

Section
04

System for Supporting Sustainable Growth

Strengthening Governance System

As a company with an Audit & Supervisory Board, we ensure the fulfillment of the auditing function and transparency in decision-making through fully functioning management oversight by the Audit & Supervisory Board Members. In addition to this corporate governance system centered on management auditing by the Audit & Supervisory Board Members, we have nominated several Outside Director candidates to increase the ratio of Outside Directors to more than one-third, with the aim of strengthening and improving

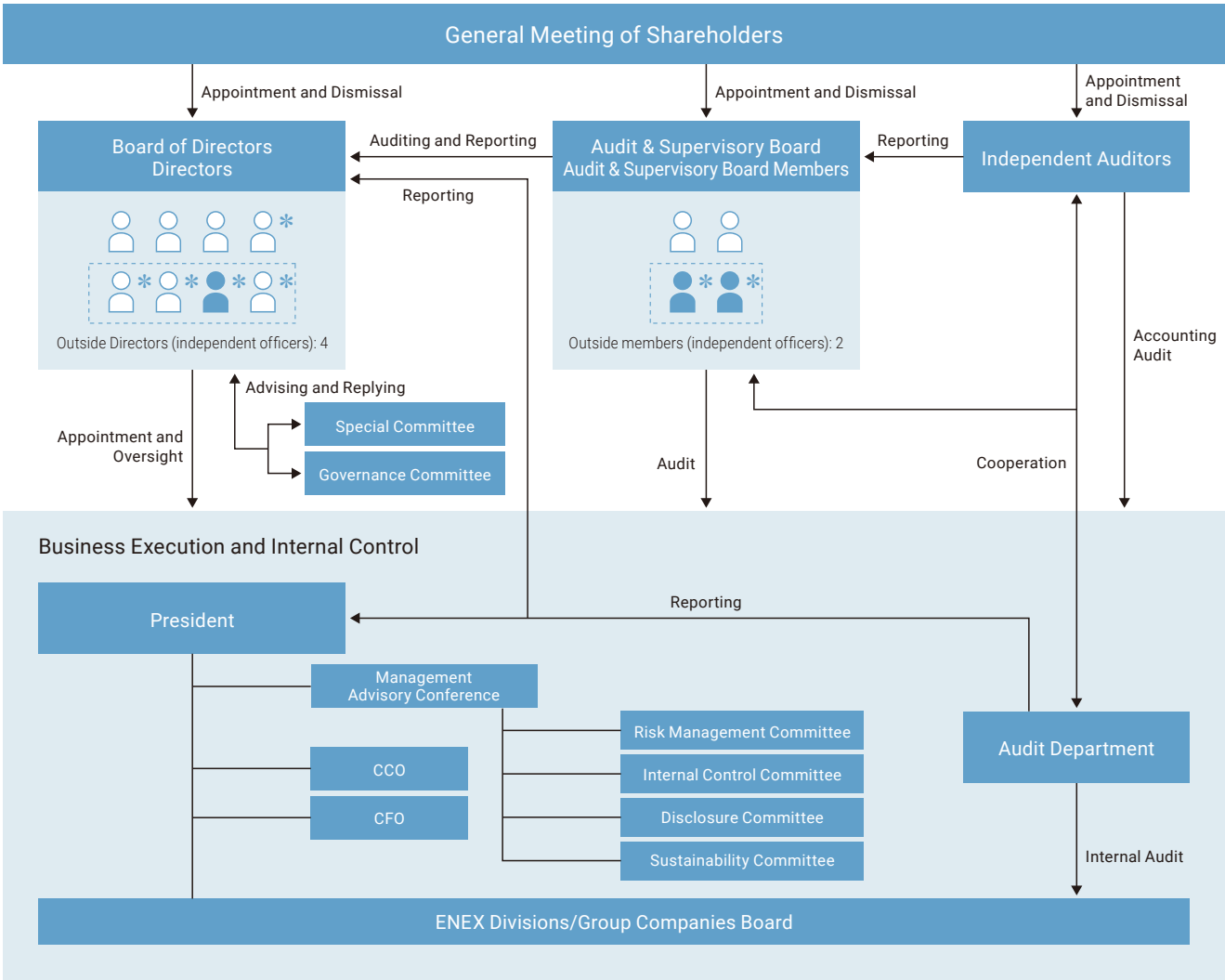
the effectiveness of management supervision and transparency of decision-making by the Board of Directors. Following the General Meeting of Shareholders held on June 18, 2025, half of the Board of Directors are Outside Directors. In addition, as a voluntary advisory body to the Board of Directors, we have established a Special Committee composed of independent persons, including independent Outside Directors, and a Governance Committee with a majority of its members being independent Outside

