

Management Team


(As of June 19, 2024)

(Notes) 1. Shares of the Company's common stock owned as of May 16, 2024
2. Independent indicates a Board Member registered with the Tokyo Stock Exchange as an independent officer
3. Board of Directors meeting attendance denotes number of times attended/number of times held during FY2023

Directors

Director and Chairman


Kenji Okada



Kenji Okada has worked mainly in Finance, Insurance, Logistics, and Realty areas at ITOCHU Corporation. After serving as Representative Director of TOCHU Corporation, he was appointed as Chief Executive Officer of ITOCHU ENEX CO., LTD. in June 2012. He was appointed as Representative Director and Chairman of the company in April 2023. He is seeking to grow the Company and improve productivity by both leveraging the existing management structure and advancing new initiatives, including renovation of business structures and internal systems, and expansion into new business areas.
● Shares of the Company owned: 199,958
● Board of Directors meeting attendance: 14/14
● Significant concurrent positions outside the Company: None

Representative Director,
President and Chief Executive Officer


Tomofumi Yoshida



Tomofumi Yoshida has worked mainly in areas such as lifestyle materials, construction, logistics, information, finance, and insurance at ITOCHU Corporation. After serving as Representative Director, he was appointed as Representative Director and Executive Vice President of ITOCHU ENEX CO., LTD. in June 2022, and Representative Director, President and Chief Executive Officer in April 2023. He has excellent management skills cultivated through a wealth of business experience and broad insight into global business management.
● Shares of the Company owned: 69,526
● Board of Directors meeting attendance: 14/14
● Significant concurrent positions outside the Company: None

Director and Managing Officer


Tsukasa Motegi



Tsukasa Motegi has worked mainly in our petroleum-related businesses since joining the Group. He previously held the post of Representative Director in Group company Enexfleet Co., Ltd. He currently serves as Chief Operating Officer of the Car-Life Division at ITOCHU ENEX CO., LTD., utilizing his extensive business experience across the Company and Group companies and broad expertise in business management.
● Shares of the Company owned: 20,878
● Board of Directors meeting attendance: 11/11
● Significant concurrent positions outside the Company: Director, OSAKA CAR LIFE GROUP CO., LTD. Director, Nissan Osaka Sales Co., Ltd. Director, Enexfleet Co., Ltd.

Director and Executive Officer


Yasuhiro Imazawa



Yasuhiro Imazawa has worked for ITOCHU Corporation for many years, mainly in Finance, Accounting, Risk Management, and Audit areas. Possessing a wealth of business experience and broad expertise in management, he was appointed as a new Director of ITOCHU ENEX CO., LTD. in June 2022, and holds the post of Chief Operating Officer for Corporate Administration Division I.
● Shares of the Company owned: 16,315
● Board of Directors meeting attendance: 14/14
● Significant concurrent positions outside the Company: None

Director


Ichiro Saeki



Ichiro Saeki has specialized knowledge in his capacity as an attorney and a university professor, and extensive experience with corporate legal affairs. He also acquired broad knowledge of banking and finance during his tenure at The Nippon Credit Bank (currently, Aozora Bank, Ltd.). Based on this broad knowledge, he provides advice for the management of the Company as well as proper oversight of the execution of the Company's businesses from an objective and expert perspective.
● Shares of the Company owned: 26,409
● Board of Directors meeting attendance: 14/14
● Significant concurrent positions outside the Company: Representative Attorney, Shi-Go-Roku Law Office Auditor, The Shinkumi Federation Bank Emeritus Professor, Aoyama Gakuin University

Director


Takuya Morikawa



Takuya Morikawa has long engaged in a wide range of business activities in the stationery and office equipment industry, including business strategy, overseas business, and the launch of new businesses. Through these activities, he has gained business experience and a wealth of knowledge on business management. He was appointed as a Director in June 2022 and provides advice for the management of the Company as well as proper oversight of the execution of the Company's businesses.
● Shares of the Company owned: 1,742
● Board of Directors meeting attendance: 14/14
● Significant concurrent positions outside the Company: Outside Director, Asanuma Corporation Representative Director, President and Chief Executive Officer, NETSQUARE CO., Ltd.

Director

Chie Sato



Chie Sato was appointed as a director of the Company in June 2024 due to having extensive knowledge of corporate management, both as an author of numerous books related to graduate business schools in the U.S. and also as having been active as a management strategy consultant at a major consulting firm.
● Shares of the Company owned: None
● Board of Directors meeting attendance: N/A
● Significant concurrent positions outside the Company: Member of the Professional Graduate Business School Certified Evaluation and Accreditation Committee, The Japan University Accreditation Association Outside Director, BIPROGY Inc. (formerly Nihon Unisys Ltd.)

Audit & Supervisory Board Members

Standing Audit & Supervisory Board Member

Ryohei Suda



Ryohei Suda has worked for ITOCHU Corporation for many years, mainly in energy-related businesses, serving in roles that include CEO of the Middle East Bloc, Deputy Chief Operating Officer of the Energy Division, and General Manager of the Research & Business Development Division. He was appointed as a Audit & Supervisory Board Member of the Company in June 2024 due to his global business experience and extensive knowledge related to business management that he has cultivated through his various roles.
● Shares of the Company owned: None
● Board of Directors meeting attendance: N/A
● Significant concurrent positions outside the Company: None

Audit & Supervisory Board Member

Shozo Tokuda



In addition to Shozo Tokuda's expertise as a certified public accountant and his extensive experience in corporate accounting, he has profound knowledge gained at auditing firms. Based on this knowledge, from an objective and expert perspective, he has been appointed as an Audit & Supervisory Board Member and provides advice for the management of the Company as well as proper oversight of the execution of the Company's businesses.
● Shares of the Company owned: None
● Board of Directors meeting attendance: 14/14
● Significant concurrent positions outside the Company: None

