Manufacturing / research	Marketing / supply	Governance / legal affairs	Finance / accounting / tax
Director	Shunichi Kito	*	*			*		*
	Noriaki Sakai	*	*				*	*
	Atsuhiko Hirano	*	*	*		*		
	Masahiko Sawa	*	*	*	*			
	Takashi Sakata	*		*		*		*
	Kazuma Ikeda	*	*			*	*	
	Masakazu Idemitsu	*	*				*	
	Kazunari Kubohara	*					*	*
	Outside Independent	Jun Suzuki	*		*	*		*
Outside Independent	Shiori Nagata	*	*	*		*		
Outside Independent	Mio Kashiwamura	*	*	*		*		
Outside Independent	Sumiko Takeuchi	*		*	*		*	
Outside Independent	So Hirano	*		*	*	*		
Audit & Supervisory Board Members	Nami Kitamura	*		*	*	*		
	Yoshitaka Onuma	*				*		*
	Outside Independent	Yumiko Ichige		*	*		*	
	Outside Independent	Masahiko Tezuka		*	*		*	*

 indicates areas to which the Company particularly expects the relevant Director or Audit & Supervisory Board Member to contribute. It does not represent the full scope of that person's skills and experience.

(Reference)

### **Independence Requirements for Outside Officers**

Independent Outside Officers must not fall under any of the following:

1. A person who has become an executive officer of the Company or its subsidiaries in the present or in the past.
2. A person who is a major shareholder or currently affiliated with an organization that is a major shareholder with a 10% or higher share ratio in the Company's latest shareholder list.
3. A person who is currently affiliated with the Company's business partners with a total annual transaction amount of 2% or more of consolidated net sales in the three most recent business years or their consolidated subsidiaries.
4. A person who is a consultant, accounting professional, legal expert, accounting auditor, or contractor (or, if such person belongs to the corporations, associations, or other organizations, an individual who actually belongs to those organizations whose average annual transaction amount with the Company is 2% or more of the organization's total sales or gross in the three most recent business years) who receives money or other properties of ¥10 million or more per annum from the Company other than remuneration for a Director or for an Audit & Supervisory Board Member in the three most recent fiscal years.
5. A person who is currently affiliated with non-profit organizations that have received 2% or more of their gross or ordinary income from the Company in the three most recent fiscal years.
6. In the case where a person has belonged to any of the organizations or business partners described in "2." to "5." above, three years have not elapsed since (s)he left the organization or business partner.
7. A person who is the spouse or relative within the third degree of kinship of an officer (excluding those that are not important) of the Company or a specified associated company of the Company.

Proposition No. 3: Revision of the Terms of Performance-Linked Stock Compensation, etc. for Directors, etc.

1. Reasons for the proposal and reasons why we consider revision of said compensation, etc. is appropriate

The Company introduced a performance-linked stock compensation plan (“the Plan”) under which Company shares are granted based on job title, achievement of performance targets, and other criteria for the Company’s Directors (excluding non-Executive Directors, Outside Directors, and non-residents of Japan; the same applies hereinafter in this proposition) and Executive Officers at Senior Executive Officer level or above (excluding non-residents of Japan; the same applies hereinafter in this proposition) (collectively, “Directors, etc.”) to strengthen their commitment to improving the Company’s medium- to long-term performance and enhancing corporate value, with the approval of shareholders at the 103rd Ordinary General Meeting of Shareholders held on June 28, 2018. Most recently, at the 108th Ordinary General Meeting of Shareholders held on June 22, 2023, we revised the performance indicators under the Plan to align with the key indicators in the Company’s Medium-term Management Plan, etc.

In May 2026, we announced a new Medium-term Management Plan (FY2026-2030) (“the Medium-term Management Plan”). In order to realize the Medium-term Management Plan, we propose to continue to align the performance indicators under the Plan with the key indicators of the Medium-term Management Plan, as we have done in the past, while setting stock-based compensation for Directors, etc. at a market-competitive level, thereby strengthening their commitment to improving the Company’s medium- to long-term performance and enhancing corporate value as well as encouraging their holding of Company shares, further heightening the sense of shared interest with our shareholders. As we wish to continue the Plan after its revision (“Revision of the Plan”) as described in “2. Amount and content of compensation, etc. after the Revision of the Plan,” we ask for your approval of this proposition.

Please note that compensation described in this proposition is separate from the compensation limit for Directors approved at the 91st Ordinary General Meeting of Shareholders held on June 27, 2006 (at ¥1.2 billion or less per year), and will be provided to Directors, etc. in the form of stock-based compensation.

The Revision of the Plan aims to further strengthen the commitment of Directors, etc. to improving the Company’s medium- to long-term performance and enhancing corporate value by reinforcing the link between the Medium-term Management Plan and the compensation for Directors, etc., and we therefore consider the contents of this proposition to be appropriate. Furthermore, at the Board of Directors meeting held on May 12, 2026, we resolved to revise the policy for determining the individual compensation of Directors, etc. The outline of the revised policy is set out at the end of this proposition, which contains the necessary and reasonable terms for determining individual compensation for Directors, etc., in accordance with that policy. Furthermore, in order to ensure transparency and objectivity in the compensation determination process, we have established a Nomination and Compensation Advisory Committee, composed of independent Outside Directors, as a voluntary advisory body to the Board of Directors. The Revision of the Plan has been deliberated by the Nomination and Compensation Advisory Committee, with a recommendation submitted to the Board of Directors.

If Proposition 1, “Election of 13 Directors,” is approved as originally proposed, the number of Directors eligible under this Plan will be six (6). Furthermore, as noted above, the Plan also includes compensation for Executive Officers at Senior Executive Officer level or above (currently, there are 11 Executive Officers at Senior Executive Officer level or above who do not concurrently serve as Directors, eligible under the Plan). We are proposing the overall amount and content of compensation under the Plan, taking into

account the possibility that these Executive Officers at Senior Executive Officer level or above may be newly appointed as Directors after the Plan starts.

2. Amount and content of compensation, etc. after the Revision of the Plan

In order to continue the Plan, we wish to revise some of the Plan’s contents as follows. Please note that, with the exception of the revisions described below, the contents of the Plan will essentially remain the same as those of the Plan revised in FY2023.

(Underlined text indicates changes.)

	Current	As Revised
Maximum amount contributed	the amount calculated by multiplying <u>JPY640</u> million per year by the number of years in the applicable period	the amount calculated by multiplying <u>JPY920</u> million per year by the number of years in the applicable period
Indicators used to calculate the Company’s shares, etc. granted to the Directors, etc.	<ul style="list-style-type: none"> <li>The indicators used to measure the degree of achievement of the performance targets are those highlighted in the Company’s medium- to long-term vision and the medium-term management plan.</li> <li>The indicators for the initial applicable period after the Plan Revision <u>include the financial indicators related to the transformation of the business portfolio (ROIC, ROE, and the ratio of fossil fuel business revenue), as well as non-financial indicators essential for achieving carbon neutrality (CO<sub>2</sub> reduction and employee engagement indicators that assess initiatives aimed at maximizing employee growth and fulfillment).</u></li> </ul>	<ul style="list-style-type: none"> <li>The indicators used to measure the degree of achievement of the performance targets are those highlighted in the Company’s medium- to long-term vision and the medium-term management plan, <u>as well as those that promote value sharing with shareholders shareholder value indicators, are selected.</u></li> <li>The indicators for the initial applicable period after the Plan Revision, <u>particular emphasis is placed on aligning with the medium-term management plan (FY2026–FY2030) from the perspective of value sharing with shareholders and sustainable enhancement of corporate value. Specifically, the evaluation consists of various financial indicators related to capital efficiency (ROIC, ROE), as well as non-financial indicators in accordance with the company’s materiality—such as indicators essential for CO<sub>2</sub> reduction, and indicators for employee engagement that assess efforts toward maximizing employee growth and fulfillment.</u></li> </ul>

(\*) The maximum number of shares of the Company to be acquired for granting, etc., to Directors, etc., was approved at the 108th Ordinary General Meeting of Shareholders held on June 22, 2023, as “the number of shares equivalent to the number obtained by multiplying the maximum number of points per business year, 200,000 points (equivalent to 200,000 shares), by the number of years in the applicable period.” However, as a result of the stock split carried out by the Company with an effective date of January 1, 2024 (where one share was split into five shares), the limit has been adjusted to “the number of shares equivalent to the number obtained by multiplying the maximum number of points per business year, 1,000,000 points (equivalent to 1,000,000

shares), by the number of years in the applicable period.”

(1) Overview of the Plan

The Plan is a share-based compensation plan in which a trust (“the Trust”) acquires the Company’s shares using funds contributed by the Company as compensation for Directors, etc., and then grants and delivers (“Deliver/Delivery, etc.”) the Company’s shares and cash corresponding to the proceeds from the sale of those shares (“the Company’s Shares, etc.”) to Directors, etc. In principle, the time of Delivery, etc. of the Company’s shares to Directors, etc. will be after their retirement.

(2) Maximum amount the Company will contribute

The applicable period of the Plan (“Applicable Period”) will be the fiscal years covered by the Company’s Medium-term Management Plan. The initial Applicable Period following the Revision of the Plan shall be the five (5) fiscal years from FY2026 (April 2026 to March 2027) to FY2030 (April 2030 to March 2031) covered by the Medium-term Management Plan (FY2026-2030). For each Applicable Period, the Company will contribute an amount up to ¥920 million multiplied by the number of years in that Applicable Period (¥4.6 billion for the initial Applicable Period of five (5) fiscal years following the Revision of the Plan) as compensation for Directors, etc., and will establish a trust for the period corresponding to the Applicable Period, with Directors, etc. who meet the beneficiary requirements as beneficiaries (including the continuation of the Trust described in the second paragraph of this section (2); the same applies hereinafter). The Trust will acquire the Company’s shares from the stock market or from the Company (through the disposal of treasury shares) using the entrusted funds as the source of capital, in accordance with the instructions of the trust administrator. Any additional shares of the Company acquired during the initial Applicable Period following the Revision of the Plan will be purchased from the stock market, so no share dilution will result. During each year of the Applicable Period, the Company will grant points (as defined in (3) below) to Directors, etc. Upon retirement of the Directors, etc., the Trust will Deliver, etc., the Company’s Shares, etc., corresponding to the value of the accumulated granted points (“Accumulated Points”) (however, in the event of the death of a Director, etc., this will occur at the time of death; the same applies hereinafter). Upon expiration of the trust period of the Trust, the Company may, instead of establishing a new trust, continue the existing Trust by amending the trust agreement and making additional contributions. In such case, the number of years corresponding to the Medium-term Management Plan then in effect will constitute the new Applicable Period, and the trust period of the Trust will be extended by the same period as that new Applicable Period. For each extended trust period, the Company will make additional contributions in an amount up to ¥920 million multiplied by the number of years in that new Applicable Period and will continue to grant points to Directors, etc., during the extended trust period; and the Trust will continue to Deliver, etc. the Company’s Shares, etc. However, when such additional contributions are made, if there are any remaining Company shares (excluding Company shares corresponding to points already granted to Directors, etc. but not yet Delivered, etc.) or cash (“Remaining Shares, etc.”) in the trust assets at the end of the trust period prior to the extension, the combined total of such Remaining Shares, etc. and the additionally contributed trust funds shall not exceed ¥920 million multiplied by the number of years in that new Applicable Period. If the trust agreement is not amended and no additional contributions are made at the end of the trust period (or the extended trust period, if the Trust is continued), no further points

will be granted to Directors, etc. However, if there are any Directors, etc. in office at that time who may meet the beneficiary requirements, the trust period of the Trust will be extended for a certain period until such Directors, etc. retire and the Delivery, etc. of the Company's shares is completed. However, even in such cases, no new points will be granted to such Directors, etc.

- (3) Calculation method and upper limit of the number of the Company's shares to be delivered to Directors, etc. (including the number of shares subject to liquidation) The number of the Company's shares to be Delivered, etc. to Directors, etc. (including the number of shares subject to liquidation) shall be determined based on Accumulated Points. One (1) point shall correspond to one (1) share (fractions of less than 1 point shall be rounded down), and if the number of the Company's shares held in the Trust increases or decreases due to a stock split, allotment of shares without contribution, a consolidation of shares, etc., the Company shall adjust the number of the Company's shares Delivered, etc. per point (including the number of shares subject to liquidation) in proportion to such increase or decrease.

During the trust period, Directors, etc. will be granted points at a fixed time each year, calculated by multiplying the predetermined base points for each position by a payment rate reflecting the degree of achievement of the performance targets for each fiscal year within the Applicable Period. The indicators used to measure the degree of achievement of performance targets are selected from those emphasized in the Company's medium- to long-term vision and Medium-term Management Plan, as well as shareholder value indicators that promote value sharing with shareholders. For the initial period following the Revision of the Plan, particular emphasis is placed on alignment with the Medium-term Management Plan (FY2026-2030) from the perspective of value sharing with shareholders and sustainable corporate value enhancement. Specifically, it consists of various indicators related to capital efficiency (ROIC, ROE) as financial indicators, and various indicators aligned with the materiality set by the Company as non-financial indicators, including CO<sub>2</sub> reduction and employee engagement indicators assessing efforts to maximize employee growth and engagement.

Base points are calculated as follows: "Base amount determined for each position ÷ Average closing price of the Company's shares on the Tokyo Stock Exchange in July 2026 (fractions of a decimal point are rounded down)." If the trust period is extended, the average closing price of the Company's shares on the Tokyo Stock Exchange for the month preceding the first month of the fiscal year in which the extension begins shall apply. Also, the points granted are calculated as follows: "Base points × payment rate reflecting the degree of achievement of performance targets." For Directors etc. who meet the beneficiary requirements, the Trust shall Deliver, etc. the Company's Shares, etc. corresponding to their Accumulated Points after their retirement.

The total number of points granted to Directors, etc., during the trust period of the Trust shall be capped at 1,000,000 points multiplied by the number of years in the Applicable Period. Furthermore, the number of the Company's shares acquired by the Trust for Delivery, etc. to Directors, etc. during the trust period shall be limited to the number of shares corresponding to said maximum number of points. Accordingly, for the initial trust period following the Revision of the Plan, the number of shares will be capped at 5,000,000 (calculated by multiplying the number of years (5) in the trust period). This cap on the number of shares is determined based on recent stock prices, etc., and taking into account the limit on trust fund assets described in (2) above. If the Trust described in the second paragraph of (2) above is continued, the maximum number of points that may be granted to Directors, etc.

during the extended trust period shall be 1,000,000 points multiplied by the number of years in the new Applicable Period, and the number of the Company's shares acquired by the Trust for Delivery, etc. to Directors, etc. during the trust period shall correspond to said maximum number of points. Furthermore, if any point adjustments described in the first paragraph of this section (3) are carried out, the maximum number of the Company's shares that the Trust may acquire for Delivery, etc. to Directors, etc. will also be adjusted accordingly.