	Strengthening Points	Ratio of Outside Directors
FY2015-2016	• Established a Governance Committee (a voluntary advisory body to deliberate and review nominations, remuneration, and other corporate governance matters) (two Inside Directors, one Outside Director, one Outside Audit & Supervisory Board Member)	25.0%
FY2017-2018	• Independent and outside officers became the majority in the Governance Committee (one Inside Director, two Outside Directors, two Outside Audit & Supervisory Board Members)	25.0%
FY2019-2020	• First female Outside Director appointed • Ratio of Outside Directors on the Board of Directors increased to at least 1/3 • Publication of skills matrix of outside officers (Integrated Report)	37.5%
FY2021-2022	• First female outside Audit & Supervisory Board member • Established a Special Committee (a voluntary advisory body to deliberate and examine transactions involving a conflict in the interests of the controlling shareholder and minority shareholders)	37.5%
FY2023-2024	• Some items in the skill matrix amended to enable monitoring of the progress of the Medium-Term Business Plan • Clarified the requirements for fulfilment of skills	42.9%
FY2025	• Ratio of Outside Directors on the Board of Directors is one half (4 inside directors and 4 outside directors) • Number of Standing Audit & Supervisory Board Members increased to two in order to stabilize the structure of the Audit & Supervisory Board (two standing members and two outside members) • Outside Audit & Supervisory Board Members added to the Governance Committee Six independent officers in total (four Outside Directors and two Outside Audit & Supervisory Board members), plus one inside Director	50.0%

Corporate Governance System* (As of June 18, 2025)

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

Males Females : Non-standing



Response to Corporate Governance Code

The Company endorses the goal of “growth-oriented governance” called for in Corporate Governance Code, issued by Tokyo Stock Exchange, Inc. (TSE). The Company is taking measures aimed at ensuring sound leadership by senior managers and transparent and fair decision-making, and is addressing all items in the Corporate Governance Code.

Corporate Governance System

The Company has a Board of Directors and Audit & Supervisory Board Members (Audit & Supervisory Board). In accordance with laws and regulations, the Company’s Articles of Incorporation, rules of the Board of Directors and other internal rules, the Board of Directors makes decisions on material matters and oversees the Directors’ performance of their duties. Each Director executes his or her duties based on the roles defined by the Board of Directors, and in accordance with laws and regulations, the Articles of Incorporation and internal rules. To strengthen the Board of Directors’ decision-making and oversight functions and increase the efficiency of business execution, the Company has adopted an executive officer system. As delegated by the Board of Directors and Representative Directors, Executive Officers execute the duties assigned to them based on decisions made by the Board of Directors.

Corporate Governance Report
<https://www.itcenex.com/en/ir/policy/governance/index.html>



Introduction of Officers

(Notes) 1. Shares of the Company’s common stock owned as of May 16, 2025
2. Independent indicates a Board Member registered with the Tokyo Stock Exchange as an independent officer

Directors

Representative Director and President

Nobuyuki Tabata

Newly appointed



Nobuyuki Tabata has worked at ITOCHU Corporation primarily in the chemicals field for many years, and has served as President of its subsidiary company in U.S., as well as Chief Operating Officer of the Chemicals Division, Executive Officer, and Senior Executive Director of ITOCHU Corporation, before being appointed as Representative Director and President of the Company. He has excellent management skills cultivated through a wealth of business experience and broad insight into global business management.

• Shares of the Company owned: 65,400

• Significant concurrent positions outside the Company: None

Director and Managing Officer

Kunio Nishimura

Newly appointed



Kunio Nishimura has worked mainly in our petroleum-related businesses since joining the Group. He has previously held the post of Representative Director of a Group company, General Manager of the Company’s Human Resources & General Affairs Department and Corporate Planning Department, and CAO of WECARS 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: 12,065

• Significant concurrent positions outside the Company: Director, OSAKA CAR LIFE GROUP CO., LTD. Director, Nissan Osaka Sales Co., Ltd.

Director and Executive Officer

Satoshi Watanabe

Newly appointed



Satoshi Watanabe has worked for ITOCHU Corporation for many years, mainly in finance and management strategy, and possesses a wealth of business experience and broad expertise in management. Since joining the Company in 2023, he has served as Chief Compliance Officer and Chief Operating Officer of the Corporate Administration Division II, and currently holds the posts of Chief Financial Officer, Chief Compliance Officer and Chief Operating Officer of the Corporate Administration Division.

• Shares of the Company owned: 10,035

• Significant concurrent positions outside the Company: None

Director

Ichiro Saeki

Reappointed

Outside

Independent



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.