Audit & Supervisory Board Member

Masako Iwamoto



As an attorney, Masako Iwamoto has specialized knowledge and extensive experience in corporate legal affairs. She has also acquired deep insight during her tenure as an outside officer at Achilles Corporation. Based on this knowledge, from an objective and expert perspective, she has been appointed as an Audit & Supervisory Board Member and provides advice for the management of the Company as well as proper oversight of the execution of the Company's businesses.
● Shares of the Company owned: None
● Board of Directors meeting attendance: 14/14
● Significant concurrent positions outside the Company: Representative Attorney, Iwamoto Law Office Outside Director, Member of Audit and Supervisory Committee, ACHILLES CORPORATION

Audit & Supervisory Board Member

Sonoko Kajiyama



Sonoko Kajiyama was appointed as an Audit & Supervisory Board Member of the Company in June 2024 due to having an objective and expert perspective based on her expertise as a certified public accountant and her extensive experience as an auditor, as well as profound knowledge gained at major auditing firms and the internal audit departments of global companies.
● Shares of the Company owned: None
● Board of Directors meeting attendance: N/A
● Significant concurrent positions outside the Company: Audit & Supervisory Board Member, McDonald's Holdings Company (Japan), Ltd. Audit & Supervisory Board Member, McDonald's Company (Japan), Ltd.

Skills Matrix of Directors and Audit & Supervisory Board

		Directors				Outside Directors			Audit & Supervisory Board Member	Outside Audit & Supervisory Board Members		
		Director and Chairman Kenji Okada	Representative Director, President and Chief Executive Officer Tomofumi Yoshida	Director and Managing Officer Tsukasa Motegi	Director and Executive Officer Yasuhiro Imazawa	Director Ichiro Saeki	Director Takuya Morikawa	Director Chie Sato	Standing Audit & Supervisory Board Member Ryohei Suda	Audit & Supervisory Board Member Shozo Tokuda	Audit & Supervisory Board Member Masako Iwamoto	Audit & Supervisory Board Member Sonoko Kajiyama
Business management		◎	◎	○	○	○	○	○	○	○	○	○
Corporate	Finance, accounting, risk management				○					○		○
	Legal, internal control, compliance					○				○	○	
Sales	Sales, marketing			○		○	○					
Key areas for realization of the Medium-Term Business Plan	SDGs, sustainability				○				○			
	Human resources, labor relations, human resource development							○			○	
	Business investment			○			○		○			
Other	International mindset							○				○

* The approach to the skills and areas of expertise is as follows. These are the skills and areas of expertise that we particularly expect from each of the Directors and Audit & Supervisory Board Members, but do not represent all of the skills and expertise that they each possess.
* Those with experience as a representative director of the Company: Assigned ◎ for "Business management" only as having been responsible for overall business management
* Directors and Audit & Supervisory Board Members: Assigned ○ for those areas in which they are expected to provide useful advice and supervision to the implementing departments based on their unique knowledge and experience

Message from New Outside Director



I want to contribute to the enhancement of the Group's corporate value by leveraging my experience in management strategy planning at global companies to provide a "different perspective".

Outside Director Chie Sato

As the global energy environment undergoes dramatic changes, the role of the Group as a leading company in the energy industry will become increasingly important. The new Medium-term Business Plan, "ENEX2030," contains the slogan "striving for further growth and transformation through the provision of a range of energy and services for home life and industry." As an outside director, I am particularly committed to "providing a different perspective" to the Group while it is in the midst of such transformation.

I have been involved in the formulation of management strategies at major global companies such as the Boston Consulting Group and the Walt Disney Company, which taught me about the use of "economies of scale" and thorough synergy strategies, and made me keenly aware of the power of thinking from the perspective of overall optimization. I also realized how diversity can have a significant impact on creativity and productivity within a company. I would like to make full use of this experience to frequently provide a perspective that stimulates the ideas of the company's officers and employees at board meetings and other opportunities.

As the number one energy trading company in Japan in terms of revenue, the Group has superior expertise, human networks, and customer base, as well as an enterprising spirit that boldly takes on challenges that other companies would hesitate to take. As an outside director, I will make further efforts to enhance the corporate value of ITOCHU ENEX, which has such high potential.

Career Biography

Apr. 1992	Joined Japan Broadcasting Corporation
Aug. 2001	Joined Boston Consulting Group K.K. (currently, Boston Consulting Group G.K.)
Jun. 2003	Joined The Walt Disney Company (Japan) Ltd.
Jan. 2012	Independent writer and consultant
Apr. 2014	Member of the Professional Graduate Business School Certified Evaluation and Accreditation Committee, The Japan University Accreditation Association (to date)
Apr. 2016	Tokyo Broadcasting System Television (TBS) Program Practice Council Member
Jun. 2017	Outside Director, Nihon Unisys Ltd. (currently, BIPROGY Inc.) (to date)

Follow-up Initiatives for Outside Officers

The Group runs a variety of activities designed to increase outside officers' understanding of the Group, including visiting operating sites and holding briefings for outside directors prior to board meetings, with the aim of boosting the effectiveness of management oversight functions, thereby leading to more energetic discussion by the Board of Directors and a transparent governance system.



Company briefing at Enearc Kanto Co., Ltd., a Group company



Visit to Tokyo Toshi Service Co., Ltd., a Group company

Visiting operating sites

Since FY2017, we have been conducting visits of operating sites across the country for the purpose of facilitating understanding the businesses of the Group and interacting with on-site employees. In FY2024, the first visit was conducted in the Tokyo and Kanagawa area in June. On-site visits are an important opportunity for outside officers to deepen their understanding of the Group's businesses by directly experiencing the business circumstances and opinions of employees.