- (4) Method and timing of Delivery, etc. of the Company's Shares, etc. to Directors, etc. Directors etc. who meet the beneficiary requirements shall, after their retirement, receive Delivery, etc. of the Company's Shares, etc. from the Trust corresponding to their Accumulated Points. At that time, the Directors, etc. will receive delivery of the Company's shares corresponding to 70% of their Accumulated Points (with shares less than one share unit rounded down), and the remaining portion will be liquidated within the Trust, with the cash corresponding to the proceeds from such liquidation delivered to the Directors, etc. Furthermore, if a Director, etc. who meets the beneficiary requirements dies during the trust period, the number of the Company's shares corresponding to the Accumulated Points at that time will be liquidated within the Trust, with the cash corresponding to the proceeds from such liquidation delivered to the heirs of that Director, etc. Furthermore, if a Director, etc. who meets the beneficiary requirements is assigned to an overseas post during the trust period, the number of the Company's shares corresponding to the Accumulated Points at that time will be liquidated within the Trust, with the cash corresponding to the proceeds from such liquidation delivered to that Director, etc.
- (5) Voting rights relating to the Company's shares within the Trust  
With respect to the Company's shares held in the Trust (i.e., the Company's shares prior to their Delivery, etc. to Directors, etc. in accordance with (4) above), voting rights shall not be exercised during the trust period in order to ensure management neutrality.
- (6) Clawback scheme, etc.  
If any Director, etc. commits serious misconduct or a violation, the Company may forfeit the beneficiary rights to shares to be delivered under this Plan (malus) and require the Director, etc. to return money equivalent to the Company's shares, etc. already delivered (clawback).
- (7) Other details regarding the Plan  
Other details regarding the Plan shall be determined by the Board of Directors at the time the Trust is established, upon any amendment of the trust agreement, or each time additional contributions are made to the Trust.

For further details regarding the Plan, please refer to the following disclosures: "Notice Regarding the Continuation and Revision of the Performance-Linked Stock Compensation Plan" dated May 12, 2026; "Notice Regarding the Continuation and Revision of the Performance-Linked Stock Compensation Plan" dated May 9, 2023; "Notice Regarding the Continuation and Partial Revision of the Performance-Linked Stock Compensation Plan" dated May 10, 2022; "Notice Regarding Partial Revision of the Performance-Linked Stock Compensation Plan and Contribution of Additional Trust Funds" dated May 15, 2019; and "Notice Regarding the Introduction of a Performance-Linked Stock Compensation Plan" dated May 15, 2018.

(Reference)

“Policy for Determining Details of Compensation, etc. for Individual Directors, etc.”

(Basic Policy on Executive Compensation)

The Company’s basic policy on compensation for its Directors and Executive Officers (at Senior Executive Officer level or above) (“Directors, etc.”) is to: a) enhance corporate performance and value over the medium to long term in order to realize the Group’s management vision; and b) establish a compensation system and decision-making process that are transparent, rational and fair, enabling the Company to fulfill its accountability to customers, society, the environment, shareholders, business partners, employees, and other stakeholders. Based on this basic policy, the Company resolved at a meeting of the Board of Directors held on May 12, 2026 to revise the policy for determining the details of compensation, etc. for individual Directors, etc., as described below. With respect to the determination of compensation, etc. for individual Directors, etc., the Company has established a Nomination and Compensation Advisory Committee, composed of independent Outside Directors, as a voluntary advisory body to the Board of Directors. The Nomination and Compensation Advisory Committee has conducted a multi-faceted review of the original draft concerning the matter, including whether the contents are aligned with said policy for determining compensation. The Board of Directors respects the recommendations of the Nomination and Compensation Advisory Committee, and believes the contents to be aligned with said policy for determining compensation.

(Compensation Standard)

Compensation levels for Directors, etc. shall be reviewed as appropriate in light of changes in the business environment and external survey data, with a view to attracting, retaining, and appropriately incentivizing talent capable of contributing to the achievement of the Company’s medium- to long-term management vision.

(Compensation Structure)

The compensation system for the Company’s Directors (excluding non-Executive Directors and Outside Directors) and Executive Officers at Senior Executive Officer level or above is designed to promote business portfolio transformation, enhance capital efficiency, and advance environmental, social, and governance initiatives, thereby leading to the further enhancement of corporate value and the achievement of the medium- to long-term management vision. Specifically, to appropriately evaluate management efforts to enhance corporate value over the medium to long term with due emphasis on both short-term and medium- to long-term performance, the compensation system comprises (1) fixed compensation, (2) performance-linked bonuses, and (3) performance-linked stock compensation. The ratios of the respective compensation at the time of standard payment are set at approximately (i) 50%, (ii) 25%, and (iii) 25%. Compensation for non-Executive Directors and Outside Directors consists solely of fixed compensation from the perspective of ensuring appropriate supervisory functions for assessing the appropriateness of business execution from an objective standpoint.

Fixed compensation shall be paid on a monthly basis in an amount determined according to the role and responsibilities.

Performance-linked bonuses are designed to fluctuate within a range of 0 - 200% according to the degree of achievement of the Company’s major financial indicators (Profit before tax excluding financial expenses (“Profit before tax”)) and non-financial indicators (human capital-related indicators proposed in the Medium-term Management Plan, etc.), and the degree of achievement of Directors’ “activity goals” set by respective management members taking into account their roles and duties (important strategic tasks toward structural reforms) and the “goals for the responsible area” of Executive Officers (at Senior Executive Officer level or above). Performance-linked bonuses will be granted in June every year.

From the perspective of sharing value with shareholders and continued improvement of corporate value, performance-linked stock compensation places a particular emphasis on the link with the Vision for 2030 and the Medium-term Management Plan (FY2026-2030) as well as with shareholder value. Specifically, performance-linked stock compensation is designed to fluctuate within the range of 0 - 200% in accordance with the degree of achievement concerning such financial indicators related to business portfolio rearrangement as ROIC and ROE, and such non-financial indicators determined in accordance with materiality to the Company as indicators for measuring CO<sub>2</sub> reduction essential for the realization of carbon neutrality and a circular society, and those for measuring engagement of employees to evaluate efforts toward maximization of employees' growth and engagement. Furthermore, to ensure that this serves as an incentive for Directors, etc. to enhance corporate value from a medium- to long-term perspective, the shares will be delivered to Directors, etc. after their retirement.

The policy provides that, in the event a Director, etc. engages in serious misconduct or a violation, the Company may forfeit the beneficiary rights of the Director, etc. to shares to be delivered as performance-linked stock compensation (malus) and may require the Director, etc. to return money equivalent to the Company's shares, etc. already delivered (clawback).

The indicators and their respective assessment weightings for performance-linked bonuses and performance-linked stock compensation are set forth in the table below; we consider this configuration of indicators appropriate for achieving sustainable enhancement of the Company's corporate value.

Indicators	Performance-linked bonuses*	Performance-linked stock compensation
Profitability indicators (Profit before tax)	40% (20%)	-
Capital efficiency indicators (ROIC, ROE)	-	60%
CO <sub>2</sub> reduction	-	20%
Engagement of employees	-	20%
Human capital-related indicators	20% (10%)	-
Activity goals (Directors) / goals for the responsible area (Executive Officers at Senior Executive Officer level or above)	40% (70%)	-

\*The figures in parentheses for performance-linked bonuses represent the weighting for Senior Executive Officers

(Process for determining compensation)

To enhance the independence, objectivity, and accountability of the Board of Directors in determining executive compensation, the Company has established a Nomination and Compensation Advisory Committee, composed of independent Outside Directors, as an advisory body to the Board of Directors. Based on the Committee's recommendations, the Board of Directors sets the policy for determining the amount of Directors' compensation and the method for its calculation. Individual compensation, etc. for Audit & Supervisory Board Members is determined through discussions among the Audit & Supervisory Board Members. Executive compensation, etc. is provided within the maximum amount for compensation, etc. approved at the General Meeting of Shareholders.

## BUSINESS REPORT

(April 1, 2025 to March 31, 2026)

### 1. Current status of Idemitsu Group (the “Group”)

#### (1) Business overview:

Consolidated Financial Results for FY2025 (From April 2025 to March 2026)

	Net sales	Operating Income + Equity Income (In brackets: Excludes inventory impact)	Net Income Attributable to Owners of the Parent (In brackets: Excludes inventory impact)
FY2025 [111th year]	¥8,105.9 billion	¥214.7 billion (¥244.1 billion)	¥171.9 billion (¥192.3 billion)
FY2024 [110th year]	¥9,190.2 billion	¥184.8 billion (¥214.7 billion)	¥104.1 billion (¥124.8 billion)

During the current fiscal year, the Japanese economy was on a moderate recovery trend, supported by improvements in employment and income conditions. Meanwhile, close attention must continue to be paid to developments in U.S. trade policy and foreign exchange rates, and the worsening situation in Iran and the blockade of the Strait of Hormuz in the Middle East have led to instability in crude oil prices and energy demand. As a result, the business environment surrounding corporate activities remains uncertain.

Crude oil prices fell due to concerns about economic deterioration, mainly following the announcement of tariffs by the United States in early April 2025, as well as the perception of oversupply after OPEC Plus announced production increases. However, prices began to rise in June due to geopolitical risks stemming from the situation in Iran and Israel, and the tightening of U.S. sanctions against Russia. From the end of February 2026, they rose sharply over a short period due to the worsening situation in Iran and the blockade of the Strait of Hormuz. As a result, the average Dubai crude oil price fell by \$6.7/bbl to \$71.8/bbl.

The yen initially appreciated against the U.S. dollar, the yen had strengthened due to economic deterioration following the announcement of tariffs by the United States, as well as speculation that the U.S. government may let the dollar fall. Since then, however, the yen has repeatedly risen and fallen, affected by the U.S. government’s tariff negotiations and geopolitical risks stemming from the situation in Iran and Israel. Since the inauguration of the Takaichi administration, the yen has depreciated due to proactive fiscal policy and monetary easing, and the worsening situation in Iran has further weakened the yen. Consequently, the average exchange rate against the dollar decreased by ¥1.9/\$ from the previous fiscal year to ¥150.7/\$.

Australian thermal coal spot prices remained below the previous year’s levels throughout the year. As a result, the average price fell by \$29.4/ton from the previous fiscal year to \$105.4/ton.

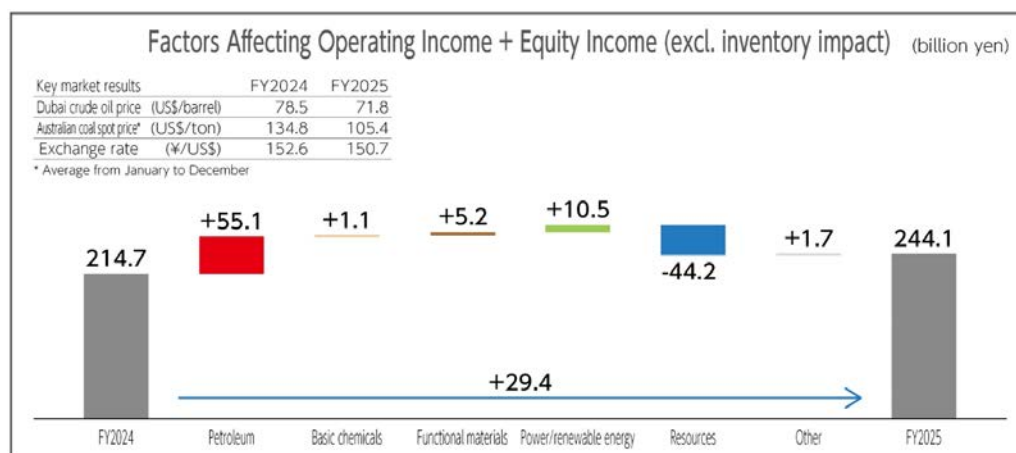
In this environment, consolidated net sales for FY2025 amounted to ¥8,105.9 billion, a decline of ¥1,084.3 billion from the previous fiscal year, mainly due to falling crude oil prices in the petroleum segment.

Operating income + equity income (excluding inventory impact) increased by ¥29.4 billion from the previous fiscal year to ¥244.1 billion, mainly because the positive time lag effects from the sharp rise in crude oil prices in the petroleum segment

outweighed the impact of the decline in coal market conditions in the resources segment.

Net income (excluding inventory impact) was ¥192.3 billion, up by ¥67.5 billion from the previous fiscal year.

Net income including inventory impact amounted to ¥171.9 billion, up by ¥67.8 billion from the previous fiscal year.



(billion yen)

	Petroleum	Basic chemicals	Functional materials	Power and renewable energy	Resources	Other	Total
FY2025	207.1	(6.8)	33.4	(1.8)	33.1	(20.9)	244.1
FY2024	152.0	(8.0)	28.2	(12.3)	77.4	(22.7)	214.7

■ Petroleum segment

In the petroleum segment, despite increased expenses from large-scale periodic repairs, positive time lag effects from the rise in crude oil prices due to the situation in the Middle East resulted in income of ¥207.1 billion (up ¥55.1 billion from the previous fiscal year).

■ Basic chemicals segment

The basic chemicals segment posted loss of ¥6.8 billion (up ¥1.1 billion from the previous fiscal year), as product margins remained at low levels, despite positive time lag effects caused by the sharp rise in naphtha prices in March.

■ Functional materials segment

The functional materials segment posted income of ¥33.4 billion (up ¥5.2 billion from the previous fiscal year), mainly due to strong overseas sales of lubricants business and the contributions from acquisition of AGRO-KANESHO CO., LTD. as a wholly owned subsidiary in the agri life business.

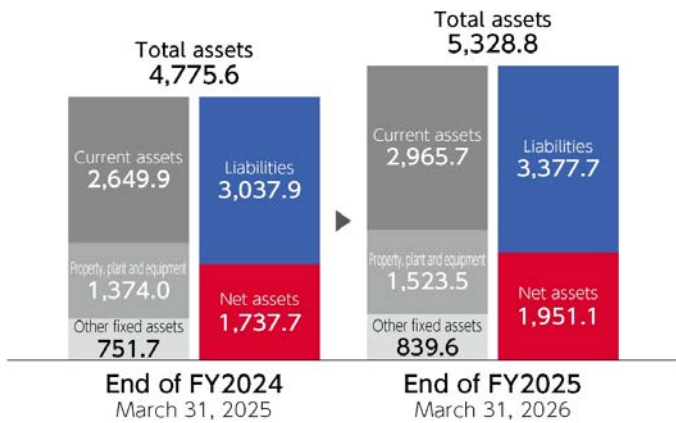
■ Power and renewable energy segment

The power and renewable energy segment posted loss of ¥1.8 billion (up ¥10.5 billion from the previous fiscal year), mainly due to improved earnings following the resolution of power plant issues in the previous year and a reduction in depreciation expenses resulting from impairment losses on biomass power generation facilities.

■ Resources segment

The oil/natural gas exploration and production business posted income of ¥14.0 billion (down ¥4.6 billion from the previous fiscal year) mainly due to a decline in crude oil prices. The coal business posted income of ¥19.1 billion (down ¥39.6 billion from the previous fiscal year), mainly due to price factors associated with a decline in the coal market. As a result, segment income was ¥33.1 billion (down ¥44.2 billion from the previous fiscal year).