• Shares of the Company owned: 29,432

• 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

Reappointed

Outside

Independent



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 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: 2,498

• Significant concurrent positions outside the Company: Outside Director, Asanuma Corporation Director and Executive Officer, SHOWA NOTE CO., LTD.

Director

Chie Sato

Reappointed

Outside

Independent



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. She provides advice regarding the Company’s management and performs appropriate oversight of business execution.

• Shares of the Company owned: 620

• 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, HAPPINET CORPORATION

Director

Tetsuya Yamada

Newly appointed



Tetsuya Yamada has primarily been engaged in the energy-related development business at ITOCHU Corporation for many years, and is now serving as Chief Operating Officer of the Energy Division of ITOCHU Corporation. He has extensive business experience and a wide range of knowledge on global business operations.

• Shares of the Company owned: —

• Significant concurrent positions outside the Company: Executive Officer, Chief Operating Officer, Energy Division, ITOCHU Corporation Director, Sakhalin Oil and Gas Development Co., Ltd.

Director

Shozo Tokuda

Newly appointed

Outside

Independent



In addition to expertise as a certified public accountant and extensive experience in accounting audits, Shozo Tokuda has profound knowledge gained through his experience as an outside Audit & Supervisory Board Member of the Company and a large manufacturer, as well as partner of a major auditor firm, 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: —

• Significant concurrent positions outside the Company: None

Audit & Supervisory Board Members

Standing Audit & Supervisory Board Member

Ryohei Suda

Newly appointed



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 has global business experience and extensive knowledge related to business management that he has cultivated through his various roles, and was appointed as an Audit & Supervisory Board Member of the Company in June 2024 and provides advice to the Company’s management as well as proper auditing of the execution of the Company’s businesses.

• Shares of the Company owned: 620

• Significant concurrent positions outside the Company: Corporate Auditor, ENEARC Co., Ltd.

Standing Audit & Supervisory Board Member

Yasuhiro Imazawa

Newly appointed



Yasuhiro Imazawa has worked for ITOCHU Corporation for many years, mainly in finance, accounting, risk management, and audit areas. Since being appointed a Director of the Company, he has served as Chief Financial Officer and Chief Operating Officer of the Corporate Administration Division I. Possessing a wealth of business experience and broad expertise in management, he was appointed as a member of the Audit & Supervisory Board in June 2025 and provides advice to the Company’s management as well as proper auditing of the execution of the Company’s businesses.

• Shares of the Company owned: 23,328

• Significant concurrent positions outside the Company: None

Audit & Supervisory Board Member

Masako Iwamoto

Reappointed

Outside



Masako Iwamoto has specialized knowledge and extensive experience in corporate legal affairs as an attorney. She has also acquired deep insight during her tenure as an outside officer at Achilles Corporation and HOKUTO, Inc. Appointed as an Audit & Supervisory Board Member of the Company in June 2021, she 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: —

• Significant concurrent positions outside the Company: Representative Attorney, Iwamoto Law Office Outside Director, Member of Audit and Supervisory Committee, ACHILLES CORPORATION Outside Audit & Supervisory Board Member, HOKUTO, Inc.

Audit & Supervisory Board Member

Sonoko Kajiyama

Reappointed

Outside



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. Appointed as an Audit & Supervisory Board Member of the Company in June 2024, she provides advice regarding the Company’s management and appropriate oversight of business execution.

• Shares of the Company owned: —

• Significant concurrent positions outside the Company: Outside Audit & Supervisory Board Member, McDonald’s Holdings Company (Japan), Ltd. Audit & Supervisory Board Member, McDonald’s Company (Japan), Ltd. Outside Director (Audit and Supervisory Committee Member), Yokogawa Bridge Holdings Corp. Outside Director, Sony Financial Group Inc.

Skills Matrix of Directors and Audit & Supervisory Board

		Directors				Outside Directors				Audit & Supervisory Board Members		Outside Audit & Supervisory Board Members	
		Representative Director and President Nobuyuki Tabata	Director and Managing Officer Kunio Nishimura	Director and Executive Officer Satoshi Watanabe	Director Tetsuya Yamada	Director Ichiro Saeki	Director Takuya Morikawa	Director Chie Sato	Director Shozo Tokuda	Standing Audit & Supervisory Board Member Ryohei Suda	Standing Audit & Supervisory Board Member Yasuhiro Imazawa	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.
• The representative director of the Company (including former representative directors): 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