Briefings for outside officers

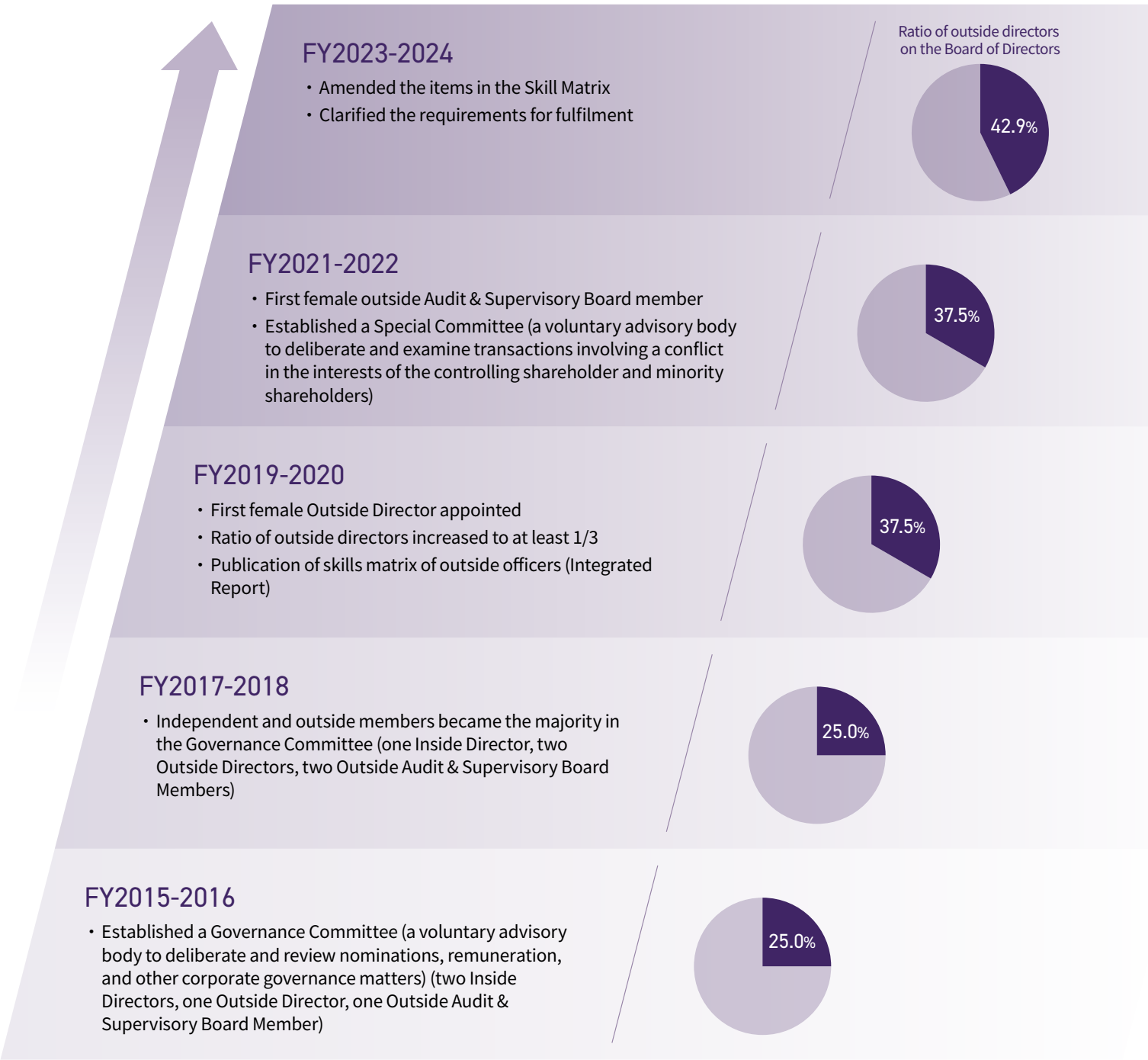
Outside officers are briefed on the agenda of each Board of Directors' meeting three business days in advance so that they will be able to take part in the discussions with a better understanding of the issues. During these sessions, the project owner for each agenda item gives a briefing and various questions are asked. In FY2024, in order to further deepen the understanding of each project, we plan to hold regular opinion exchange sessions with the heads of each division and outside officers.

Corporate Governance

Basic Philosophy

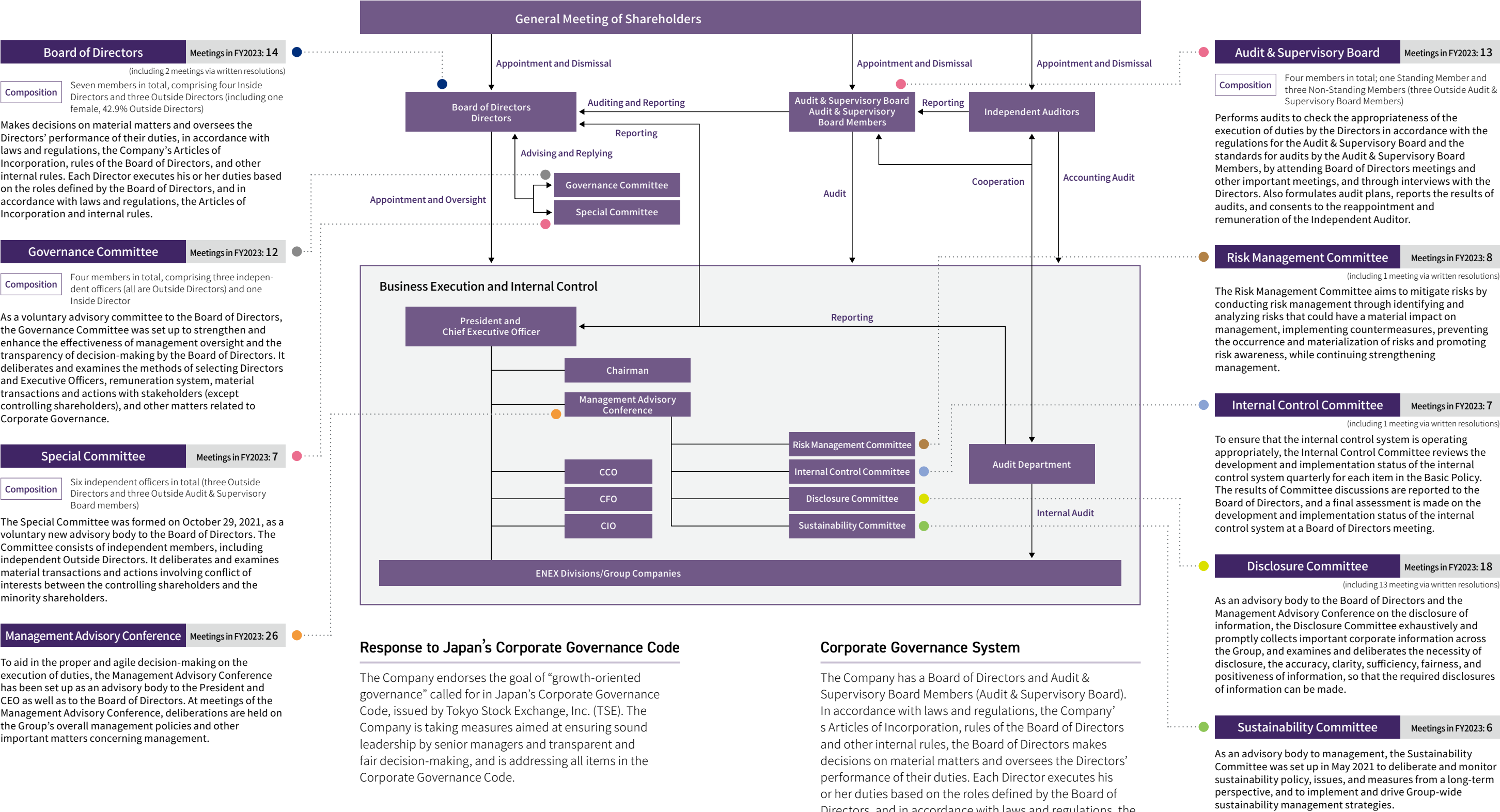
In accordance with the Corporate Philosophy, the Employee Code of Conduct (Be Ethical: Reliability and sincerity, creativity and ingenuity, transparency and integrity) and the Declaration of the Group Code of Conduct, the Company is continuously strengthening corporate governance in response to the changing business environment by always concentrating on persistently pursuing compliance as people in the business world, focusing on Shareholders returns, ensuring managerial transparency and making decisions more quickly.