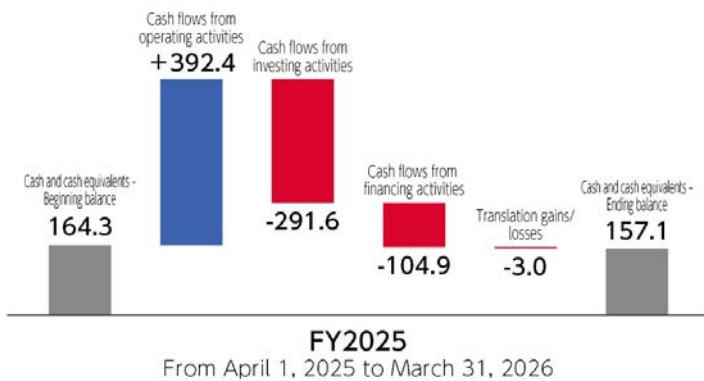
## Consolidated Balance Sheet (billion yen)



### Points

- Total assets as of March 31, 2026 increased by ¥553.2 billion from the end of the previous fiscal year, mainly due to the acquisition of Fuji Oil Company, Ltd. as a subsidiary.
- Although interest-bearing debt increased due to investments and an increase in working capital associated with the acquisition of Fuji Oil Company, Ltd. as a subsidiary, net assets also increased mainly due to net income, and the Net D/E ratio remained at 0.62, the same level as the previous year.

## Cash Flows (CFs) (billion yen)



### Points

- CF from operating activities was positive, at +¥392.4 billion, due to the recording of net income. CF from investing activities was negative, at -¥291.6 billion, due to the acquisition of fixed assets, etc., resulting in a free CF of ¥100.8 billion.
- CF from financing activities was negative, at -¥104.9 billion, due to the repayment of interest-bearing debts, shareholder returns such as dividends and share repurchases, etc.
- As a result, the ending balance of cash and cash equivalents decreased by ¥7.2 billion from the beginning of the period.

## Review of the Medium-term Management Plan (FY2023-2025)

Under our Medium-term Management Plan (FY2023-2025), we have pursued business portfolio transformation by investing in both business structure reforms and human capital, while fulfilling our mission of providing a stable supply of energy and materials.

With regard to investments in business structure reforms, we have steadily strengthened the profitability of existing businesses and achieved the targets for FY2025 set out in the Plan, for both operating + equity income and ROE (Return on Equity). At the same time, we recognize that temporary external factors, such as fluctuations in crude oil prices, have had a significant impact, and that establishing a stable earning base and further improving capital efficiency remain key challenges.

Furthermore, in advancing the transformation of our business portfolio toward a carbon-neutral and circular society by 2050, we have defined three business domains—“Energy one step ahead,” “Diverse resource conservation and circulation solutions,” and “Smart Yorozuya”—and have made steady progress toward their social implementation. Amid changing societal trends toward decarbonization, we have been steadily preparing to provide solutions that meet the needs of society and our customers, such as exploring the commercialization of blue ammonia and SAF (Sustainable Aviation Fuel), making investment decisions regarding a pilot facility for lithium solid electrolytes, completing commercial production facilities for recycling of used plastics into oil, and launching “apolloONE,” a mobility-focused service.

Indicator*1	FY2025		
	Target	Actual	
Operating + equity income (FY2023–2025 cumulative)	¥230 bn (¥600 bn)	¥244 bn (¥769 bn)	
ROE	10%	10.6%	
ROIC	7%	6.5%	
Fossil fuel business profit contribution	≤70%	98%	
GHG reduction	CO <sub>2</sub> reduction*2 CI*3	-46%	-21%
		-10% (FY2030)	-0.6% (FY2024)
Idemitsu Engagement Index (EI)	≥75%	70%	
DE&I	Female recruiting ratio	≥50%	46%
	Female ratio in key Positions*4	≥5%	7%
	Male ratio taking childcare leave	≥90%	98%
Investments in education per employee	≥¥100,000	¥69,000	

\*1 Excluding inventory impact \*2 Scope 1+2 \*3 Carbon Intensity, Scope 1+2+3  
\*4 Including promotions effective July 1, 2026

**Results of key initiatives**

**1. Investments in business structure reforms**

- Review of the previous Mid-term Management Plan**  
Due to higher profits from petroleum and functional materials, we achieved operating + equity income and ROE targets. However, temporary factors such as crude oil price fluctuations also contributed significantly
- Key challenges in the new Mid-term Management Plan**  
Build a stable earnings base and further improve capital efficiency

**2. Human capital investments**

- Review of the previous Mid-term Management Plan**  
We set three key themes for our human capital strategy: “Embody management philosophy / vision,” “Deepen DE&I,” and “Bring out the full potential of each individual,” and implemented various measures, including establishing the New Action Guideline
- Key challenges in the new Mid-term Management Plan**  
Rebuild the human capital strategy linked to business strategy, and further embed and practice the New Action Guideline to drive transformation

**3. Evolution of the business platform**

- Review of the previous Mid-term Management Plan**  
We worked on developing DX talent, optimizing and streamlining operations through AI, and enhancing the use of MI + AI in R&D, contributing to company-wide productivity improvements and value creation
- Key challenges in the new Mid-term Management Plan**  
Promote data-driven management and business process re-engineering through AI, maximize use of the newly established Innovation Center, enhance governance / ERM, and other measures

## (2) Issues to be addressed by the Idemitsu Kosan Group

### Business Environment

In recent years, the business environment has been transforming markedly, including the rising energy security risks / geopolitical risks, pushback against decarbonization, and the rise of the Global South.

In the immediate environment, the conflict in the Middle East are having a significant impact on the Group's operations, affecting not only crude oil procurement but the entire supply chain, including manufacturing and sales. Beyond such situations, as geopolitical risks continue to rise, enhancing responsiveness to uncertainty has become an essential element of corporate management.

Meanwhile, decarbonization policies, which have been advanced primarily in Europe and the United States, are facing a push back, with movements to return to fossil fuels from the perspectives of energy security and economic rationality. These situations signify that policy trends are not uniform, and we recognize that the energy transition will proceed along a more multifaceted timeline.

Furthermore, as the rise of the Global South signals a shift in the international order, there is a growing need in emerging markets to ensure a stable supply of energy while expanding businesses that meet local needs.

In the highly uncertain business environment described above, we recognize that a strategic planning and execution process designed to adapt to environmental changes is essential for achieving the Company's sustainable growth while fulfilling our social mission of ensuring a stable energy supply.

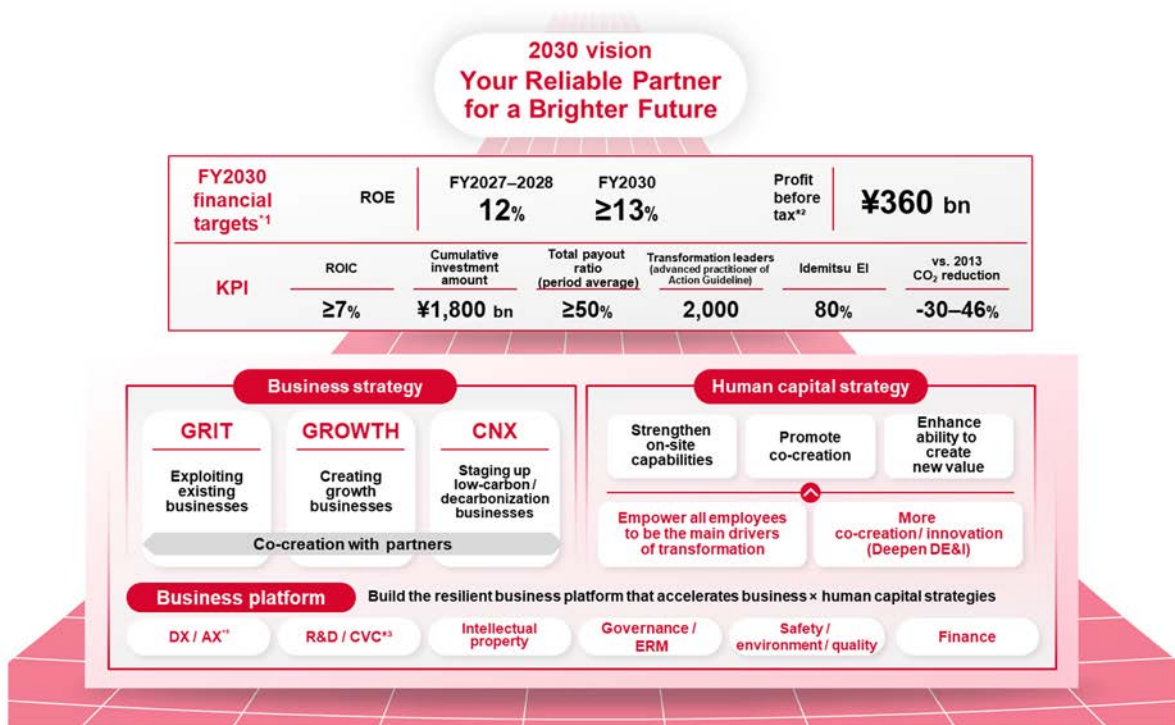


## Medium-term Management Plan (FY2026-2030)

### Framework of the Medium-term Management Plan

Under the Medium-term Management Plan (FY2026–2030), guided by our Vision for 2030, “Your Reliable Partner for a Brighter Future,” we will focus on two key pillars: our business strategy encompassing the themes of “GRIT,” “GROWTH,” and “CNX,” and our human capital strategy encompassing the themes of “empower all employees to be the main drivers of transformation” and “more co-creation / innovation (deepen DE&I).” We will also work to strengthen the business platform that underpins these initiatives.

By steadily implementing these strategies, we aim to achieve our financial targets for FY2030, namely a 13% ROE and a 7% ROIC, while striving to further enhance our corporate value.



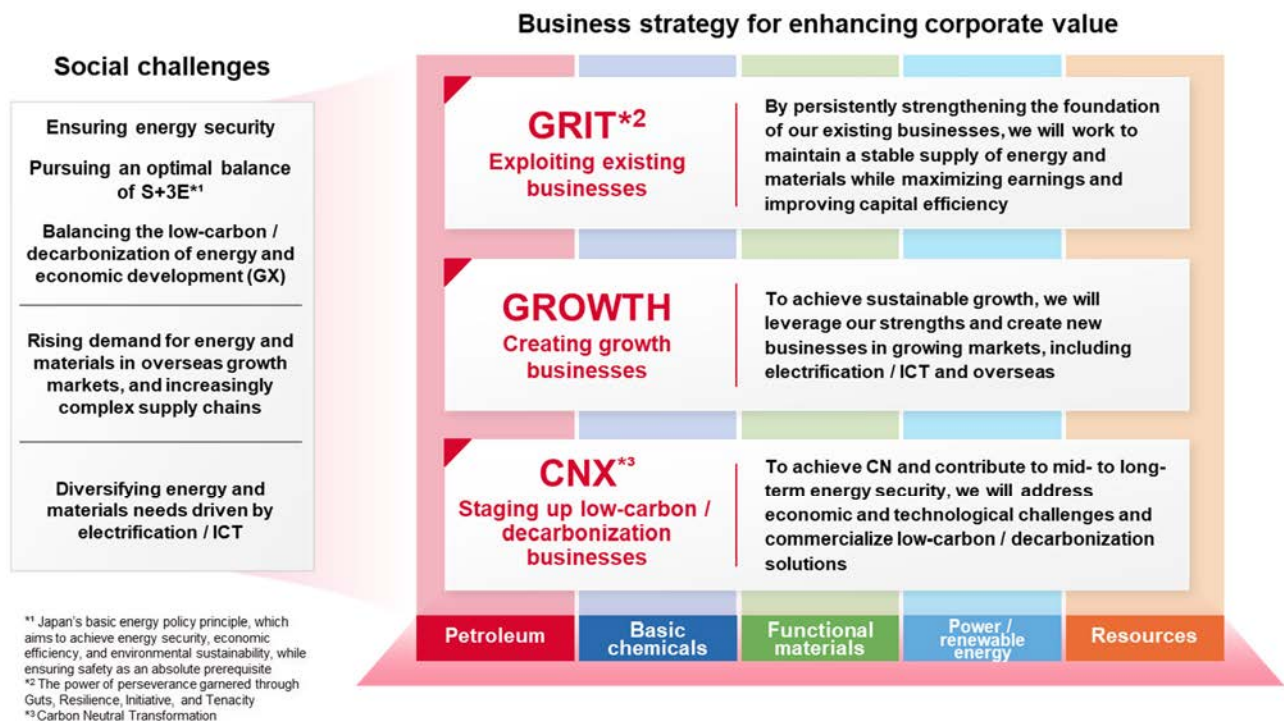
\*1 IFRS standards \*\* Excluding financial expenses \*\* Corporate Venture Capital

## Business Strategy Policy

We will strive to achieve medium- to long-term growth by rebalancing our business strategy and strengthening our profitability through pragmatic initiatives. The business strategy will be advanced through the three themes of “GRIT: Exploiting existing businesses,” “GROWTH: Creating growth businesses,” and “CNX: Staging up low-carbon/decarbonization businesses,” enabling us to achieve sustainable growth while contributing to the resolution of social challenges.

We will first strengthen the foundation of our existing businesses, such as petroleum, products, whose social importance is being reaffirmed, and persistently work to improve profitability and capital efficiency (GRIT). Moreover, in domains expected to grow over the medium- to long-term, such as electrification, ICT, and overseas, we will expand the creation of new businesses by leveraging strengths including our technological capabilities and networks in Japan and overseas (GROWTH). Furthermore, to achieve carbon neutrality by 2050 and contribute to medium- to long-term energy security, we will stage up low-carbon and decarbonization businesses while carefully assessing timeframes.

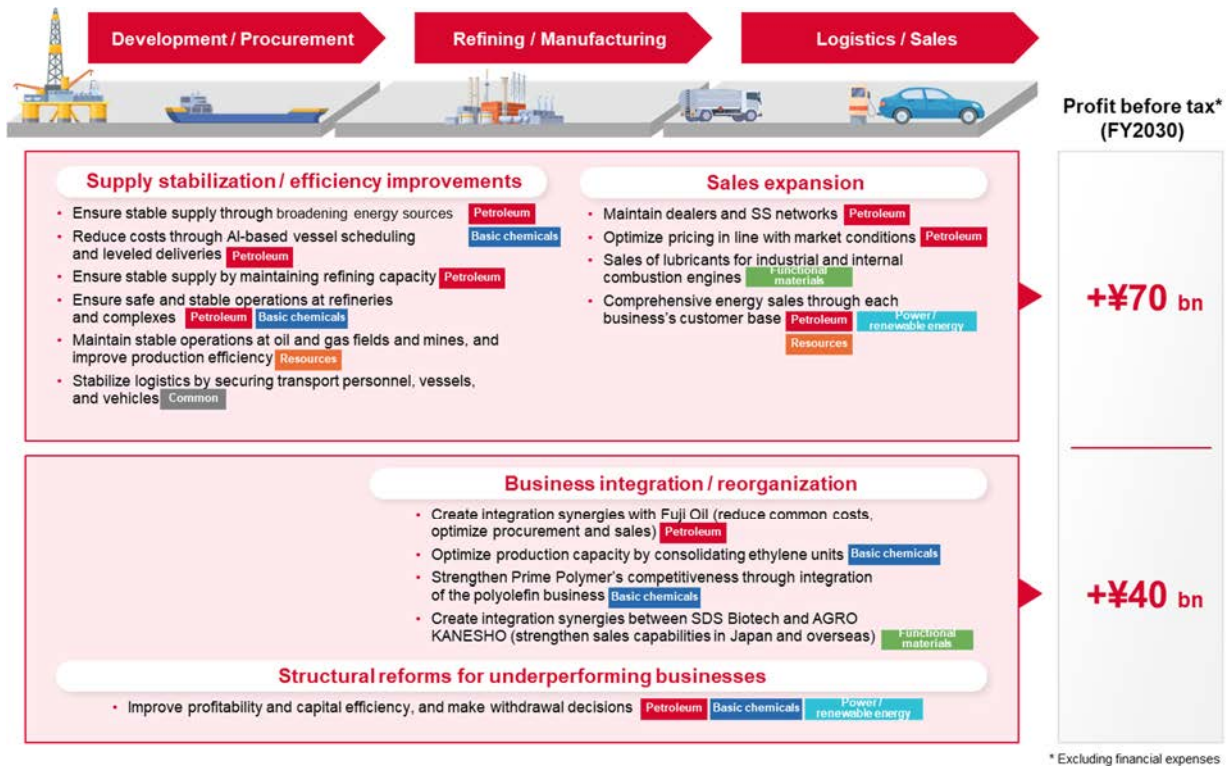
We will drive these initiatives across our five business segments and through co-creation with our partners, to enhance corporate value and contribute to resolution of social challenges.