56 ENEX REPORT 2025

57

Message from New Outside Director



Directors
Shozo Tokuda

- Newly appointed
- Outside
- Independent

Career Biography	
Nov. 1981	Joined Asahi & Co. (currently KPMG AZSA LLC)
Aug. 1985	Registered as a Certified Public Accountant
Jul. 2002	Partner, Asahi & Co.
Apr. 2004	Head of Intellectual Property Management, KPMG AZSA & Co.
Jun. 2006	Head of Division 3, Tokyo Office, KPMG AZSA & Co. Board Member, KPMG AZSA & Co
Jul. 2009	Head of Knowledge Management, KPMG AZSA & Co.
Jun. 2010	Executive Board Member, KPMG AZSA & Co.
Jul. 2015	Senior Partner, KPMG AZSA LLC
Jun. 2017	Outside Corporate Auditor of Mitsui Chemicals, Inc.
Jun. 2017	Outside Audit & Supervisory Board Member of the Company
Jun. 2025	Outside Director of the Company (current)

A Strict but Warm Eye on Sustainable Growth Strategies

Recently, companies have been required to disclose information on sustainability, and the importance of such disclosures and the qualitative and quantitative requirements are expected to increase in the future.

About 20 years ago, when I was working at an auditing firm, I was assigned as the Head of Intellectual Property Management, and my mission at that time was to research the disclosure of non-financial information and assurance operations. I was also involved in the promotion of intellectual asset disclosure and assurance as a member of the Japanese Institute of Certified Public Accountants and the Industrial Structure Council established under the Ministry of Economy, Trade and Industry.

However, although the philosophy was correct, it did not gain widespread recognition because there was no social pressure to encourage it at the time. Since then, trends such as climate change, ESG, integrated reporting, and the SDGs have continued, and after 20 years of hard work, the disclosure of sustainability information in securities reports has become compulsory and third-party assurance has become institutionalized, and is finally about to blossom.

The basic concept of this trend is to appeal to various stakeholders by drawing up a company's sustainable growth strategy (story) through the integrated use of financial and non-financial information.

"Sustainable growth strategy" refers to the strategy to ensure long-term stable growth of the company and society while ensuring environmental, social, and economic sustainability.

I feel that our Corporate Philosophy of "The Best Partner for Life and Society" is an ideal philosophy to realize this concept.

Realizing this Corporate Philosophy as a growth strategy while not be easy under the environment surrounding the Group, but I believe that with our ability to execute, we will be able to achieve this goal.

I have served as an Outside Audit & Supervisory Board Member of the Company for eight years. Therefore, although I am not as fresh as a new outside director, I am confident that I understand the business model, the corporate culture, and its challenges.

For many years, I have also worked as a certified public accountant, primarily in auditing engagements with auditing firms. Through this I have developed the ability to make judgments based on independence and neutrality, professional skepticism, and a different perspective from the Company's due to my involvement in numerous listed companies.

I will continue to make the most of this knowledge and contribute to the promotion of the Group's sustainable growth strategy from an objective and fair standpoint, and I will continue to encourage the Group with a strict but warm eye.

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, Chief Financial Officer (CFO), and Chief Compliance Officer (CCO), 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 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.

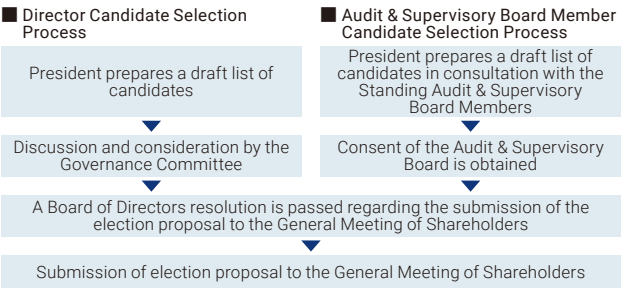
2. Policy and Procedures for Nomination of Audit & Supervisory Board Member Candidates

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 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.

3. Nomination of Director and Audit & Supervisory Board Member Candidates in FY2025

The management structure was significantly renewed in June 2025 with the appointment of all new directors except for the reappointment of the outside directors. In April 2023, we formulated our eight-year Medium-Term Business Plan "ENEX2030" which aims at increasing profits. In FY2024, we achieved net profit of ¥17.1 billion, and we believe we are on the path toward achieving our net profit target of ¥20 billion in FY2030. Therefore, we have elected candidates for the Board of Directors with the intention of rejuvenating the management team, including the new President, Nobuyuki Tabata, to revitalize the organization more than ever before and to achieve the goals of our Medium-Term Business Plan "ENEX2030".