Previous Initiatives to Strengthen Governance



Corporate Governance System* (As of June 19, 2024)

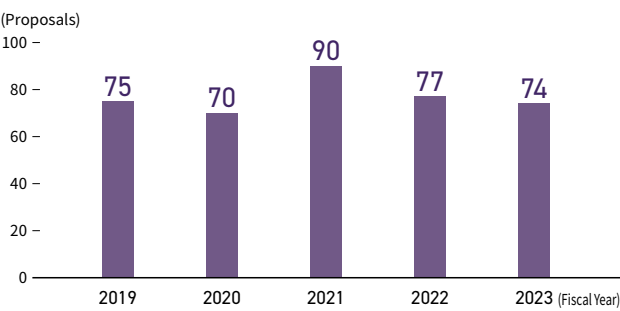
* Business execution, internal control, managerial monitoring and risk management system, etc.



Status of Efforts by the Board of Directors

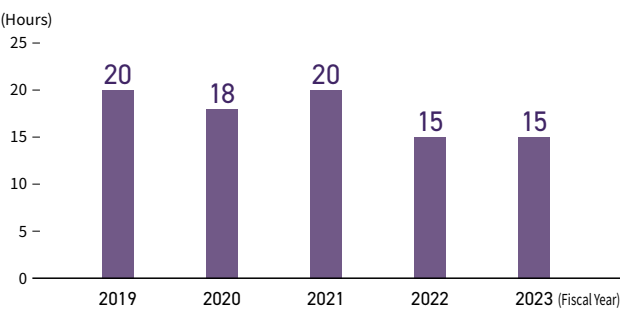
Number of proposals

We have established regulations regarding the submission of proposals to the Board of Directors, Management Advisory Conference, and other meeting bodies. Proposals at meetings of the Board of Directors are submitted according to these regulations. With more and more diverse proposals being submitted to the Board of Directors, in recent years we have been promoting the delegation of authority, and depending on the proposal, we are increasingly leaving it to individual Divisions to decide. Discussions on important proposals have been increasing at Board of Directors meetings.



Deliberation time (annual general meeting time)

We provide opportunities for debate and briefings to outside officers on proposals prior to their submission to the Board of Directors so that they will be able to take part in the discussions with a better understanding of the issues. At the Board of Directors meetings, participants present a wealth of questions and point things out. At the same time, because we shorten explanation times by having discussions in advance, we are also improving work efficiency.



Major issues discussed in the Board of Directors’ meetings in FY2023

- Investment projects of high importance (sales of large-scale solar power generation, etc.)
 - Initiatives to ally with other companies
- Corporate Governance
 - Information disclosure based on the TCFD recommendations

Effectiveness Evaluation

Evaluation of the Effectiveness of the Board of Directors

The Company asked all Directors and Audit & Supervisory Board Members to give their opinions based on their own evaluation of the effectiveness of the Board of Directors as a whole in FY2023, including the composition, operation status, and support structure of the Board. The Board of

Directors then analyzed and evaluated its effectiveness, drawing upon those opinions as well as assessments and analyses by third-party evaluation organizations, and deliberation and examination by the Governance Committee.

Evaluation method	Questionnaire
Subject of Evaluation	Meetings of the Board of Directors held between April 2023 and March 2024 (a total of 14 meetings)
Evaluators	All members of the Board of Directors and Audit & Supervisory Board as of March 2024
Outline of Implementation	Questions and free-form questionnaires (anonymous to ensure transparency) related to “Board of Directors’ operations (7 items),” “Board of Directors’ discussions (5 items),” “Monitoring functions (4 items),” and “Other (7 items)” were implemented.
Evaluation Results	Each item generally suggests a high standard, meaning that the operations of the Board of Directors of the Company as a whole are judged to be appropriate.
Issues	Deepen discussions on medium- to long-term management strategies and policies, improve management systems to encourage discussions, etc.