## GRIT: Exploiting existing businesses

From the perspective of ensuring energy security in our country, our petroleum and other existing businesses are becoming increasingly significant from both a social and economic standpoint.

We will advance initiatives aimed at stabilizing and streamlining supply, such as diversifying our raw material sourcing and implementing measures to improve the utilization rates of our refineries/complexes; simultaneously, we will focus on strengthening sales by capitalizing on our network of dealers and service stations nationwide. We will also continue to vigorously pursue initiatives aimed at improving capital efficiency through business integration and restructuring, as well as structural reforms of underperforming businesses.



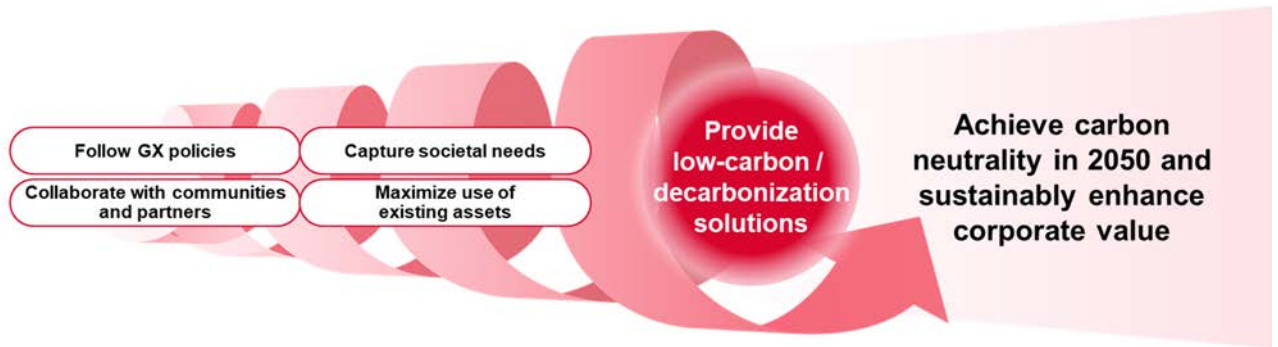
## GROWTH: Creating growth businesses

We will identify medium- to long-term social changes and megatrends and promote the creation and expansion of new businesses. Amid these initiatives, we will focus on business models addressing areas such as electrification, ICT, further global expansion, mobility services, and the realization of the circular economy. By leveraging our existing strengths—such as our technological capabilities and nationwide network of service stations—while expanding into growth areas, we will establish new earning pillars and achieve sustainable growth.



## CNX: Staging up low-carbon/decarbonization businesses

With regard to the low-carbon and decarbonization initiatives advanced under the previous Medium-term Management Plan, we will continue to promote them while carefully considering social conditions and timeframes, also taking into account the need for diversification to contribute to a stable supply of energy and materials. In the long term, we aim to achieve both carbon neutrality by 2050 and the sustainable enhancement of corporate value by providing low-carbon/decarbonization solutions tailored to diverse needs.

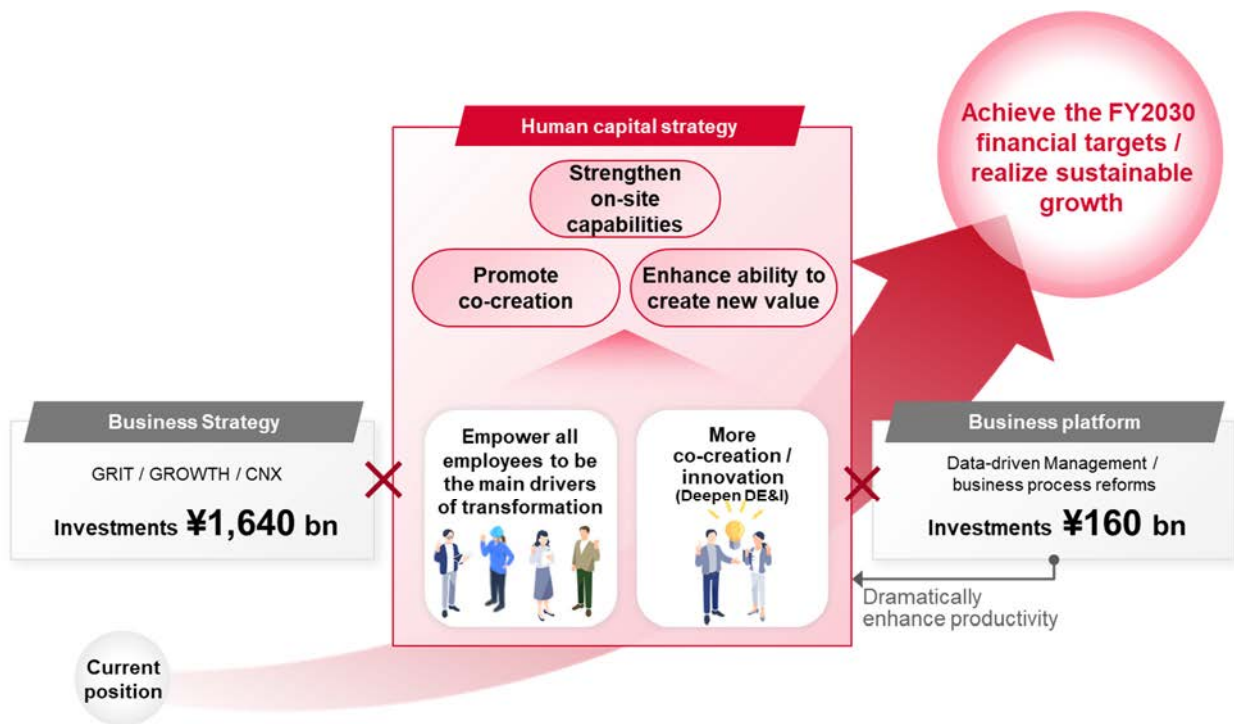


## Human capital strategy

To achieve our financial targets for FY2030 and realize sustainable growth, we will implement our human capital strategy that vigorously drives “transformation.”

Under the new human capital strategy, we will pursue initiatives centered on two themes to drive changes in our activities, including “strengthening on-site capabilities,” “promoting co-creation,” and “improving new value creation capabilities.”

The first theme is “empowering all employees to be the main drivers of transformation.” The Company has diverse roles, such as “attacking,” “defending,” and “supporting,” but none of these roles is superior to the others, and there are opportunities for transformation in every area. We view every employee as a key driver of transformation and, to carve out a future that goes beyond the status quo, we have adopted two key priorities: “maximizing all employees’ engagement and sense of individual growth” and “uniting all employees under the Action Guideline.” The second theme is “more co-creation / innovation (deepen DE&I).” Our DE&I program has received external recognition for its unique initiatives, including being chosen as a “Nadeshiko Brand” company for four consecutive years. Building on this strength, we will continue to position the advancement of women as our top priority, while strengthening our efforts to directly link DE&I to co-creation and innovation. We will steadily move forward with these two key priorities: “developing diverse transformation leaders” and “creating fields where diverse talent can thrive.”



## Business platform

### <DX / AX Strategy>

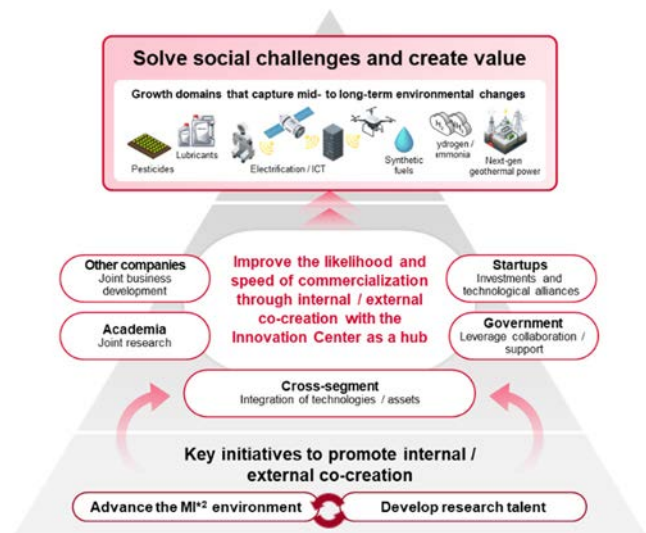
By capitalizing on the rapid advancements in AI technology in recent years, we will promote DX/AX (Digital Transformation/AI Transformation) and improve our management processes.

We will structure and centralize customer data that we hold across a broad range of business areas, as well as internal data related to our operations and human resources, and leverage advanced AI-powered analytics and forecasting to inform business decision-making. In addition, we will redesign our business processes on the premise of AI utilization and accelerate operational transformation by maximizing the use of data and AI. Building on our ongoing efforts in materials development using MI (Materials Informatics), we will expand the use of AI across the full spectrum of our business operations.

### <Innovation Strategy>

To capture needs arising from societal changes and create new value, we will utilize our Innovation Center, scheduled for completion in March 2028, as a hub for co-creation with leading global partners, thereby enhancing the likelihood and speed of commercialization.

With the completion of the Innovation Center, we will consolidate R&D functions, including production and development technologies, that were previously dispersed across multiple locations, and establish an integrated system capable of advancing activities from R&D through to commercial production. In addition to enhancing our physical infrastructure, we will further develop an advanced MI (Materials Informatics) environment and develop human resources capable of leading initiatives from research through to social implementation, thereby promoting co-creation both within and beyond the Company. Through these initiatives, we aim to help address social issues in growth areas aligned with medium- to long-term environmental trends, while also achieving sustainable growth in corporate value.



### (3) Performance Forecast (FY2026)

Since we will be voluntarily adopting the International Financial Reporting Standards (IFRS) starting in FY2026, our forecast for FY2026 has been calculated in accordance with IFRS. Until FY2025, segment income was calculated as “Operating income + equity income,” but starting in FY2026, it will be calculated as “Income before tax excluding financial costs”

Although it is difficult to predict when the situation in the Middle East will stabilize, our earnings forecast assumes that high crude oil prices will persist through the first quarter of FY2026. Based on the assumption that the price of Dubai crude oil will fall to levels seen before the intensification of the Middle East crisis by the end of FY2026, we expect profits to decline due to the significant negative time lag effects. Although the business environment is expected to remain uncertain, we will continue to prioritize the stable supply of petroleum and petrochemicals to the domestic market while advancing initiatives aimed at further improving profitability.

#### Consolidated Performance Forecast for FY2026

	(Japanese Accounting Standards) FY2025 Results	(IFRS Standards) FY2026 Outlook
Operating Income + Equity Income*	¥244.1 billion	–
Income before tax excluding financial costs*	–	¥140 billion
Net income*	¥192.3 billion	¥90 billion

\* Excludes inventory impact

\*Due to changes in accounting standards and the revised definition of segment profit resulting from the voluntary adoption of IFRS from FY2026, a direct comparison with the previous year cannot be made

#### Key market assumptions

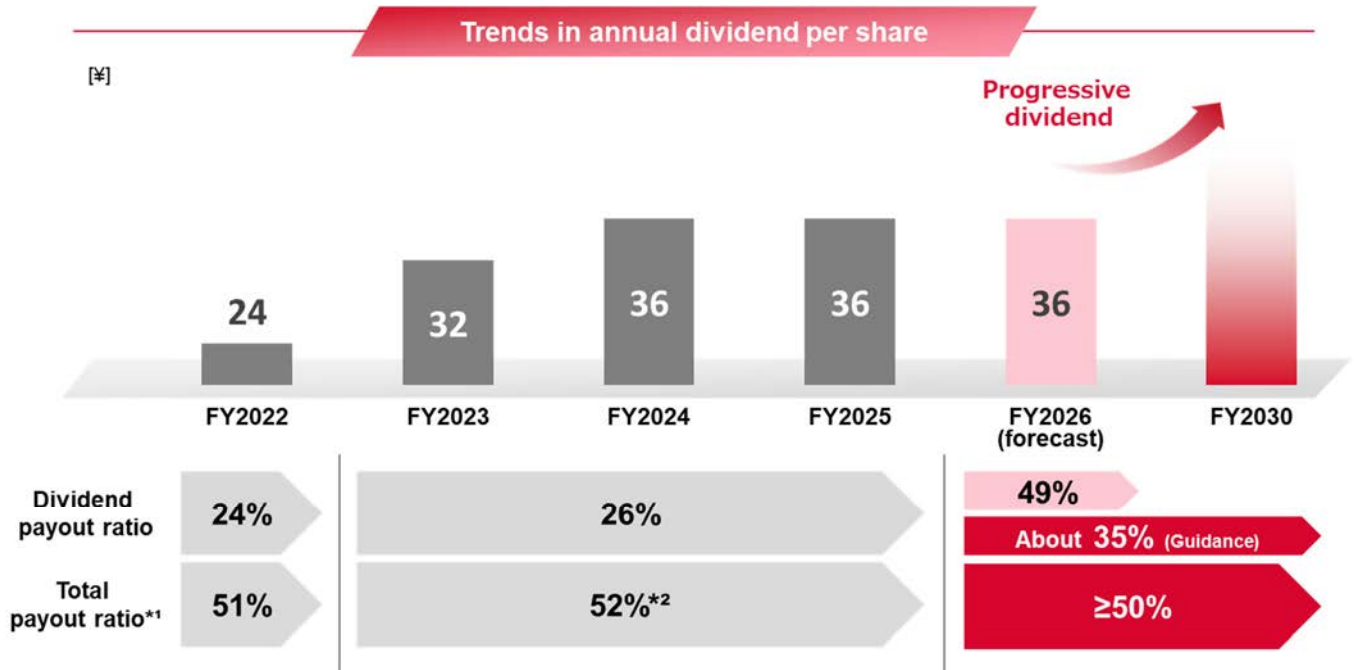
	FY2025 results	FY2026 forecast	Change
Dubai crude oil price (US\$/barrel)	71.8	81.3	+9.5
Australian thermal coal* (US\$/ton)	105.4	126.1	+20.7
Exchange rate (¥/US\$)	150.7	151.3	+0.6

\* Average from January to December

(4) Shareholder Returns and Dividends

Regarding FY2023 to FY2025, we raised our annual dividend from ¥24 to ¥32 in November 2023 and further raised it from ¥32 to ¥36 in November 2024, at the same time setting this amount as the minimum dividend. In addition, we executed acquisition of treasury shares in a flexible manner while monitoring the stock price. To further enhance capital efficiency, we also implemented the acquisition of treasury shares worth ¥100 billion in addition to our shareholder return and dividend policy.