Reasons for Appointment of Outside Officers

	Name	Reasons for Appointment
Outside Directors	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.). 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	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.
	Shozo Tokuda	In addition to expertise as a certified public accountant and his extensive experience in corporate accounting, Shozo Tokuda has profound knowledge gained through his experience as an outside Audit & Supervisory Board Member of the Company and a large manufacturer, as well as partner of a major auditor firm. 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 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.
	Name	Reasons for Appointment
Outside Audit & Supervisory Board Members	Masako Iwamoto	Masako Iwamoto has specialized knowledge and extensive experience in corporate legal affairs as an attorney. She has also acquired deep insight during her tenure as an outside officer at Achilles Corporation and HOKUTO, Inc.. 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.

Corporate Governance

Evaluation of the Performance and Effectiveness of the Board of Directors

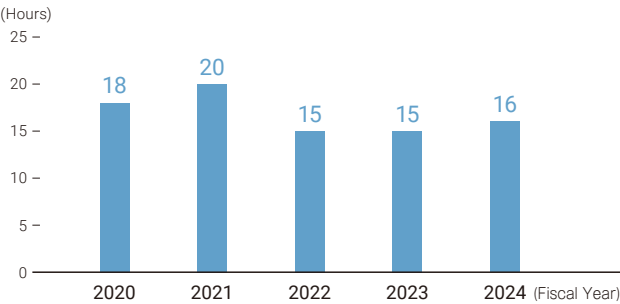
Status of Efforts by the Board of Directors

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.

In addition, 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.

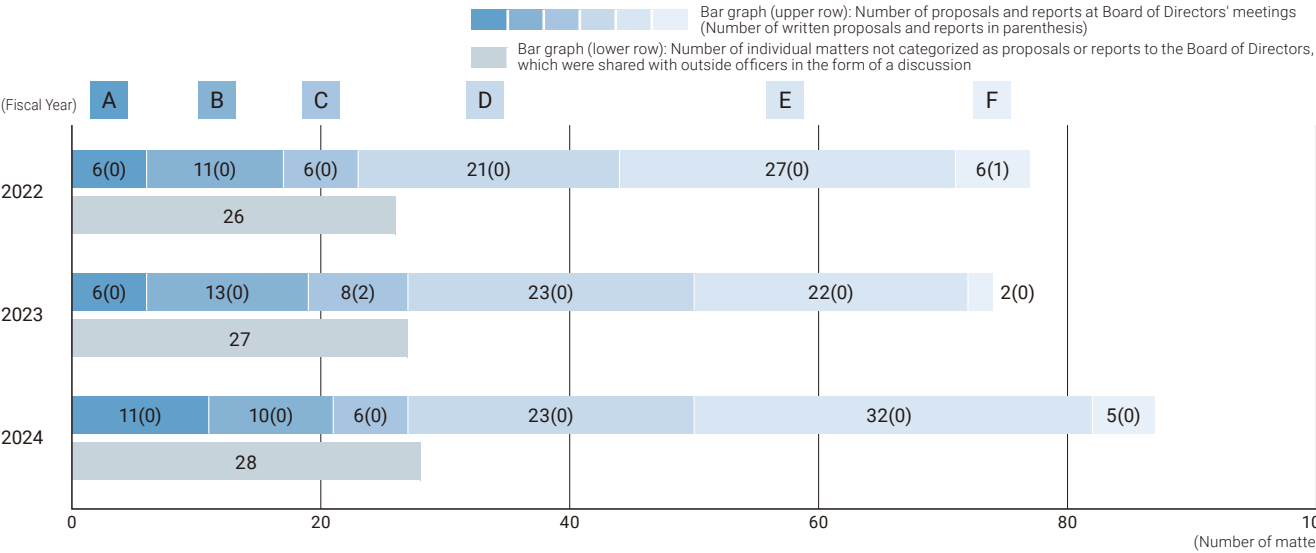
Deliberation Time



Main Proposals and Agenda Items

A	- Management policy and the Medium-Term Business Plan - Organizational structure - Cross shareholdings policy - Revision of personnel system - Sustainability initiatives reporting and policies	D	- Corporate governance report - Internal control - Internal audit report and plan - Corporate auditors' audit report and plan - Evaluation of the effectiveness of the Board of Directors - Risk Management Committee activity report - Compliance report
	- Approval of financial statements and business plans - Shareholder returns - Funds management and borrowing plans - Annual Securities Report and financial statements		E
	- New investment projects - Progress reports and initiatives policy on investment projects		F

Number of Proposals and Agenda Items, and Number of Matters Explained to Outside Officers



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 FY2024, 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
Evaluators	All members of the Board of Directors and Audit & Supervisory Board as of March 31, 2025
Outline of Implementation	Questions and free-form questionnaires (anonymous to ensure transparency) related to "Board of Directors' composition and operations (6 items)," "Board of Directors' discussions (4 items)," "Monitoring functions (5 items)," and "Other (7 items)" were implemented.
Evaluation Results	Each item 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	Improvement of the conduct to stimulate discussion, etc.