Policies and Procedures in the Nomination of Director and Audit & Supervisory Board Member Candidates

1. Policies and Procedures in the Nomination of Director and Audit & Supervisory Board Member Candidates

To allow its Board of Directors to perform appropriate oversight of management and make decisions on important business execution, the Company appoints, in principle, the President CEO, Chief Financial Officer (CFO), Chief Compliance Officer (CCO), and Chief Information Officer (CIO), and designates candidates for Directors and Executive Directors from managers with the highest responsibility for their divisions. The Company also designates several candidates for Outside Directors to make the ratio of Outside Directors one third or more with the goal of strengthening the Board of Directors’ oversight of management. The Company appoints those expected to contribute to its management using their extensive knowledge cultivated through experience in their respective fields as Outside Directors. With regard to the policy mentioned above, the President CEO drafts a proposal on the Director candidates, and following deliberation and consideration by the Governance Committee, the Board of Directors makes a decision regarding submission of an appointment proposal to a General Meeting of Shareholders. In the event that a director does not have the required qualifications and ability to perform duties as a director, following deliberation and consideration

by the Governance Committee, the Board of Directors makes a decision regarding submission of a dismissal proposal to a General Meeting of Shareholders.

2. Policy and Procedures for Nomination of Audit & Supervisory Board Member Candidates

In order to ensure that the Company’s management is appropriately audited, the Company nominates Audit & Supervisory Board Member candidates who have both extensive experience as well as knowledge of the Company’s management and a high degree of expertise in various fields, including accounting, finance, legal, and risk management. Regarding Outside Audit & Supervisory Board Members, persons who are highly specialized and have extensive experience in their respective fields, and who can be expected to appropriately audit the Company’s management from an objective standpoint are nominated. With regard to the policy mentioned above, the President CEO drafts a proposal on the Audit & Supervisory Board Member candidates after discussing with the Standing Audit & Supervisory Board Members, and the Board of Directors makes a decision regarding submission of an appointment proposal to a General Meeting of Shareholders upon the approval of the Audit & Supervisory Board.

Reasons for Appointment of Outside Officers

	Name	FY2023 Board of Directors Meeting Attendance	Reasons for Appointment	
Outside Directors	Ichiro Saeki	14/ 14	Ichiro Saeki has specialized knowledge in his capacity as an attorney and a university professor, and extensive experience with corporate legal affairs. He also acquired broad knowledge of banking and finance during his tenure at The Nippon Credit Bank (currently, Aozora Bank, Ltd.). Based on this broad knowledge, he was appointed because it was deemed he could provide advice for the management of the Company as well as proper oversight of the execution of the Company's businesses from an objective and expert perspective. The Company believes that he meets the Standards for Independence stipulated by the Financial Instruments Exchange and by the Company.	
	Takuya Morikawa	14/ 14	Takuya Morikawa has long engaged in a wide range of business activities in the stationery and office equipment industry, including business strategy, overseas business, and the launch of new businesses. Through these activities, he has gained business experience and a wealth of knowledge on business management. Based on this, it was determined that he would be able to contribute advice regarding the Company's management and appropriate oversight of business execution. The Company believes that he meets the Standards for Independence stipulated by the Financial Instruments Exchange and by the Company.	
	Chie Sato	—	Chie Sato has extensive knowledge of corporate management, both as an author of numerous books related to graduate business schools in the U.S. and also as having been active as a management strategy consultant at a major consulting firm. Based on this, it was determined that she would be able to contribute advice regarding the Company's management and appropriate oversight of business execution. The Company believes that she meets the Standards for Independence stipulated by the Financial Instruments Exchange and by the Company.	
	Name	Attendance in FY2023		Reasons for Appointment
		Board of Directoras	Audit & Supervisory Board	
Outside Audit & Supervisory Board Members	Shozo Tokuda	14/ 14	13 / 13	In addition to Shozo Tokuda's expertise as a certified public accountant and his extensive experience in corporate accounting, he has profound knowledge gained at auditing firms. Based on this knowledge, from an objective and expert perspective, it was determined that he would be able to contribute advice regarding the Company's management and appropriate oversight of business execution. The Company believes that he meets the Standards for Independence stipulated by the Financial Instruments Exchange and by the Company.
	Masako Iwamoto	14/ 14	13 / 13	As an attorney, Masako Iwamoto has specialized knowledge and extensive experience in corporate legal affairs. She has also acquired deep insight during her tenure as an outside officer at Achilles Corporation. Based on this knowledge, from an objective and expert perspective, it was determined that she would be able to contribute advice regarding the Company's management and appropriate oversight of business execution. The Company believes that she meets the Standards for Independence stipulated by the Financial Instruments Exchange and by the Company.
	Sonoko Kajiyama	—	—	Sonoko Kajiyama has an objective and expert perspective based on her expertise as a certified public accountant and her extensive experience as an auditor, as well as profound knowledge gained at major auditing firms and the internal audit departments of global companies. Based on this, it was determined that she would be able to contribute advice regarding the Company's management and appropriate oversight of business execution. The Company believes that she meets the Standards for Independence stipulated by the Financial Instruments Exchange and by the Company.

Policies and Procedures on Determination of Remuneration for Directors

Basic Policy

Remuneration for Directors of the Company is designed to attract talented human resources with the ability to implement the Company’s Corporate Philosophy and to motivate them to contribute to the sustained improvement of its corporate value. It is the Company’s basic policy to determine remuneration paid to each Director at an appropriate level based on his/her position and duties.

Remuneration System for Directors

Remuneration for Executive Directors comprises fixed basic remuneration (monthly remuneration) and performance-linked remuneration that fluctuates according to performance. Remuneration for Non-Executive Directors comprises only fixed basic remuneration (monthly remuneration) from the perspective of their roles and independence.

Composition of Remuneration for Executive Directors (FY2023-)

Types of Remuneration	Monetary/Non-monetary	Percentage	
		Chairman/President & CEO	Other directors
Base Remuneration (Fixed Remuneration)	Monetary	57%	63%
Bonuses (Performance-linked Remuneration)	Monetary	29%	32%
Stock Remuneration (Performance-linked Remuneration)	Non-monetary	14%	5%
Total		100%	100%

(Note) The above ratio represents remuneration when 100% of all targets for performance-linked remuneration are reached.