From FY2026 to FY2030, we will maintain a total payout ratio of at least 50% of cumulative net income, excluding inventory impact. In the first year, FY2026, we will set the annual dividend at ¥36 per share as the minimum and introduce a progressive dividend policy and set this as the minimum. We will enhance the proportion of returns allocated to dividends to achieve more stable shareholder returns. We will also execute acquisition of treasury shares in a flexible manner while monitoring the stock price.



\*\* Total payout ratio based on net income excluding inventory valuation effects  
 \*2 Additionally, we executed ¥100 billion in share buybacks in FY2024

(5) Safety / Environment / Quality

**(i) Philosophy and Policy for Ensuring Safety**

The Group's philosophy for ensuring safety is "to ensure the safety of people as our highest priority by reducing and removing risks through the appropriate allocation of management resources and the maintenance and improvement of facilities, processes and work mechanisms, thereby eliminating accidents and disasters while also striving to cultivate a culture of safety." Based on this philosophy, we recognize that "ensuring safety is the result of efforts made by management, and keeping accidents and disasters down to zero is the greatest possible achievement in this field." Based on this recognition, we have established the Policy for Ensuring Safety, establishing the ensuring of safety as the most important and prioritized criterion among the various criteria for value judgment applicable to all situations and stages of all business activities, tasks, and actions in production, logistics, sales, R&D, etc.

Policy for Ensuring Safety

- (1) Ensure the safety of people
- (2) Ensure the safety assurance of facilities and processes
- (3) Ensure safety in work mechanisms and procedures
- (4) Properly allocate and utilize management resources
- (5) Cultivate a culture of safety and promote safety management

**(ii) Efforts to Ensure Safety**

The Group comprehensively assessed operational risks that may have an impact on local communities and the environment, and made efforts to appropriately manage the identified risks.

**(iii) Areas of Safety and Environment**

From January to December 2025, no major process accidents such as explosions or environmental pollution capable of significantly impacting local communities occurred at our facilities.

There were 59 industrial accidents that resulted in lost work days, including one fatality in a partner company (35 at the Company and 24 at partner companies).

We will continue to strengthen the foundations for safety and environment and pursue our goal of achieving zero accidents.

**(iv) Basic Policy for Quality**

The Group's basic approach to quality is "strive to improve customer satisfaction and protect consumers by promoting quality assurance activities that take into consideration the life cycle of the products and services we provide, from development to consumption or disposal, in order to ensure product safety and minimize the impact on people and the environment," and has established the Quality Assurance Policy as a specific measure.

Quality Assurance Policy

- (1) We provide products and services of appropriate quality from the customer's perspective.
- (2) We realize environmentally conscious production activities and products.
- (3) We provide safe and secure products.
- (4) We fulfill our social responsibilities by ensuring thorough compliance at all times.

**(v) Efforts to Ensure Quality**

We continued to implement educational and awareness activities aimed at improving employee awareness about quality.

**(vi) Area of Quality**

From January through December 2025, there were no major quality complaints that had a significant impact on our business operations.

**(vii) Initiatives for the Medium-term Management Plan (2026–2030)**

In advancing the Medium-term Management Plan starting in FY2026, we will further improve our safety, environmental, and quality management systems based on the following three key perspectives, thereby building a solid business foundation.

- (i) Strengthening the foundation of safety, environment, and quality
- (ii) Identifying and mitigating risks for each business
- (iii) Strengthening company-wide responsiveness to environmental changes

(6) Financial Position

Summary of consolidated balance sheet

(Unit: ¥Billion)

	FY ended March 2025	FY ended March 2026	Change
Current assets	2,649.9	2,965.7	+315.8
Fixed assets	2,125.7	2,363.1	+237.4
Total assets	4,775.6	5,328.8	+553.2
Current liabilities	2,097.4	2,351.4	+254.0
Long-term liabilities	940.5	1,026.3	+85.8
Total liabilities	3,037.9	3,377.7	+339.8
Total net assets	1,737.7	1,951.1	+213.4
Total liabilities and net assets	4,775.6	5,328.8	+553.2

a) Total Assets

Total assets increased by ¥553.2 billion from the end of the previous fiscal year to ¥5,328.8 billion, mainly due to the inclusion of Fuji Oil Company, Ltd. in the scope of consolidation.

b) Total Liabilities

Total liabilities as of March 31, 2026, were ¥3,377.7 billion, an increase of ¥339.8 billion from the end of the previous fiscal year, mainly due to the inclusion of Fuji Oil Company, Ltd. in the scope of consolidation and an increase in interest-bearing debt.

c) Total Net Assets

Total net assets as of March 31, 2026, were ¥1,951.1 billion, an increase of ¥213.4 billion from the end of the previous fiscal year, mainly due to net income attributable to owners of the parent and an increase in foreign currency translation adjustments, despite dividend payments.

As a result, the equity ratio stood at 36.0% as of March 31, 2026, down 0.0 point compared with the end of the previous fiscal year of 36.0%. The Net D/E ratio as of March 31, 2026, was 0.6 (end of the previous fiscal year: 0.6).

(7) Investment in plants and equipment

Segment	Amount of investment in plant and equipment (billion yen)	Principal capital expenditures
Petroleum	58.5	Restructuring, maintenance, and renewal of refinery facilities; enhancement, maintenance, and renewal of sales facilities of service stations
Basic chemicals	11.9	Restructuring, maintenance, and renewal of production facilities
Functional materials	8.1	Restructuring, maintenance, and renewal of production facilities
Power and renewable energy	33.9	Construction, maintenance, and renewal of power stations
Resources	15.4	Development and maintenance of oil and gas fields; maintenance and renewal of coal production facilities, etc.
Others	38.0	Maintenance and renewal of research and development facilities, etc.
Total	165.7	-

(8) Financing

The Group's working capital needs arise from the purchase of raw materials for the manufacture of products, etc., and change in response to crude oil prices and foreign exchange rates. During the fiscal year under review, short-term borrowings increased by ¥91.7 billion compared to the end of the previous fiscal year, primarily due to an increase in working capital resulting from the inclusion of Fuji Oil in the scope of consolidation. Regarding investment funds, expenditures came to ¥203.4 billion during the fiscal year under review, with necessary funds of ¥121.5 billion raised through long-term borrowings.

As a result of the above, the balance of the Group's interest-bearing debts at the end of the current fiscal year was ¥1,401.1 billion, up ¥164.1 billion from the end of the previous fiscal year.

(9) Status of Major Corporate Restructuring

Not applicable.

(10) Major parent company or subsidiaries:

(i) Relationship with the parent company:

Not applicable.

(ii) Major subsidiaries:

Name	Capital	Ratio of voting rights of the Company (%)	Main business
Idemitsu Tanker Co., Ltd.	¥1,000 million	100.0	Transportation of crude oil and petroleum products
SHOWA YOKKAICHI SEKIYU CO., LTD.	¥4,000 million	75.0	Petroleum refining
TOA Oil Co., Ltd.	¥8,415 million	100.0	Petroleum refining and power generation
Fuji Oil Company, Ltd.	¥24,468 million	92.5	Petroleum refining
Idemitsu Retail Marketing Co., Ltd.	¥80 million	100.0	Sale of petroleum and other products
Idemitsu Supervising Co., Ltd.	¥10 million	100.0	Sale of petroleum and other products
Idemitsu Energy Solutions Co., Ltd.	¥100 million	100.0	Sale of petroleum and other products
IDEMITSU INTERNATIONAL (ASIA) PTE. LTD.	US\$45,156 thousand	100.0	Import, export, and trading of crude oil, petroleum products, etc.
IDEMITSU APOLLO CORPORATION	US\$165 thousand	100.0	Import, export, and sale of petroleum products, etc.
Idemitsu Unitech Co., Ltd.	¥2,600 million	100.0	Manufacture and sale of plastic products
SDS Biotech K.K.	¥810 million	100.0	Manufacture, import, and sale of agricultural chemicals, etc.
AGRO-KANESHO CO., LTD.	¥1,809 million	100.0	Manufacture and sale of products for agriculture, etc.
Idemitsu Gas Production (Vietnam) Co., Ltd.	¥1 million	100.0	Development of gas fields in Vietnam, and production and sale of gas
IDEMITSU AUSTRALIA PTY LTD	A\$106,698 thousand	100.0	Production, procurement, and sale of coal
IDEMITSU COAL MARKETING AUSTRALIA PTY LTD	A\$20,500 thousand	100.0	Sale and trading of coal
IDEMITSU ASIA PACIFIC PTE. LTD.	US\$157,937 thousand	100.0	Overseas administration functions
Idemitsu Americas Holdings Corporation	US\$1,500 thousand	100.0	Overseas administration functions and development of new businesses

- (Notes)
1. The “Ratio of voting rights of the Company” is shown by including those held indirectly through its subsidiaries.
  2. The “Ratio of voting rights of the Company” is rounded off to one decimal place.

(11) Employees (as of March 31, 2026):

(i) Employees of the Group:

Segment	Number of employees		Change from the end of the previous fiscal year
Petroleum	7,409	(3,982)	+408
Basic chemicals	676	(83)	-11
Functional materials	3,633	(566)	-153
Power and renewable energy	298	(24)	-29
Resources	813	(45)	+4
Others	1,563	(439)	+359
Total	14,392	(5,139)	+578

(Note) The number of employees represents the number of those actually at work; the number of temporary workers is shown in the parentheses separately.

(ii) Employees of the Company:

Number of employees	Change from the end of the previous fiscal year	Average years of age	Average length of service
5,120 (1,120)	+60	42 yrs and 11 mths	17 yrs and 6 mths

(Note) The number of employees represents the number of those actually at work; the number of temporary workers is shown in the parentheses separately.

(12) Major lenders (as of March 31, 2026):

Lender	Debt payable
Japan Organization for Metals and Energy Security	¥229,418 million
MUFG Bank, Ltd.	¥104,960 million
Sumitomo Mitsui Banking Corporation	¥104,266 million
Mizuho Bank, Ltd.	¥80,987 million
Sumitomo Mitsui Trust Bank, Limited	¥66,632 million
Development Bank of Japan Inc.	¥47,489 million
The Norinchukin Bank	¥23,338 million

## 2. Current state of the Company

### (1) Shares (as of March 31, 2026)

(i) Total number of authorized shares: 2,180,000,000 shares

(ii) Total number of issued shares: 1,288,747,390 shares

(Notes) 1. The Company cancelled treasury stock on April 30, 2025, reducing the total number of issued shares by 69,331,300 shares.

2. The Company cancelled treasury stock on April 30, 2026, reducing the total number of issued shares by 65,529,800 shares, to 1,223,217,590 shares.

(iii) Number of shareholders: 126,951 persons

### (iv) Major shareholders (top 10):

Name	Number of shares (thousand shares)	Shareholding ratio
The Master Trust Bank of Japan, Ltd. (Trust Account)	148,938	12.19 %
Aramco Overseas Company B.V.	115,579	9.46 %
Nissho Kosan Co., Ltd.	109,520	8.97 %
Public Interest Incorporated Foundation Idemitsu Museum of Arts	101,962	8.35 %
Custody Bank of Japan, Ltd. (Trust Account)	72,561	5.94 %
Showa Kosan Co., Ltd.	24,872	2.04 %
Idemitsu Employee Stockholders Committee	23,944	1.96 %
ZEN Co., Ltd.	17,807	1.46 %
ENN Co., Ltd.	17,591	1.44 %
STATE STREET BANK AND TRUST COMPANY 505001	16,854	1.38 %

(Note) Shareholding ratios are calculated by excluding 67,350,990 shares of treasury stock. This number does not include 3,124,160 shares of the Company, which are owned by The Master Trust Bank of Japan, Ltd. (Board Incentive Plan Trust Account).

### (v) Shares issued to the Company's officers as compensation for the execution of duties during the fiscal year under review:

	Number of shares	Number of persons issued to
Director (except Outside Director)	—	—
Outside Director	—	—
Audit & Supervisory Board Member	—	—

(Notes) 1. The details of the Company's stock-based compensation are stated in "(3) Corporate Officers, (ii) Total amount of compensation, etc. payable to corporate officers."

2. Shares issued to the Company's officers as compensation for the execution of duties during the fiscal year under review: None.

3. The Company does not grant the stock-based compensation described above to Outside Directors or Audit & Supervisory Board Members.

(2) Share acquisition rights, etc.:

Not applicable.

(3) Corporate officers:

(i) Directors and Audit & Supervisory Board Members (as of March 31, 2026):

Position	Name	Duties and major concurrent office
Representative Director and Chairman	Shunichi Kito	President, Petroleum Association of Japan
Representative Director and President	Noriaki Sakai	
Representative Director, Executive Vice President	Atsuhiko Hirano	Oversea Business Strategy, Energy Resources Business Strategy, Corporate Solution Business and LPG Business Strategy
Representative Director, Executive Vice President	Masahiko Sawa	Corporate Strategy, Human Capital Strategy and Carbon Neutral Transformation Strategy, Head of Safety & Environmental Protection Headquarters, Head of Quality Assurance Headquarters, Head of CNX Strategy Headquarters
Director	Masakazu Idemitsu	Representative Director and President, Nissho Kosan Co., Ltd. Representative Director and President, Showa Kosan Co., Ltd. Representative Director and President, ZEN Co., Ltd. Representative Director and President, ENN Co., Ltd.
Director	Kazunari Kubohara	Attorney at law, Kyuhodo Law Firm
Director	Takeo Kikkawa	
Director	Jun Suzuki	External Director, MS&AD Insurance Group Holdings, Inc.
Director	Shiori Nagata	Member of the Board Member of the Audit Committee, NEC Corporation
Director	Mio Kashiwamura	
Full-time Audit & Supervisory Board Member	Hidefumi Kodama	
Full-time Audit & Supervisory Board Member	Nami Kitamura	
Audit & Supervisory Board Member	Yumiko Ichige	Attorney at law, Partner, Nozomi Sogo Attorneys at Law Outside Director, ASKUL Corporation Outside Audit & Supervisory Board Member, OMRON Corporation

Position	Name	Duties and major concurrent office
Audit & Supervisory Board Member	Masahiko Tezuka	Certified Public Accountant, Masahiko Tezuka Certified Public Accountant Office Outside Director, Mizuho Financial Group, Inc.