FY2024 Activities of other conferences and committees

Conferences/Committees	Members	Status of Activities
Audit & Supervisory Board Meetings: 14 (including 0 document-based meetings)	Four members in total; one Standing Member and three Non-Standing Members (three Outside Directors and three Outside Audit & Supervisory Board Members)	Performs audits to check the appropriateness of the execution of duties by the Directors in accordance with the regulations for the Audit & Supervisory Board and the standards for audits by the Audit & Supervisory Board Members, by attending Board of Directors meetings and other meetings about important issues, and through interviews with the Directors. In FY2024, audit activities were conducted with a focus on the following audit items: 'appropriateness of the Board of Directors' decision-making process and rationality of its decisions,' 'status of execution of directors' duties,' and 'system for introducing the next-generation core system and the response to the revised J-sox'.
Special Committee Meetings: 4 (including 0 document-based meetings)	Six independent officers in total (three Outside Directors and three Outside Audit & Supervisory Board members)	The Special Committee was set up as a voluntary advisory committee to the Board of Directors in order to strengthen and enhance the effectiveness of management oversight and the transparency of decision-making by the Board of Directors. In FY2024, all committee members attended the Committee's meetings and confirmed the status of transactions and actions with the controlling shareholder.
Governance Committee Meetings: 11 (including 0 document-based meetings)	Four members in total, comprising three independent officers (all are Outside Directors) and one Inside Director	As a voluntary advisory committee to the Board of Directors, the Governance Committee was set up to strengthen and enhance the effectiveness of management oversight and the transparency of decision-making by the Board of Directors. In FY2024, all committee members attended the Committee's meetings, where they discussed and deliberated on matters such as director nominations and remuneration, evaluation of director effectiveness.
Risk Management Committee Meetings: 4 (including 0 document-based meetings)	Six members in total, chaired by the CFO and consisting of the CCO and four general managers of function departments	As an advisory body to management, the Risk Management Committee aims to mitigate risks by conducting risk management through identifying and analyzing risks that could have a material impact on management, implementing countermeasures, preventing the occurrence and materialization of risks and promoting risk awareness, while continuing strengthening management. In FY2024, the committee considered and selected risks for disclosure in the Annual Securities Report, considered countermeasures for risks of managerial importance, and discussed and considered the status of BCP activities.
Internal Control Committee Meetings: 5 (including 1 document-based meeting)	Four members in total, chaired by the CFO and consisting of the CCO and two general managers of function departments	As an advisory body to management, the Internal Control Committee reviews the development and implementation status of the internal control system for each item in the Basic Policy, to ensure that the system is operating appropriately. The results of Committee discussions are reported to the Board of Directors, and a final assessment is made on the development and implementation status of the internal control system at a Board of Directors meeting.
Disclosure Committee Meetings: 21 (including 15 document-based meetings)	Three members in total, chaired by the CFO and consisting of two general managers of function departments	As an advisory body to the Board of Directors and the Management Advisory Conference on the disclosure of information, the Disclosure Committee exhaustively and promptly collects important corporate information across the Group, and examines and deliberates the necessity of disclosure, the accuracy, clarity, sufficiency, fairness, and positiveness of information. In FY2024, the Committee examined and deliberated disclosures related to financial statements, financial results briefing materials, the Annual Securities Report, and the convocation notice for the General Meeting of Shareholders.
Sustainability Committee Meetings: 3 (including 0 document-based meetings)	Four members in total, chaired by the officer in charge and consisting of three general managers of function departments	As an advisory body to management, the Sustainability Committee deliberates and monitors sustainability policy, issues, and measures from a long-term perspective, and implements and drives Group sustainability strategies. In FY2024, the committee discussed and reviewed the disclosure of sustainability-related information in the Annual Securities Report, climate change response, action plan review for key sustainability issues, ISO 14001 environmental management review, and environmental policy revision.

* Members are listed based on the FY2024 structure (after the General Meeting of Shareholders).
* In addition to Board meetings, the Audit & Supervisory Board Members attend Board of Directors meetings and other major meetings of the Management Advisory Conference and other advisory committees, and express their opinions as necessary.

Corporate Governance

Policy and Procedure for Determining Director Remuneration

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 respective 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	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	• 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.* * The comprehensive qualitative assessment is performed by the Representative Director and President, 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.).
Stock Remuneration	• 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 FY2024 was ¥17,102 million yen.

Policy, Etc. for Determining the Remuneration of Individuals

To flexibly determine the amount of remuneration for individuals, Nobuyuki Tabata, the Representative Director and President 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.