Composition of Director Remuneration (for Executive Directors)

Types of Remuneration	Details of Remuneration
Base Remuneration	The Company determines the fixed monthly amount according to the position and responsibilities of each Director, taking into account the standards of other companies based on the research of specialized external institutions.
Bonuses	<ul style="list-style-type: none">• The Company pays performance-linked bonuses to Executive Directors at certain times of each year as a short-term performance pay based on a performance indicator and the level of goal achievement in the year.• The performance indicator that is the basis for bonuses is the level of achievement of the target profit attributable to the Company's Shareholders (consolidated) each year.• The Company determines the amounts of bonuses by multiplying the base remuneration by a certain coefficient according to the levels of achievement of company-wide performance, division performance, section performance, and a qualitative assessment.* <p>(Note) The comprehensive qualitative assessment is performed by the Representative Director and President & CEO, taking into account the level of the goal achievement of each Executive Director (progress in addressing issues in the areas of their responsibility, development of management executives, thoroughness of legal compliance, etc.).</p>
Stock Remuneration	<ul style="list-style-type: none">• As medium- to long-term performance-linked remuneration, Executive Directors are provided with points according to net profit under the Medium-Term Business Plan, the titles of the Directors, and the number of months in their term of office. At the time of their retirement, they acquire a number of the Company's common shares commensurate with the total number of points granted.• The number of shares provided is the product of multiplying the number of points given by 1.0.• Stock remuneration is adopted to motivate Directors to contribute to the improvement of the Company's medium- to long-term performance and the increase of its corporate value.

(Note) Of the above remuneration, for the bonuses and stock remuneration, which are linked to the Company's business performance, net profit has been adopted as the indicator for evaluating the overall business performance of the Company. It was adopted to ensure the simplicity of the indicator, consistency with the numerical targets related to the Company's business management (or with the quantitative targets set in the medium-term business plan, which apply to the performance-linked stock remuneration), and in light of the trends of other companies. Net profit in FY2023 was 13,887 million yen.

Policy, Etc. for Determining the Remuneration of Individuals

To flexibly determine the amount of remuneration for individuals, Tomofumi Yoshida, the Representative Director, President and Chief Executive Officer of the Company, is delegated to determine specifics based on standards established in advance. Changes made to the above composition of remuneration, basic remuneration, and bonuses require approval by the Board of Directors after consultation with the Governance Committee. Changes in the stock remuneration require approval at a Board of Directors’ meeting or a General Meeting of Shareholders, after consultation with the Governance Committee. The

Company has established a system in which the Governance Committee receives one or more reports a year on the overall distribution of remuneration for individual Directors, ensures that such activities are conducted appropriately in line with this policy, and guarantees their objectivity, fairness, and transparency. The Board of Directors receives the results of deliberations and examinations, and reports on the appropriate remuneration of individual Directors in line with this policy from the Governance Committee, and the Company believes that the activities of the Board of Directors are also in line with this policy.

Cross shareholdings

Policy on cross-shareholdings

The Company has a policy of holding shares of any customer or business partner solely on the condition that holding such shares is deemed to have commercial potential in the future and is strategic. The policy is limited to holdings in which the chances of achieving an investment return are high and the holdings contribute to increasing the Company’s corporate value. With regard to such shares we already hold, the Board of Directors examines the reasonability of the holding of individual shares every year and the continuation or reduction of cross-shareholdings will be properly determined from the perspective of the chances of achieving the expected investment purpose or whether or not they are creating economic added-value that may lead to enhancing the Company’s corporate value.

Examination results as of the Board of Directors held on May 16, 2024 are as follows: For each of the cross shareholdings held by the Company (total of five issues), we conducted a detailed examination to determine

whether the purpose of holding the shares is appropriate and whether the benefits and risks associated with holding the shares are commensurate with the Company's cost of capital. As a result, it was confirmed that the cross shareholdings currently held by the Company are appropriate. (Standard for exercising voting rights as to cross-shareholdings) In exercising voting rights concerning the cross shareholdings, in principle the Company does not abstain from voting or provide a blank proxy. Moreover, the Company makes a decision for and against each proposal tabled after examining individual proposals, not using uniform standards such as short-term operating results/ share prices, but taking the perspective of whether or not it will help increase the medium or long-term corporate value of the Company and the companies in which shares are held, in view of non-financial information such as the business policies, strategies and suchlike of the company in which shares are held.

Relationship with our parent company

Other special circumstances which may have material impact on Corporate Governance (relationship with parent company)

Our parent company, ITOCHU Corporation, holds 53.97% of our voting rights, making us a consolidated subsidiary. Our Company is the core company of the domestic sales of petroleum products in the ITOCHU Group and the import/export business originating from Japan. As a critical business partner, we promote the exchange of information on the trade in petroleum products, market conditions for domestic and foreign crude oil and petroleum products, as well as business initiatives related to personnel exchanges, electric power and environmental businesses, overseas projects, etc. The Company's dependence on the parent company for business transactions is fairly low, and most

transactions are with general companies and consumers. We recognize that there are no business restrictions imposed by our parent company, and we believe that we are in a situation where we can make independent management decisions while ensuring independence and autonomy. Although there are some seconded employees between the Company and ITOCHU Corporation and its corporate Group, three outside directors have been designated as independent officers, and more diverse opinions can be reflected in deliberations at the Board of Directors meetings. As a result, independence is ensured and independent management decisions are not hindered.

Risk Management and Internal Control

Risk Management

In order to respond to the various risks surrounding the Group, the Group manages risks comprehensively and individually by developing management systems and methods. In April 2024, the Legal & Risk Management Department was established as a department to initially oversee and manage the Group's risks. Further, the Risk Management Committee has been established as a management advisory body, and as shown

in the "Risk Management Process" diagram below, it conducts risk management including the identification and analysis of risks that could have a material impact on the Group's operation (significant risks), as well as countermeasures, prevention of the occurrence and materialization of risks, and awareness-raising, while continually bolstering risk management and mitigating risks.

Risk Management Process

- 5
- The Risk Management Committee reviews and decides on improvement measures, additional measures, etc.
 - Support is provided for the implementation of risk countermeasures by each business division.
- 4
- Periodically monitor the status of countermeasures against the various types of risks and verify the effectiveness of the countermeasures.
 - The results of the monitoring and verification are reported to the Risk Management Committee.