(Notes)

1. Director Mr. Takeo Kikkawa, Mr. Jun Suzuki, Ms. Shiori Nagata, and Ms. Mio Kashiwamura are Outside Directors.
2. Audit & Supervisory Board Members Ms. Yumiko Ichige and Mr. Masahiko Tezuka are outside Audit & Supervisory Board Members.
3. Audit & Supervisory Board Member Mr. Hidefumi Kodama has held key positions in the accounting field and possesses extensive experience in accounting and finance, as well as a deep understanding of these areas. He has also held top positions in the Public Relations and Resources & Environment divisions, demonstrating thorough familiarity with the Company's operations and challenges. He possesses broad insights that contribute to the audit process, as well as considerable knowledge of finance and accounting.
4. Audit & Supervisory Board Member Ms. Nami Kitamura has experience in the areas of research, promotion of new businesses and public relations, and possesses high level of knowledge and expertise in these areas. She is also deeply familiar with the Company's business and the challenges it faces, having served as the head of public relations as well as of asphalt and other business divisions, and possesses broad insights that contribute to the audit process.
5. Audit & Supervisory Board Member Ms. Yumiko Ichige has extensive experience as an attorney as well as sufficient knowledge of corporate management as an expert in corporate law. She also actively promotes the empowerment of women in the workplace, and is well versed in the field of intellectual property from her experience as a member of a council in the Japan Patent Office. She brings a broad range of insights to the audit process from the perspectives of corporate strategy, governance, etc., and has considerable knowledge of corporate and legal matters.
6. Audit & Supervisory Board Member Mr. Masahiko Tezuka has held key positions at major auditing firms as a certified public accountant, and served as Executive Board Member and Chairman and President of the Japanese Institute of Certified Public Accountants. He also has extensive experience in auditing global businesses, and has knowledge of corporate strategy, international business, and governance, as well as considerable knowledge of finance and accounting.
7. Directors Mr. Takeo Kikkawa, Mr. Jun Suzuki, Ms. Shiori Nagata, and Ms. Mio Kashiwamura as well as Audit & Supervisory Board Members Ms. Yumiko Ichige and Mr. Masahiko Tezuka, are independent officers who have been registered in accordance with the rules of the Tokyo Stock Exchange.
8. In accordance with Article 427, paragraph 1 of the Companies Act of Japan and the Articles of Incorporation, the Company has entered into an agreement with Directors Mr. Masakazu Idemitsu, Mr. Kazunari Kubohara, each Outside Director and each outside Audit & Supervisory Board Member to limit the liability for damages as provided for in Article 423, paragraph 1 of the said act. The maximum liability amount under such agreement is an amount as provided for in laws or ordinances.
9. The Company has entered into a liability insurance contract for Directors and Audit & Supervisory Board Members under Article 430-3, paragraph 1 of the Companies Act of Japan with an insurance company, and all the premiums are borne by the Company. The scope of the insured persons under the insurance contract includes Directors, Audit & Supervisory Board Members, and important employees including Executive Officers of the Company and its domestic subsidiaries, as well as officers who are seconded to overseas subsidiaries. The outline of the insurance contract is that the insurance company will compensate the insured Officers and

Directors for damages that may arise from them being held liable or being pursued for such liability in connection with the performance of their duties, and the contract is renewed annually. The insurance contract excludes any claim for damages arising from acts from which Directors and Audit & Supervisory Board Members illegally gained personal benefits, criminal acts, and acts performed with the knowledge that they violate laws and regulations, etc., with measures being taken to ensure that the appropriateness of said Directors' and other officers' execution of duties is not impaired. The insurance contract will be renewed with the same content upon the next renewal.

10. Director Maki Kado and Audit & Supervisory Board Member Tsutomu Yoshioka stepped down from their positions effective June 25, 2025.
11. Following his position as Representative Director, President and Chief Executive Officer, Mr. Shunichi Kito assumed the position of Representative Director and Chairman as of April 1, 2025.
12. Following his position as Representative Director and Executive Vice President, Mr. Noriaki Sakai assumed the position of Representative Director and President as of April 1, 2025.
13. Mr. Masahiko Sawa was reelected as Director at the 110th Ordinary General Meeting of Shareholders held on June 25, 2025, and assumed the position of Representative Director and Executive Vice President as of the same date.
14. Ms. Yumiko Ichige assumed the position of Outside Audit & Supervisory Board Member of OMRON Corporation on June 24, 2025.
15. Mr. Masahiko Tezuka assumed the position of Outside Director of Mizuho Financial Group, Inc. on June 24, 2025.

(ii) Total amount of compensation, etc. payable to corporate officers:

a) Total amount of compensation, etc. for the fiscal year under review:

Category	Total amount of compensation, etc.	Fixed compensation	Performance-linked compensation		Number
			Cash compensation	Stock-based compensation	
Director	¥596 million	¥393 million	¥118 million	¥84 million	11
(Outside Director)	(¥69 million)	(¥69 million)	(-)	(-)	(5)
Audit & Supervisory Board Member	¥99 million	¥99 million	-	-	5
(Outside Audit & Supervisory Board Member)	(¥31 million)	(¥31 million)	(-)	(-)	(2)
Total	¥695 million	¥492 million	¥118 million	¥84 million	16
(Outside Director and Outside Audit & Supervisory Board Member)	(¥100 million)	(¥100 million)	(-)	(-)	(7)

(Note) The above table contains one Director (one of which is an Outside Director), and one Audit & Supervisory Board Member (none of which is an Outside Audit & Supervisory Board Member) who resigned as of the conclusion of the 110th Ordinary General Meeting of Shareholders held on June 25, 2025.

b) Matters concerning the policy on the determination of the amount of compensation, etc. of officers and the method of calculation thereof:

(Basic Policy on Executive Compensation)

The Company's basic policies regarding compensation for its Directors and Executive Officers (at Senior Executive Officer level or above) ("Directors, etc.") are: a) to increase corporate performance and corporate value over the medium-to-long term in order to realize the Group's management vision; and b) to establish a compensation system and decision-making process that is transparent, rational and fair so that the Company can fulfill its accountability to customers, society, the environment, shareholders, business partners, employees, and other stakeholders. Based on this policy, the Company has made a resolution regarding the policy to determine the details of the compensation, etc. for each individual Director, etc. as described below. The Nomination and Compensation Advisory Committee has conducted a multi-faceted review of the original draft concerning the determination of the details of compensation, etc. for each individual Director, etc., including whether such draft is consistent with the determination policy, and the Board of Directors respects the recommendation of the Nomination and Compensation Advisory Committee. The Company believes the determination is consistent with the determination policy.

(Compensation Standard)

Compensation levels for Directors, etc. shall be reviewed as appropriate in light of changes in the business environment and external survey data, with a view to attracting, retaining, and appropriately incentivizing talent capable of contributing to the achievement of the Company's

medium- to long-term management vision.

#### (Compensation Structure)

The compensation system for the Company's Directors (excluding non-Executive Directors and Outside Directors) and Executive Officers (at Senior Executive Officer level or above) is based on business portfolio rearrangement, enhancement of capital efficiency, and development of the environment, society and governance-related efforts, which in turn will lead to further improvement of corporate value, toward the achievement of the medium-to-long-term management vision. To this end, and in order to appropriately assess the management efforts to improve the corporate value over the medium-to-long term by putting focus on the link with the performance both on the short-term and the medium-to-long term timelines, the system consists of (1) fixed compensation, (2) performance-linked bonuses, and (3) performance-linked stock compensation. The ratios of the respective compensation at the time of standard payment are set at approximately (i) 50%, (ii) 25%, and (iii) 25%. Compensation for non-Executive Directors and Outside Directors consists solely of fixed compensation from the perspective of ensuring appropriate supervisory functions for assessing the appropriateness of business execution from an objective standpoint.

Fixed compensation shall be paid on a monthly basis in an amount determined according to the role and duties.

Performance-linked bonuses are designed to fluctuate within a range of 0 - 200% according to the degree of achievement of the Company's major financial indicators (current net income attributable to shareholders of the parent company, excluding inventory impact ("current net income"), consolidated operating income plus equity in earnings (losses) of affiliates, excluding inventory impact ("operating income plus equity in earnings (losses) of affiliates")) and non-financial indicators (human capital-related indicators proposed in the Medium-term Management Plan, etc.), and the degree of achievement of Directors' "activity goals" set by respective management members taking into account their roles and duties (important strategic tasks toward structural reforms) and the "goals for the responsible area" of Executive Officers (at Senior Executive Officer level or above). Performance-linked bonuses will be granted in June every year. The results for these performance indicators are as described in "1. (1) Business Overview."

From the perspective of sharing value with shareholders and continued improvement of corporate value, performance-linked stock compensation places a particular emphasis on the link with the Vision for 2030 and the Medium-term Management Plan (FY2023-2025). Specifically, performance-linked stock compensation is designed to fluctuate within the range of 0 - 200% in accordance with the degree of achievement concerning such financial indicators related to business portfolio rearrangement as ROIC, ROE, and fossil fuel business return rate, and such non-financial indicators determined in accordance with materiality to the Company as indicators for measuring CO<sub>2</sub> reduction essential for the realization of carbon neutrality and a circular society, and those for measuring engagement of employees to evaluate efforts toward maximization of employees' growth and engagement. Also, the status of delivery for the current fiscal year under review is described in "2. (1) (v) Shares issued to the Company's officers as compensation for the execution of duties during the fiscal year under review."

Indicator	Performance-linked bonuses*	Performance-linked stock compensation
Profitability indicators (current net income attributable to shareholders of the parent company and operating income plus equity in earnings (losses) of affiliates, excluding inventory impact)	40% (20%)	-
Capital efficiency indicators (ROIC, ROE)	-	40%
Fossil fuel business return rate	-	20%
CO <sub>2</sub> reduction	-	20%
Engagement of employees	-	20%
Human capital-related indicator	20% (10%)	-
Activity goals (Directors) / goals for the responsible area (Executive Officers (at Senior Executive Officer level or above))	40% (70%)	-

\* The figures in parentheses for performance-linked bonuses represent the percentage of the amount paid to Senior Executive Officers

Performance-linked compensation for the fiscal year under review was calculated in reference to the goal value set at the beginning of the fiscal year under review and was determined after discussions by the Nomination and Compensation Advisory Committee.

(The Date of Resolution at the Shareholders General Meeting Concerning Compensation, etc. for Executives and the Details of Such Resolution)

At the 91st Ordinary General Meeting of Shareholders held on June 27, 2006, the amount of compensation for Directors and Audit & Supervisory Board Members was set at ¥1.2 billion or less per year for Directors and ¥120 million or less per year for Audit & Supervisory Board Members. At the time of the resolution, there were 12 Directors and five Audit & Supervisory Board Members.

At the 104th Ordinary General Meeting of Shareholders held on June 27, 2019, it was resolved that in addition to the above compensation limits, the Company would contribute up to ¥1.9 billion (provided, however, that in the case of a trust that has already commenced in FY2018, the total amount of ¥2.3 billion shall be calculated for the four business years from FY2018 to FY2021.) in total to a trust that would be covered by the performance-linked stock compensation plan (“the Plan”) for Directors, etc. during the three consecutive fiscal years. At the time of resolution, the number of Directors (excluding non-Executive Directors and Outside Directors) was six and the number of Executive Officers who do not concurrently serve as Directors was 31.

At the 107th Ordinary General Meeting of Shareholders held on June 23, 2022, a resolution was made to partially revise the Plan, in order to further strengthen motivation toward achieving the targets of the medium-term management plans by matching the duration subject to the Plan with the duration subject to the Company’s medium-term management plan. At the time of the resolution, the number of Directors (excluding non-Executive Directors and Outside Directors) was five and the number of Executive Officers who do not concurrently serve as Directors was eight. In addition, at the 108th Ordinary General Meeting of Shareholders held on June 22, 2023, a resolution was made to revise the Plan to reduce fixed compensation ratio and to link the indicators for the performance-linked compensation to the enhancement of the business

portfolio rearrangement, the capital efficiency and ESG-related efforts, in order to enhance the link between the Medium-term Management Plan, etc. and compensations of Directors, etc. At the time of the resolution, the number of Directors (excluding non-Executive Directors and Outside Directors) was five and the number of Executive Officers who do not concurrently serve as Directors was five.

Individual compensation, etc. for Directors is determined by the Board of Directors based on the recommendations of the Nomination and Compensation Advisory Committee, which is composed of Independent Outside Directors. Individual compensation, etc. for Audit & Supervisory Board Members is determined through discussions among the Audit & Supervisory Board Members. The Nomination and Compensation Advisory Committee meetings were held a total of nine times in FY2025. Among the meetings, a total of eight deliberated over the compensation, the content of which is as follows:

Meeting date	Major deliberation matters
April 15, 2025	Proposed Remuneration for Directors
June 25, 2025	Remuneration for Directors Deliberation scope of a meeting of the Nomination and Compensation Advisory Committee
July 15, 2025	Establishment of target figures for the performance-linked indicators, Directors' activity goals
September 9, 2025	Directions for Revising the Compensation Structure (Benchmark of Compensation Levels, etc.)
November 11, 2025	Directions for Revising the Compensation Structure (Benchmark of Compensation Levels, etc.)
December 16, 2025	Directions for Revising the Compensation Structure (Benchmark of Compensation Levels, etc.)
February 10, 2026	Revision of the Compensation Structure (New Benchmark Levels)
March 17, 2026	Revision of the Compensation Structure (Compensation Levels for Outside Directors and Internal and External Audit & Supervisory Board Members)

(iii) Matters concerning outside officers:

- a) Outside officers' major concurrent offices of other corporations and the Company's relationships with such other corporations:

Director Mr. Jun Suzuki is an External Director of MS&AD Insurance Group Holdings. The Company has no special relationship with these corporations.

Director Ms. Shiori Nagata is an Outside Director of NEC Corporation. The Company has no special relationship with these corporations.

Audit & Supervisory Board Member Ms. Yumiko Ichige is a Partner of Nozomi Sogo Attorneys at Law, an Outside Director of ASKUL Corporation, and an Outside Audit & Supervisory Board Member of OMRON Corporation. The Company has no special relationship with any of the aforementioned companies at which the candidate holds concurrent positions.

Audit & Supervisory Board Member Mr. Masahiko Tezuka is a certified public accountant at the Masahiko Tezuka Certified Public Accountant Office and an Outside Director of Mizuho Financial Group, Inc. The Company has no special relationship with any of the aforementioned companies at which the candidate holds concurrent positions.

- b) Major activities during the fiscal year under review and outline of duties performed in relation to the expected roles of Outside Directors:

Attendance at the meetings of the Board of Directors, the Nomination and Compensation Advisory Committee, and the Board of Audit & Supervisory Board Members:

		Board of Directors		Nomination and Compensation Advisory Committee		Board of Audit & Supervisory Board Members	
		Meetings attended	Rate of attendance	Meetings attended	Rate of attendance	Meetings attended	Rate of attendance
Director	Takeo Kikkawa	15/15	100%	9/9	100%	-	-
Director	Jun Suzuki	15/15	100%	9/9	100%	-	-
Director	Shiori Nagata	15/15	100%	9/9	100%	-	-
Director	Mio Kashiwamura	11/11	100%	8/8	100%	-	-
Audit & Supervisory Board Member	Yumiko Ichige	15/15	100%	-	-	15/15	100%
Audit & Supervisory Board Member	Masahiko Tezuka	15/15	100%	-	-	15/15	100%

Director Mr. Takeo Kikkawa, principally from the standpoint of a specialist in the theory of energy industry as a university professor, has expressed his opinions and provided advice and recommendations to secure reasonable and proper decision-making by the Board of Directors. Furthermore, as the chair of the Board of Directors, he managed the proceedings properly, and as a member of the Nomination and Compensation Advisory Committee, he takes part in the supervisory function for the decision-making process for appointment of the Company's officer candidates, executive compensation, etc., from an objective and neutral position.