At the Board of Directors held on May 16, 2025, a detailed examination was conducted for each of the cross shareholdings held by the Company (total of six issues) 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 55.62% of our voting rights (as of March 31, 2025), 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 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, four outside directors have been designated as independent officers (as of June 18, 2025), 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.



Internal Control and Risk Management

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.

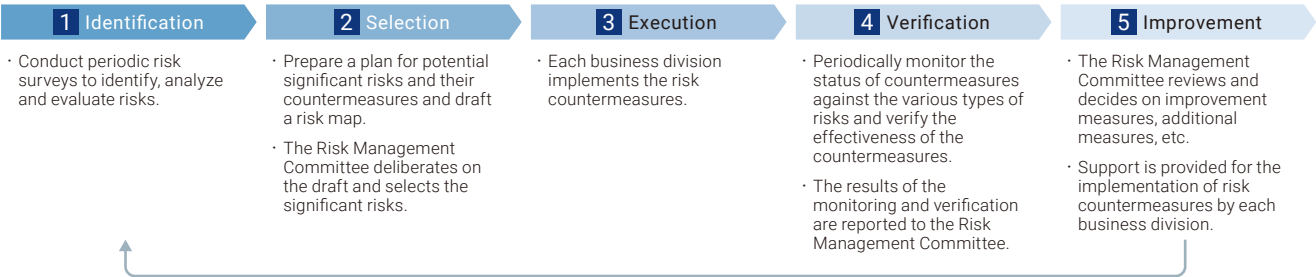
Basic Policy on Internal Control System
https://www.itcenex.com/en/corporate/governance/control/index.html



Risk Management

Strengthen Risk Management Systems and Management Processes

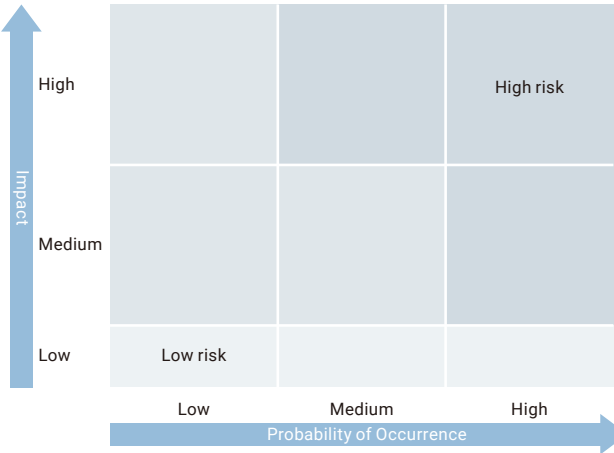
In order to respond to the various risks surrounding the Group, the Group manages risks comprehensively and individually by developing management systems and methods. In 2024, we established the Risk Management Section as an organization to oversee and manage risk in the Group. In addition, the Risk Management Committee has been established as an advisory body to management and conducts risk management by identifying and analyzing risks that could have a material impact on management, implementing countermeasures, preventing the occurrence and materialization of risks and promoting risk awareness, while continuing strengthening management.



Risk Response Status

Risk Map

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



Business and Other Risks	Impact	Probability of Occurrence
1. Risk due to a contracting business base	Medium	High
2. Risk due to fluctuations in commodity and raw material procurement prices	Medium	Medium
3. Risk from environmental regulations	Medium	Medium
4. Risk related to information security and information systems	Medium to large	Low to medium
5. Risk from natural disasters	Medium	Low
6. Risk from impairment of fixed assets	Medium	High
7. Risk in investments	High	Low to medium
8. Risk related to securing human resources	Medium	Medium
9. Risk related to compliance	Medium to large	Low to medium

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), 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 issued 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)