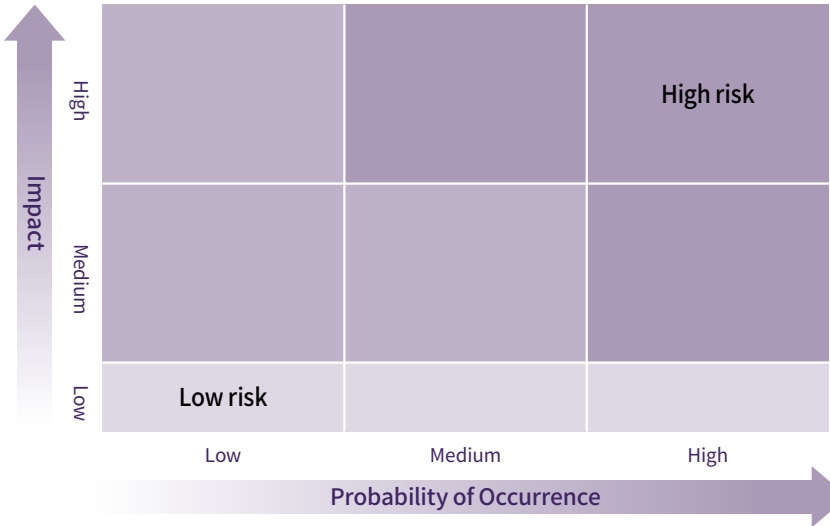


- 1
- Conduct periodic risk surveys to identify, analyze and evaluate risks.
- 2
- Prepare a plan for potential significant risks and their countermeasures and draft a risk map.
 - The Risk Management Committee deliberates on the draft and selects the significant risks.

- 3
- Each business division implements the risk countermeasures.

Risk Map

In selecting the significant risks, the various risks are evaluated based on the two axes of impact and probability of occurrence.



- The following are the nine significant risks to the Group, as selected by the Risk Management Committee (as of June 19, 2024)
- (1) Risk due to a contracting business base
 - (2) Risk due to fluctuations in commodity and raw material procurement prices
 - (3) Risk from environmental regulations
 - (4) Risk related to information security and information systems
 - (5) Risk from natural disasters
 - (6) Risk from impairment of fixed assets
 - (7) Risk in investments
 - (8) Risk related to securing human resources
 - (9) Risk related to compliance

Systems for Handling Emergencies

The Company has established reporting routes that enable it to quickly obtain accurate information and respond appropriately when an accident occurs or a risk arises in the Group. The Company has also developed an emergency contact network that systematically connects Group companies, business divisions, and officers (including the President & CEO), so that when an earthquake, typhoon, heavy rain, or other natural disaster occurs, it will be able to quickly confirm the safety of Group personnel, ascertain

the level of damage to the Group's facilities and clients, and secure essential services. In FY2024, the Company will issue a drill alarm on the first business day of each month to foster employees' awareness of disaster prevention and prepare for contingencies.

Risk Management
<https://www.itcenex.com/en/csr/governance/riskmanagement/index.html>



Fire and Disaster Prevention/Business Continuity Plan (BCP)

The Company has formulated a business continuity plan (BCP) as a precaution against possible major natural disasters. The "BCP and Disaster Response Headquarters", which is the core organization of this plan, consists of the President and Chief Executive Officer (Director of the Disaster Response Headquarters), heads of departments, and general managers. In the event of a large-scale disaster, the Headquarters leads Group-wide activities to respond to the situation based on a plan that lays out the people in the chain of command and how to respond to specific

circumstances. In addition, the Company has in place a backup system to transfer the head office functions to Fukuoka and Hiroshima. Since FY2022, first aid training has been conducted at the head office and in each area, and as of March 31, 2024, a total of 350 Group employees have obtained lifesaving skills certificates. Further, we are working to improve the effectiveness of our BCP, including training linked to our alternative centers of operation and training for personnel in charge of continuing and promoting BCM (Business Continuity Management) operations.



An emergency rescue drill.



Internal Control

We have constructed, operate, and continuously improve on an internal control system to ensure that its operations are conducted properly and in compliance with laws,

regulations, and the Articles of Incorporation. Our Group's internal control system is outlined in the Basic Policy on Internal Control System, which was revised on May 18, 2023.

Basic Policy on Internal Control System
<https://www.itcenex.com/en/corporate/governance/control/index.html>



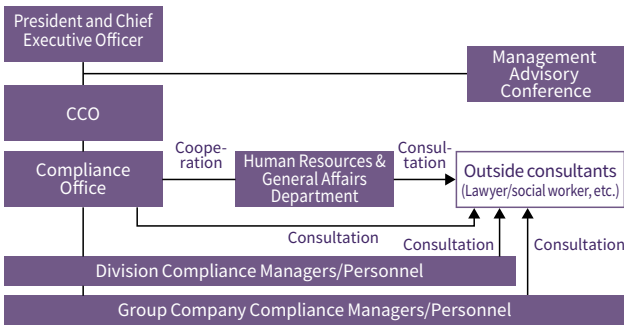
Compliance

Basic Policy on Compliance

To enhance corporate value, efforts to build a trust-based relationship with society are necessary. The prerequisite for building trust-based relationships is compliance. We believe compliance practices are an important issue for the enhancement of our corporate value. To embody this, each employee will increase their compliance awareness and work to build a compliance promotion system so that we can stay focused on our work in compliance with Code of Conduct and Declaration of the Group Code of Conduct.

Promotion structure

The Company has taken steps to improve its compliance system, including appointing a CCO, establishing a department that oversees matters concerning compliance, and developing a compliance program. We have also appointed compliance managers/personnel in each division and Group company, implemented compliance education and training, compiled a legal and regulatory compliance manual, clarified responses to compliance incidents, and developed a whistleblowing system. In addition, from each Director, Executive Officer, and employee we have obtained a Declaration of the Group Code of Conduct related to employee compliance with the Code of Conduct.



*1 Compliance manager: Compliance managers of the Company, one person from each division, are appointed by the CCO. Additionally, at Group companies for which ITOCHU ENEX CO., LTD. has over 50% ownership, in principle, the president of the Group company serves as the compliance manager, also supervising subsidiaries for which that Group company has over 50% ownership.