Director Mr. Jun Suzuki, who has obtained a Medical PhD, is an expert in the chemical and medical areas, and with his in depth experience and broad insights as a corporate manager based on his career as the president or chair of the global chemical company, he has expressed his opinions and provided advice and recommendations to secure reasonable and proper decision-making by the Board of Directors. Furthermore, as the chair of the Nomination and Compensation Advisory Committee, he takes part in the supervisory function for the decision-making process for appointment of the Company's officer candidates, executive compensation, etc., from an objective and neutral position.

Director Ms. Shiori Nagata, from her career experience in a wide range of industries and her strategic perspective and expertise in corporate planning and management, has expressed her opinions and provided advice and recommendations to secure reasonable and proper decision-making by the Board of Directors. Furthermore, she has participated in the DE&I Promotion Committee as an advisor; and as a member of the Nomination and Compensation Advisory Committee, she takes part in the supervisory function for the decision-making process for appointment of the Company's officer candidates, executive compensation, etc., from an objective and neutral position.

Director Ms. Mio Kashiwamura has extensive experience in the digital services sector,

including the matching platform business. Drawing on her background as a business executive, including roles as an executive officer and president of group companies, as well as her knowledge of international business, public relations, and sustainability, she offers advice and recommendations to ensure the soundness and appropriateness of the Board of Directors' decision-making. Furthermore, as a member of the Nomination and Compensation Advisory Committee, she takes part in the supervisory function for the decision-making process for appointment of the Company's officer candidates, executive compensation, etc., from an objective and neutral position.

Audit & Supervisory Board Member Ms. Yumiko Ichige, principally from a legal standpoint as an attorney at law, has expressed her opinions and provided advice and recommendations to secure reasonable and proper decision-making by the Board of Directors at the meetings of the Board of Directors and the Board of Audit & Supervisory Board Members.

Audit & Supervisory Board Member Mr. Masahiko Tezuka, principally from the standpoints of accounting, auditing, corporate governance, internal control, and other related matters as a certified public accountant, has expressed his opinions and provided advice and recommendations to secure reasonable and proper decision-making by the Board of Directors at the meetings of the Board of Directors and the Board of Audit & Supervisory Board Members.

(4) Policy on the determination of distribution of retained earnings, etc.:

With respect to the payment of the year-end dividends for the fiscal year ended March 31, 2026, the Company has decided to pay ¥18 per share. The annual dividend is expected to be ¥36 per share. With the understanding that shareholder returns are positioned as a key management priority, based on the policy shown in the "Announcement on Medium-term Management Plan (FY2026-2030) and Voluntary Adoption of IFRS" which was published on May 12, 2026, the Company will maintain a total payout ratio of 50% or more of cumulative net income excluding inventory impact for FY2026-2030 as shareholder returns, and will introduce a progressive dividend policy with the annual dividend for FY2026 of ¥36 per share as the minimum level, thereby achieving more stable shareholder returns.

## CONSOLIDATED BALANCE SHEET

(As of March 31, 2026)

(million yen)

### ASSETS

<b>Current assets:</b>	<b>2,965,674</b>
Cash and deposits	212,306
Notes and accounts receivable, trade	841,806
Inventories	1,375,562
Accounts receivable, other	342,029
Other	197,527
Allowance for doubtful accounts	(3,558)
<b>Fixed assets:</b>	<b>2,363,117</b>
<b>Property, plant and equipment:</b>	<b>1,523,513</b>
Buildings and structures, net	248,270
Machinery, equipment and vehicles, net	321,455
Land	772,076
Construction in progress	82,915
Other, net	98,796
<b>Intangible fixed assets:</b>	<b>260,199</b>
Goodwill	129,776
Other	130,422
<b>Investments and other assets:</b>	<b>579,404</b>
Investment securities	339,979
Long-term loans receivable	97,839
Assets for employees' retirement benefits	90,328
Deferred tax assets	17,592
Other	91,916
Allowance for doubtful accounts	(58,251)
<b>TOTAL ASSETS</b>	<b>5,328,792</b>

(Note) Figures are indicated by discarding fractions less than one million yen.

(million yen)

**LIABILITIES****Current liabilities: 2,351,410**

Notes and accounts payable, trade	852,648
Short-term loans payable	503,466
Commercial paper	244,726
Current portion of bonds payable	20,000
Accounts payable, other	433,703
Income taxes payable	48,650
Provision for bonuses	17,387
Other	230,827

**Long-term liabilities: 1,026,281**

Bonds payable	100,000
Long-term loans payable	494,087
Deferred tax liabilities	58,273
Deferred tax liability related to land revaluation	95,058
Liability for employees' retirement benefits	49,443
Reserve for repair work	104,409
Asset retirement obligations	44,550
Other	80,458

**Total liabilities 3,377,692****NET ASSETS****Shareholders' equity: 1,626,211**

Common stock	168,351
Capital surplus	278,253
Retained earnings	1,248,391
Treasury stock	(68,785)

**Accumulated other comprehensive income: 291,914**

Unrealized gains (losses) on available-for-sale securities	5,755
Deferred gains (losses) on hedging activities, net	1,473
Surplus from land revaluation	136,390
Foreign currency translation adjustments	108,311
Defined retirement benefit plans	39,982

**Noncontrolling interests 32,974****Total net assets 1,951,099****TOTAL LIABILITIES AND NET ASSETS 5,328,792**

(Note) Figures are indicated by discarding fractions less than one million yen.

**CONSOLIDATED STATEMENT OF INCOME**

(April 1, 2025 to March 31, 2026)

(million yen)

Account Title	Amount
<b>Net sales</b>	<b>8,105,891</b>
<b>Cost of sales</b>	<b>7,351,406</b>
<b>Gross profit</b>	<b>754,484</b>
<b>Selling, general and administrative expenses</b>	<b>542,280</b>
<b>Operating income</b>	<b>212,203</b>
<b>Non-operating income:</b>	<b>44,910</b>
Interest income	18,637
Equity in earnings of nonconsolidated subsidiaries and affiliates, net	2,456
Dividend income	3,851
Gain on foreign exchange, net	8,761
Other	11,202
<b>Non-operating expenses:</b>	<b>27,467</b>
Interest expense	18,089
Other	9,378
<b>Ordinary income</b>	<b>229,646</b>
<b>Extraordinary income:</b>	<b>27,529</b>
Gain on sales of fixed assets	3,051
Gain on sales of investment securities	2,603
Gain on step acquisition	8,148
Gain on bargain purchase	8,428
Other	5,297
<b>Extraordinary loss:</b>	<b>35,039</b>
Impairment loss on fixed assets	18,095
Loss on sales of fixed assets	137
Loss on disposals of fixed assets	11,465
Other	5,341
<b>Income before income taxes</b>	<b>222,136</b>
Income taxes-current	66,244
Income taxes-deferred	(9,209)
<b>Net income</b>	<b>165,100</b>
Net loss attributable to noncontrolling interests	(6,814)
<b>Net income attributable to owners of the parent</b>	<b>171,914</b>

(Note) Figures are indicated by discarding fractions less than one million yen.

## NON-CONSOLIDATED BALANCE SHEET

(As of March 31, 2026)

(million yen)

### ASSETS

**Current assets:** **2,064,835**

Cash and deposits	26,499
Accounts receivable-trade	596,529
Merchandise and finished goods	488,986
Raw materials and supplies	545,814
Prepaid expenses	6,823
Short-term loans receivable	198,395
Other current assets	201,987
Allowance for doubtful accounts	(202)

**Fixed assets:** **1,838,649**

**Property, plant and equipment:** **1,028,603**

Buildings	69,712
Structures	90,411
Oil tanks	15,555
Machinery and equipment	95,224
Vehicles and transportation equipment	1,610
Tools, furniture and fixtures	12,137
Land	689,565
Leased assets	1,770
Construction in progress	52,615

**Intangible fixed assets:** **230,440**

Leasehold rights	11,880
Software	21,318
Goodwill	111,411
Customer-related assets	85,556
Other	273

**Investments and other assets:** **579,606**

Investment securities	19,056
Investments in shares of affiliates	430,645
Long-term loans receivable	99,256
Prepaid pension costs	32,851
Other investments	55,569
Allowance for doubtful accounts	(57,773)

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**TOTAL ASSETS** **3,903,485**

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(Note) Figures are indicated by discarding fractions less than one million yen.

(million yen)

**LIABILITIES****Current liabilities: 2,035,185**

Accounts payable, trade	646,455
Short-term borrowings	521,368
Commercial paper	244,726
Current portion of bonds payable	20,000
Accounts payable, other	362,849
Accrued expenses	3,860
Income taxes payable	33,578
Accrued consumption taxes	10,313
Advances received	53,745
Deposit received	118,586
Allowance for bonuses	8,961
Other current liabilities	10,739

**Long-term liabilities: 791,561**

Bonds payable	100,000
Long-term debt	438,516
Deferred tax liabilities upon revaluation	95,058
Retirement allowances for employees	38,965
Reserve for repair work	54,816
Deferred tax liabilities	11,217
Other long-term liabilities	52,986

**Total liabilities 2,826,747****NET ASSETS****Shareholders' equity: 938,086****Common stock 168,351****Capital surplus 285,663**

Capital reserve	42,105
Other capital surplus	243,557

**Retained earnings 552,856**

Retained earnings reserve	1,081
Other retained earnings	551,775
Reserve for deferred income tax on fixed assets	26,335
Reserve for acquisition of specific shares	17
Retained earnings carried forward	525,423

**Treasury stock (68,785)****Valuation and translation adjustments: 138,651**

Unrealized gains (losses) on available-for-sale securities	2,258
Deferred gains (losses) on hedging activities, net	2
Surplus from land revaluation	136,390

**Total net assets 1,076,737****TOTAL LIABILITIES AND NET ASSETS 3,903,485**

(Note) Figures are indicated by discarding fractions less than one million yen.

**NON-CONSOLIDATED STATEMENT OF INCOME**

(April 1, 2025 to March 31, 2026)

(million yen)

Account Title	Amount
<b>Net sales</b>	<b>5,812,726</b>
<b>Cost of sales</b>	<b>5,331,518</b>
<b>Gross profit</b>	<b>481,207</b>
<b>Selling, general and administrative expenses</b>	<b>386,060</b>
<b>Operating income</b>	<b>95,147</b>
<b>Non-operating income:</b>	<b>115,980</b>
Interest income	1,988
Dividend income	96,807
Gain on foreign exchange, net	8,729
Subsidy income	698
Other	7,755
<b>Non-operating expenses:</b>	<b>16,154</b>
Interest expense	11,634
Other	4,520
<b>Ordinary income</b>	<b>194,973</b>
<b>Extraordinary income:</b>	<b>7,794</b>
Gain on sales of fixed assets	2,740
Gain on sales of investment securities	2,227
Gain on cancellation of tie-in shares	2,819
Other	7
<b>Extraordinary loss:</b>	<b>32,386</b>
Impairment loss on fixed assets	13,589
Loss on sales of fixed assets	85
Loss on disposals of fixed assets	9,239
Loss on valuation of shares of subsidiaries and affiliates	2,951
Loss on support to subsidiaries	4,200
Provision for loss on debt guarantee transferred	3
Other	2,317
<b>Income before income taxes</b>	<b>170,380</b>
Income taxes-current	33,346
Income taxes-deferred	(6,400)
<b>Net income</b>	<b>143,434</b>

(Note) Figures are indicated by discarding fractions less than one million yen.

# AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

## INDEPENDENT AUDITORS' REPORT

May 11, 2026

To: The Board of Directors  
Idemitsu Kosan Co.,Ltd.

Deloitte Touche Tohmatsu LLC Tokyo Office

Gen Nagatsuka  
Designated Limited Liability Partner,  
Engagement Partner,  
Certified Public Accountant

Sogo Ito  
Designated Limited Liability Partner,  
Engagement Partner,  
Certified Public Accountant

Takuya Kawamura  
Designated Limited Liability Partner,  
Engagement Partner,  
Certified Public Accountant

### Audit Opinion

We have audited the consolidated financial statements, namely, the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets and the notes to consolidated financial statements of Idemitsu Kosan Co.,Ltd. (the "Company"), applicable to its consolidated fiscal year from April 1, 2025 to March 31, 2026 pursuant to Article 444, paragraph 4 of the Companies Act of Japan.

We are of the opinion that the above consolidated financial statements present properly the financial position and profit and loss of the corporate group comprised of Idemitsu Kosan Co.,Ltd. and its consolidated subsidiaries for the period related to the consolidated financial statements in all material respects in conformity with the corporate accounting standards generally accepted in Japan.

### Basis for Audit Opinion

We conducted our audit in conformity with the audit standards generally accepted in Japan. Our responsibilities under the audit standards are stated in the "Auditors' Responsibility for Audit of Consolidated Financial Statements." We are independent from the Company and its consolidated subsidiaries pursuant to the relevant ethical requirements in Japan (including provisions applicable to the audit of financial statements of entities with significant social impact) and fulfill other ethical responsibilities as Auditors. We believe that our audit obtained sufficient and appropriate audit evidence forming a basis for our opinion.

### Content of Other Statements

Content of other statements includes the Business Report and its supplemental schedules. The responsibility of the Company's management is to prepare and disclose the content of other

statements. In addition, the responsibility of the Audit & Supervisory Board Members and the Audit & Supervisory Board is to audit the execution of directors' duties in maintaining and improving the reporting process concerning the content of other statements.

Our audit opinion on the consolidated financial statements does not cover the content of other statements; therefore, we do not express any opinion regarding the content of other statements.

Our responsibility in auditing the consolidated financial statements is to read through the content of other statements and consider, in the course of such reading, whether there is any material discrepancy between the content of other statements and the consolidated financial statements or the knowledge that we obtained in the course of audit, and to pay attention to whether there is any indication of a material error in the content of other statements, other than such material discrepancy.

If we determine, based on our work, that there is a material error in the content of other statements, we are required to submit a report concerning that.

There are no matters regarding which we should submit a report in relation to the content of other statements.

#### Management's and Audit & Supervisory Board Members' and Audit & Supervisory Board's Responsibility for Consolidated Financial Statements

The responsibility of the Company's management is to prepare and present properly these consolidated financial statements in accordance with corporate accounting standards generally accepted in Japan. This includes maintaining and improving internal control considered necessary by management to prepare and present properly these consolidated financial statements free of material misstatement by fraud or error.

In preparing consolidated financial statements, management is responsible for evaluating whether preparation of consolidated financial statements based on the going concern assumption is appropriate and for disclosing matters concerning the going concern if disclosure thereof is necessary pursuant to corporate accounting standards generally accepted in Japan.

The responsibility of Audit & Supervisory Board Members and the Audit & Supervisory Board is to audit the execution of directors' duties in maintaining and improving the financial reporting process.

#### Auditors' Responsibility for Audit of Consolidated Financial Statements

Auditors are responsible for expressing in the audit report an opinion on consolidated financial statements from an independent standpoint, based on an audit conducted by Auditors, after obtaining reasonable assurance as to whether there are any material misstatements in the consolidated financial statements in general by fraud or error. Misstatements may occur due to fraud or error, and will be considered material if they are reasonably expected to affect the decision making of users of consolidated financial statements individually or in the aggregate.