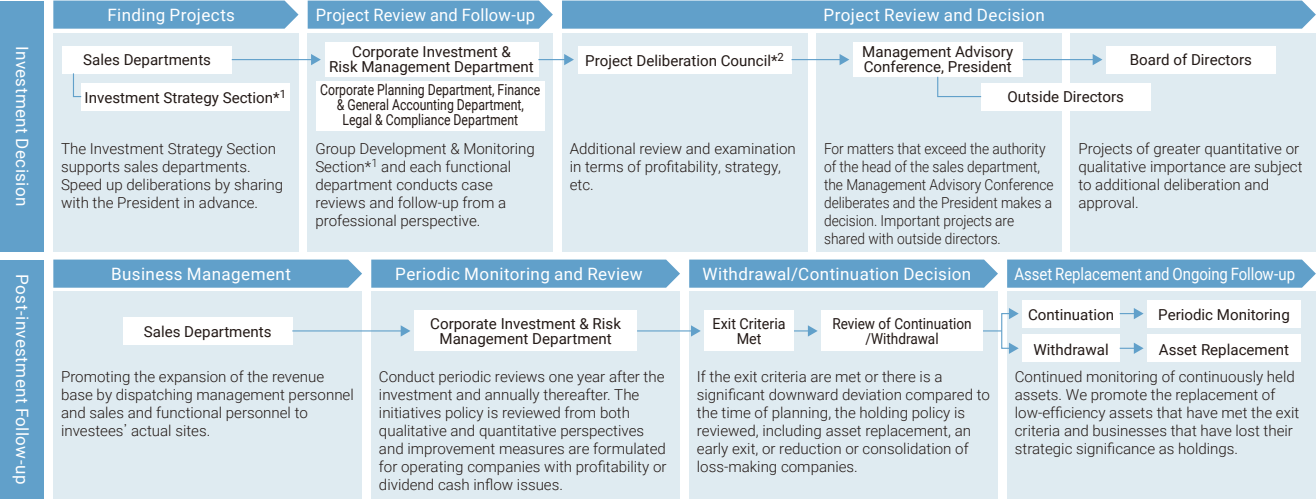
The Company has formulated a business continuity plan (BCP) as a precaution against possible major natural disasters. The “BCP and Disaster Response Headquarters”, which is the core organization of this plan, consists of the President (Director of the Disaster Response Headquarters), heads of departments, 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, 2025, a total of 600 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.

Evolution of the Framework for Making Investments

To achieve the targets in ENEX2030, we will build a new earnings base through the execution of new and strategic business investments and sophistication of investment management. When executing investments, projects are reviewed and decisions are made based on the “Investment Criteria,” and investments are also periodically reviewed by the

department in charge after the investment is made. In April 2024, we also established the Subsidiaries & Associated Companies Management Department as an organization to manage operating companies and investments, and we are working to strengthen the governance of investee companies through regular monitoring of operating companies.



*1 The Investment Strategy Section (formerly the Investment Strategy Department) and Group Development & Monitoring Section are both within the Subsidiaries & Associated Companies Management Department.

*2 Members of the Project Deliberation Council
Chair: Chief Operating Officer, Corporate Administration Division / Members: General Managers of the Subsidiaries & Associated Companies Management Department, Corporate Planning Department, Finance & General Accounting Department, Legal & Compliance Department

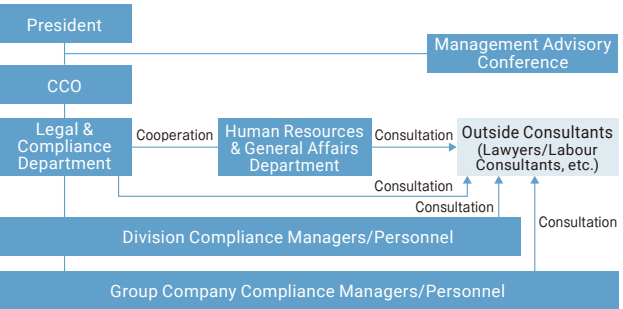
Compliance

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 contact points 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.

Number of whistleblower reports received

Fiscal Year	FY2022	FY2023	FY2024
Number of Reports	35	27	26

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 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. The video of the meeting is made available to shareholders only, but the video of our business report is published on our website.



	FY2022 Results	FY2023 Results	FY2024 Results
Dates	June 14, 2023	June 19, 2024	June 18, 2025
Attendance	34	24	22

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 to Individual Investors

Starting in FY2021, we have been holding online presentations to individual investors. The presentations cover a wide range of topics about the Group, from our business and performance trends to our capital policy. (Speaker: CFO)

	FY2022 Results	FY2023 Results	FY2024 Results
Meetings with Investors, etc.*	37	43	56
Financial Results Presentations for Institutional Investors, etc.	Held twice	Held twice	Held once
Small Meetings for Sell-side Investors	Not held	Not held	Held once
Presentations to Individual Investors	Held once	Held twice	Held once

* Attendees at meetings with investors: CFO, Investor Relations & Sustainability Office

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 2025.

As of August 27, 2025

Issue	Rating	Forecast
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 third consecutive year. (as of August 29, 2025)



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 3,975 listed Japanese companies. This assessment of IR sites is based on 168 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 six consecutive years since 2019.



Gomez IR Site Ranking 2024

Broad Band Security, Inc. provides GOMEZ IR Site Ranking for the corporate websites of 3,838 listed Japanese companies, based on 233 evaluation items under the categories of usability and proactiveness and foresight in disclosure, among others. We received a Silver Award in FY2024.