*2 Compliance personnel: Compliance personnel are appointed by the compliance managers, and are responsible for promoting awareness regarding compliance, serving as the point of contact in the event of trouble, accidents, misconduct or complaints, and ensuring environmental preservation and soil contamination prevention.

Education in Compliance

With the objective of maintaining and ensuring the universal recognition of our compliance system, the Company holds education and training in compliance for Group officers and employees on an annual basis. In particular, the Company conducts nationwide compliance rank-based training programs as appropriate. Furthermore, through education and training for compliance managers and personnel in each department and Group company, the Company is enhancing their practical ability to respond to specific compliance incidents, thereby continuing to strengthen the Group's compliance system.

Promoting Awareness of Compliance

To promote employee awareness of compliance, the Company periodically prepares documents to be distributed within the Group and shared on the intranet.

Compliance Program	This resource provides a straightforward introduction to compliance promotion activities, including objectives, systems, incident/accident response, and whistleblowing and consulting contact points.
Compliance Case Studies	These case studies provide easy-to-understand examples and response approaches for various major and minor compliance violations, including misconduct, harassment, labor issues, complaints, legal and regulatory violations, and information leakage.
Harassment Guidelines	These guidelines set out prohibited workplace behaviors with the aim of ensuring that employees and officers of the Group correctly understand the issue of harassment, and of creating a harassment-free workplace.

ENEX Group Awareness Survey


Incidents relating to accounting misconduct, embezzlement, harassment, and labor issues at various companies, organizations, and bodies are on the rise. The Group conducts a compliance awareness survey of its officers and employees to ascertain the state of compliance awareness and the penetration of the Corporate Philosophy in order to help prevent misconduct and compliance incidents. The results are used as a guide for improving compliance training and creating new initiatives.


Whistleblowing Contact Points

The Group has established inside and outside whistleblowing contact points to facilitate prompt reporting of violations of laws and internal rules, other forms of misconduct, and concerns about the potential for misconduct. As part of compliance training, the Group ensures that all employees are aware of the system of whistleblowing contact points and the protection given to whistleblowers. It has also a system in place for responding appropriately to whistleblowing reports and maintaining the transparency of those responses.

The Group ensures the effectiveness of the whistleblowing system through regulations that clearly define the responsibilities of the various parties that handle cases. These regulations prohibit unfavorable treatment, including termination of employment, as a consequence of whistleblowing, and mandate confidentiality.

IR Activities

 IR Basic Policy
<https://www.itcenex.com/en/ir/policy/basicpolicy/index.html>



When disclosing information to and engaging in dialogue with stakeholders, our Group strictly complies with relevant laws, regulations, and rules. It also emphasizes two-way communication through dialogue, while striving to explain its the status of its businesses, management policies, and other information in a timely, fair, accurate, and clear manner and on an ongoing basis. In addition Feedback from stakeholders, including requests and opinions, is provided to management.

General Meeting of Shareholders


We hold a general meeting of shareholders every June. A video of the day's events is available exclusively to shareholders. We also publish shareholder newsletters as IR tools.





	FY2021 Results	FY2022 Results	FY2023 Results
Dates	June 21, 2022	June 14, 2023	June 19, 2024
Attendance	22	34	24


Main IR activities

Posting of financial results presentation materials and videos
In order to ensure the transparency of our business performance and strategies for our investors and shareholders, we post the financial results presentation materials and videos on our website, and we post a Factbook which summarizes industry-related data and our business performance trends in order to deepen the understanding of our company and industry.

 Financial results presentation materials, etc.
https://www.itcenex.com/en/ir/doc/financial_statements/2025/index.html



 Factbook
<https://www.itcenex.com/en/ir/doc/factbook/index.html>



Presentations for individual investors

Starting in FY2021, we have been holding online presentations for individual investor. Most recently, in July 2024, we released a new video that includes an explanation of the progress of medium-term business plan and the launch of WECARS Co., Ltd. (Speaker: CFO)

	FY2021 Results	FY2022 Results	FY2023 Results
Meetings with investors, etc.*	38	37	43
Financial results presentations for institutional investors, etc.	Twice yearly (87 in total)	Twice yearly (86 in total)	Twice yearly (87 in total)
Presentations for individual investors (number of views)	Held once (1,559)	Held once (1,592)	Held twice (approx. 2,900)

* Investor interview participants: CFO, General Manager of the Finance & General Accounting Department, Finance and Investor Relations Section

JCR (Japan Credit Rating Agency, Ltd.) Rating

In 2022 our JCR long-term issuer rating was upgraded from "A+ (stable)" to "AA- (stable)", and our domestic CP rating was upgraded from "J-1" to "J-1+", and these ratings were maintained in 2024.

As of August 29, 2024

Issue	Rating	Outlook
Long-term issuer rating	AA-	Stable

Issue	Maximum	Rating
Commercial paper	¥30 billion	J-1+

JPX-Nikkei Index 400

This stock price index is jointly calculated by the JPX Research Institute (Japan Exchange Group) and Nikkei Inc. and is composed of "companies that are attractive to investors", and is an index in which companies are selected that utilize capital efficiently and perform management with an awareness of investors. The Company has been selected as a constituent stock of the JPX Nikkei Index 400 for the second consecutive year. (as of August 30, 2024))



Nikko Investor Relations' All Japanese Listed Companies' Website Ranking

The All Japanese Listed Companies' Website Ranking, provided by Nikko Investor Relations Co., Ltd., ranks the websites of all 3,970 listed Japanese companies. This assessment of IR sites is based on 164 objective evaluation items that measure how well each website informs stakeholders in terms of understandability, user convenience, and amount of information. Our website has received the highest rating, AAA, for five consecutive years since 2019.



Gomez IR Site Ranking 2023

BroadBand Security, Inc. provides GOMEZ IR Site Ranking for the corporate websites of 3,832 listed Japanese companies, based on 231 evaluation items under the categories of usability and proactiveness and foresight in disclosure, among others. We received a Bronze Award in FY2023.