Auditors shall make professional judgements and conduct the following maintaining professional skepticism throughout the course of an audit in accordance with auditing standards generally accepted in Japan.

- Auditors shall identify and evaluate the risk of material misstatements by fraud or error. Auditors shall also plan and conduct audit procedures adapting to the risk of material misstatements. Selection and application of audit procedures shall be determined by Auditors. Further, Auditors shall obtain sufficient and appropriate audit evidence forming a basis for Auditors' opinion.

- An audit of consolidated financial statements is not contemplated to express an opinion on the effectiveness of internal control. However, in assessing risk, Auditors assess internal control related to the audit to form a plan for adequate audit procedures according to conditions.
- Auditors shall evaluate the appropriateness of accounting standards adopted by management and the application method thereof, the reasonableness of accounting estimates made by management and the appropriateness of relevant notes.
- Auditors shall conclude whether it is appropriate for management to prepare consolidated financial statements based on the going concern assumption and whether there are material uncertainties regarding events or conditions which may give rise to material doubts about the going concern assumption based on audit evidence obtained. In case of material uncertainty about the going concern assumption, it is necessary to call attention to the notes to the consolidated financial statements in the audit report or to express a modified opinion on the consolidated financial statements if the notes to the consolidated financial statements on material uncertainty are not appropriate. The Auditors' conclusions are based on audit evidence obtained by the date of the audit report, however, companies may not be able to continue to exist as a going concern depending on future events and conditions.
- Auditors shall evaluate, in addition to whether the presented matters and notes to consolidated financial statements are in accordance with auditing standards generally accepted in Japan, whether the presentation, structure and details of consolidated financial statements, including relevant notes, and the transactions and accounting events forming a basis for consolidated financial statements are properly presented.
- Plan and perform audit of the consolidated financial statements to obtain sufficient and appropriate audit evidence on the financial information of the Company and its consolidated subsidiaries to provide a basis for our opinion on the consolidated financial statements. Auditors shall be responsible for directing, supervising and inspecting the audit of consolidated financial statements. Auditors shall be solely responsible for audit opinions.

Auditors shall report to the Audit & Supervisory Board Members and the Audit & Supervisory Board on the scope and planned timing of audits, material audit findings, including material inadequacies in internal control identified in the course of the audit process, and other matters required pursuant to the audit standards.

Auditors shall report to the Audit & Supervisory Board Members and the Audit & Supervisory Board their compliance with the relevant ethical requirements in Japan regarding independence, as well as matters reasonably considered to affect the independence of Auditors, and the details of the measures to remove obstructive factors or the details of safeguards to mitigate obstructive factors to an acceptable level, if implemented.

#### Interest

Our firm and the engagement partners do not have any interest in the Company or its

consolidated subsidiaries which should be disclosed under the provisions of the Certified Public Accountant Act of Japan.

- END -

# AUDITORS' REPORT ON THE NON-CONSOLIDATED FINANCIAL STATEMENTS

## INDEPENDENT AUDITORS' REPORT

May 11, 2026

To: The Board of Directors  
Idemitsu Kosan Co.,Ltd.

Deloitte Touche Tohmatsu LLC Tokyo Office

Gen Nagatsuka  
Designated Limited Liability Partner,  
Engagement Partner,  
Certified Public Accountant

Sogo Ito  
Designated Limited Liability Partner,  
Engagement Partner,  
Certified Public Accountant

Takuya Kawamura  
Designated Limited Liability Partner,  
Engagement Partner,  
Certified Public Accountant

### Audit Opinion

We have audited the non-consolidated financial statements, namely, the non-consolidated balance sheet, the non-consolidated statement of income, the non-consolidated statement of changes in net assets and the notes to non-consolidated financial statements, and the accompanying supplemental schedules (the "Financial Statements") of Idemitsu Kosan Co.,Ltd. (the "Company"), applicable to its 111th fiscal year from April 1, 2025 to March 31, 2026 pursuant to Article 436, paragraph 2, item 1 of the Companies Act of Japan.

We are of the opinion that the Financial Statements above present properly the financial position and profit and loss for the period related to the Financial Statements in all material respects in conformity with the corporate accounting standards generally accepted in Japan.

### Basis for Audit Opinion

We conducted our audit in conformity with the audit standards generally accepted in Japan. Our responsibilities under the audit standards are stated in the "Auditors' Responsibility for Audit of the Financial Statements." We are independent from the Company pursuant to the relevant ethical requirements in Japan (including provisions applicable to the audit of financial statements of entities with significant social impact) and fulfill other ethical responsibilities as Auditors. We believe that our audit obtained sufficient and appropriate audit evidence forming a basis for our opinion.

### Content of Other Statements

Content of other statements includes the Business Report and its supplemental schedules. The responsibility of the Company's management is to prepare and disclose the content of other

statements. In addition, the responsibility of the Audit & Supervisory Board Members and the Audit & Supervisory Board is to audit the execution of directors' duties in maintaining and improving the reporting process concerning the content of other statements.

Our audit opinion on the non-consolidated financial statements does not cover the content of other statements; therefore, we do not express any opinion regarding the content of other statements.

Our responsibility in auditing the non-consolidated financial statements is to read through the content of other statements and consider, in the course of such reading, whether there is any material discrepancy between the content of other statements and the non-consolidated financial statements or the knowledge that we obtained in the course of audit, and to pay attention to whether there is any indication of a material error in the content of other statements, other than such material discrepancy.

If we determine, based on our work, that there is a material error in the content of other statements, we are required to submit a report concerning that.

There are no matters regarding which we should submit a report in relation to the content of other statements.

#### Management's and Audit & Supervisory Board Members' and Audit & Supervisory Board's Responsibility for the Financial Statements

The responsibility of the Company's management is to prepare and present properly the Financial Statements in accordance with corporate accounting standards generally accepted in Japan. This includes maintaining and improving internal control considered necessary by management to prepare and present properly the Financial Statements free of material misstatement by fraud or error.

In preparing the Financial Statements, management is responsible for evaluating whether preparation of the Financial Statements based on the going concern assumption is appropriate and for disclosing matters concerning going concern if disclosure thereof is necessary pursuant to corporate accounting standards generally accepted in Japan.

The responsibility of Audit & Supervisory Board Members and the Audit & Supervisory Board is to audit the execution of directors' duties in maintaining and improving the financial reporting process.

#### Auditors' Responsibility for Audit of the Financial Statements

Auditors are responsible for expressing in the audit report an opinion on the Financial Statements from an independent standpoint, based on an audit conducted by Auditors, after obtaining reasonable assurance as to whether there are any material misstatements in the Financial Statements in general by fraud or error. Misstatements may occur due to fraud or error, and will be considered material if they are reasonably expected to affect the decision making of users of the Financial Statements individually or in the aggregate.

Auditors shall make professional judgements and conduct the following maintaining professional skepticism throughout the course of an audit in accordance with auditing standards generally accepted in Japan.

- Auditors shall identify and evaluate the risk of material misstatements by fraud or error. Auditors shall also plan and conduct audit procedures adapting to the risk of material misstatements. Selection and application of audit procedures shall be

determined by Auditors. Further, Auditors shall obtain sufficient and appropriate audit evidence forming a basis for Auditors' opinion.

- An audit of the Financial Statements is not contemplated to express an opinion on the effectiveness of internal control. However, in assessing risk, Auditors assess internal control related to the audit to form a plan for adequate audit procedures according to conditions.
- Auditors shall evaluate the appropriateness of accounting standards adopted by management and the application method thereof, the reasonableness of accounting estimates made by management and the appropriateness of relevant notes.
- Auditors shall conclude whether it is appropriate for management to prepare the Financial Statements on the going concern assumption and whether there are material uncertainties regarding events or conditions which may give rise to material doubts about the going concern assumption based on audit evidence obtained. In case of material uncertainty about the going concern assumption, it is necessary to call attention to the notes to the Financial Statements in the audit report or to express a modified opinion on the Financial Statements if the notes to the Financial Statements on material uncertainty are not appropriate. The Auditors' conclusions are based on audit evidence obtained by the date of the audit report, however, companies may not be able to continue to exist as a going concern depending on future events and conditions.
- Auditors shall evaluate, in addition to whether the presented matters and notes to the Financial Statements are in accordance with auditing standards generally accepted in Japan, whether the presentation, structure and details of the Financial Statements, including relevant notes, and the transactions and accounting events forming a basis for the Financial Statements are properly presented.

Auditors shall report to the Audit & Supervisory Board Members and the Audit & Supervisory Board on the scope and planned timing of audits, material audit findings, including material inadequacies in internal control identified in the course of the audit process, and other matters required pursuant to the audit standards.

Auditors shall report to the Audit & Supervisory Board Members and the Audit & Supervisory Board their compliance with the relevant ethical requirements in Japan regarding independence, as well as matters reasonably considered to affect the independence of Auditors, and the details of the measures to remove obstructive factors or the details of safeguards to mitigate obstructive factors to an acceptable level, if implemented.

#### Interest

Our firm and the engagement partners do not have any interest in the Company which should be disclosed under the provisions of the Certified Public Accountant Act of Japan.

- END -

## THE AUDIT AND SUPERVISORY BOARD'S AUDIT REPORT

### AUDIT REPORT

We, the Audit & Supervisory Board of the Company, based on the audit report prepared by each Audit & Supervisory Board Member on the performance by the Directors of their duties during the 111th fiscal year from April 1, 2025 to March 31, 2026, have prepared this audit report upon deliberation and hereby report as follows:

1. Method of audit by the Audit & Supervisory Board Members and the Audit & Supervisory Board and the particulars thereof:

- (1) The Audit & Supervisory Board determined the audit policy, assignment of duties among them, etc., received from each Audit & Supervisory Board Member reports on the state of their performance of audits and the results thereof, and also received from the Directors, etc. and the accounting auditors Deloitte Touche Tohmatsu LLC (the "Accounting Auditors") reports on the state of performance of their duties and demanded their explanations whenever necessary.
- (2) Each Audit & Supervisory Board Member, pursuant to the rules of audits by the Audit & Supervisory Board Members determined by the Audit & Supervisory Board and in accordance with the audit policy, assignment of duties among them, etc., maintained constant communication with the Directors, the Internal Audit Department and other employees, etc. in an effort to collect information and improve the environment for auditing and conducted our audits in the following methods:
  - (a) We attended meetings of the Board of Directors and other important meetings, received from the Directors and employees, etc. reports on the state of performance of their duties, demanded their explanations whenever necessary, inspected important decision documents, etc., and made investigation into the state of activities and property at the head office and principal complexes of the Company. With regard to its subsidiaries, we maintained constant communication and exchanged information with the directors, statutory auditors, etc. thereof and required the subsidiaries to render reports on their business operations whenever necessary.
  - (b) With regard to the details of the resolutions of the Board of Directors for establishing systems to secure that the performance by the Directors of their duties will comply with laws or ordinances and the Articles of Incorporation as described in the business report and such other systems provided for in Article 100, paragraphs 1 and 3 of the Ordinance for Enforcement of the Companies Act of Japan as necessary to secure the adequacy of business of a corporate group comprising a joint-stock corporation and its subsidiaries, as well as the systems (internal control systems) established pursuant to such resolutions, we received from the Directors, employees, etc. reports on a regular basis, demanded their explanations whenever necessary, and expressed our opinions, on the status of the formulation and operation of the systems. With regard to internal control over financial reporting, we received from the Directors, etc. and the Accounting Auditors reports on the state of evaluation and audits of the internal control and demanded explanations whenever necessary.
  - (c) With regard to the fundamental policy under Article 118, paragraph 3, item (a) of the Ordinance for Enforcement of the Companies Act of Japan as described in the business report, we, taking into consideration the deliberations thereof, etc. by the

Board of Directors or otherwise, investigated the content thereof.

- (d) We also monitored and verified whether the Accounting Auditors had maintained an independent position and conducted adequate audits, and received from the Accounting Auditors reports on the state of performance of their duties and demanded their explanations whenever necessary. In addition, we received from the Accounting Auditors a notice that “systems to secure adequate performance of duties” (as listed in the items of Article 131 of the Rules of Corporate Accounting) had been established in accordance with the “Standard for Quality Control Concerning Audits” (the Accounting Standards Board of Japan, March 12, 2024) and demanded their explanations whenever necessary.

In accordance with such methods, we investigated the business report and its supplemental schedules, the non-consolidated financial statements (the non-consolidated balance sheet, the non-consolidated statement of income, the non-consolidated statement of changes in net assets and the notes to non-consolidated financial statements) and their accompanying supplemental schedules, as well as the consolidated financial statements (the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets and the notes to consolidated financial statements), for the fiscal year under review.

## 2. Results of audit:

### (1) Results of audit of the business report, etc.:

We are of the opinion:

- (a) That the business report and its supplemental schedules present fairly the state of the Company in accordance with laws or ordinances and the Articles of Incorporation;
- (b) That in connection with the performance by the Directors of their duties, no dishonest act or material fact of violation of laws or ordinances or the Articles of Incorporation exists;
- (c) That the details of the resolutions of the Board of Directors on internal control systems are proper and that the descriptions in the business report and the performance by the Directors of their duties concerning such internal control systems contain nothing to be pointed out. With regard to internal control over financial reporting, we have received from the Directors, etc. and the Accounting Auditors reports that there exists no material inadequacy to be disclosed at the time of preparing this audit report; and
- (d) That the fundamental policy on the ideal of the persons who shall control the determination of financial and business policies of the Company as described in the business report contains nothing to be pointed out.

### (2) Results of audit of the non-consolidated financial statements and their accompanying supplemental schedules:

We are of the opinion that the method and results of the audit made by the Accounting Auditors are proper.

(3) Results of audit of the consolidated financial statements:

We are of the opinion that the method and results of the audit made by the Accounting Auditors are proper.

May 11, 2026

Audit & Supervisory Board  
Idemitsu Kosan Co.,Ltd.

Hidefumi Kodama  
Full-time Audit & Supervisory Board Member

Nami Kitamura  
Full-time Audit & Supervisory Board Member

Yumiko Ichige  
Outside Audit & Supervisory Board Member

Masahiko Tezuka  
Outside Audit & Supervisory Board Member

- END -

# Inspiring the future with energy and materials.

In this era of increasing uncertainty, each employee of Idemitsu Kosan will work tirelessly to ensure stable supplies of energy and materials. And as ***Your Reliable Partner for a Brighter Future***, we will harness the expertise we have cultivated and continue expanding our business domain to take on the challenges of tomorrow.



## Notice Regarding IR Information

### ■ Website for Shareholders Only, “Idemitsu Connect”

“Idemitsu Connect” is a members-only website that shareholders holding one or more share can register for. Shareholders can access exclusive content, such as benefits offered by lottery, registration for events such as Complex tours, shareholder-only articles and videos of shareholder meetings.



<https://idemitsu.premium-yutaiclub.jp/>

### ■ Corporate Website

The latest financial results and other related materials can be found on the IR information page, as well as easy-to-understand introductions to our business activities and our Medium-term Management Plan.

<Idemitsu in 3 minutes!>



<https://www.idemitsu.com/en/index.html>

<Medium-term Management Plan>



<IR information page>

- IR news
- Financial reports (presentation materials, videos, transcripts)
- Explanatory meetings for individual investors
- General Meeting of Shareholders